

Senate Fiscal Agency  
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**SFA**



**BILL ANALYSIS**

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House Bills 5611 through 5615 (as passed by the House)  
House Bill 5661 (Substitute H-1 as passed by the House)  
House Bill 5662 through 5673 (as passed by the House)  
House Bills 5707 through 5722 (as passed by the House)  
House Bill 5742 (as passed by the House)

Sponsor: Representative Bruce Patterson (H.B. 5611-5615, 5661-5663, 5668, 5669, 5707-5712, & 5722)

Representative Wayne Kuipers (H.B. 5664, 5665, 5719-5721, & 5742)

Representative Larry Julian (H.B. 5666, 5667, 5713, & 5714)

Representative Gilda Z. Jacobs (H.B. 5670, 5671, 5715, & 5716)

Representative Alexander C. Lipsey (H.B. 5672, 5673, 5717, & 5718)

House Committee: House Oversight and Operations

Senate Committee: Government Operations

Date Completed: 5-2-02

## **CONTENT**

**Most of the bills would amend various statutes to delete references to the Auditor General. Several bills would repeal statutes, or sections of statutes, that contain references to the Auditor General.**

House Bills 5611 through 5615, 5661 (H-1), and 5662 would amend the following statutes to remove references to the Auditor General:

- Public Act 16 of 1895, which requires certain State officials to be bonded (House Bill 5611).
- Public Act 204 of 1958, which fixes the compensation and mileage of constitutional convention delegates (House Bill 5612).
- Public Act 62 of 1872, which pertains to compensation for officers and managers of impeachment trials (House Bill 5613).
- Public Act 6 of 1901, which pertains to the employment of clerks and assistants in the Governor's office (House Bill 5614).
- Chapter 12 of the Revised Statutes of 1846, which requires certain State officers to take the oath of office (House Bill 5615).
- Public Act 153 of 1897, which provides for the payment of expenses for litigation in which the State is involved (House Bill 5661 (H-1)). In addition, the bill would repeal Section 2 of the Act, which requires the Attorney General to complete a statement of expenses and submit it to the Auditor General.
- Public Act 375 of 1927, which pertains to the collection of past due amounts owed to the State (House Bill 5662).

House Bill 5663 would repeal Public Act 200 of 1879, which requires the Auditor General and the commissioner of the State land office to post a bond upon taking office. The bill also would repeal Public Act 1 of the 2nd Extra Session of 1948, which prescribes the compensation levels of certain State officers; and Section 3 of Public Act 111 of 1861, which pertains to the issuance of warrants by the Auditor General on State bank accounts.

House Bill 5664 would remove references to the Auditor General from Public Act 2 of 1921,

which created the State Administrative Board.

House Bill 5665 (H-1) would amend the uniform system of accounting Act, which requires the Auditor General to prescribe and install a system of accounting for State departments and counties, and requires periodic auditing. In addition to removing references to the Auditor General and replacing them with references to the State Treasurer, the bill would eliminate references to State departments and agencies (meaning that the Act would no longer apply to State departments and agencies), but retain requirements for county governments; would require a county to file an annual financial report within six months after the close of each fiscal year rather than within 30 days; and would delete a requirement that a copy of the annual compilation of these reports be furnished to each State department, institution, and office. Further, the bill would repeal Section 13 of the Act, which pertains to payment of the Auditor General's expenses for administering the Act.

House Bills 5667 through 5673 and 5707, 5708, and 5709 would amend the following statutes to delete references to the Auditor General:

- Public Act 59 of 1935, which created the Michigan State Police (House Bill 5666).
- The State Employees' Retirement Act (House Bill 5667).
- Public Act 246 of 1931, which pertains to the construction and maintenance of pavements and sidewalks along public roads (House Bill 5668).
- Chapter 14 of the Revised Statutes of 1846, which pertains to county officers (House Bill 5669).
- The Home Rule Village Act (House Bill 5670).
- The Fourth Class City Act (House Bill 5671).
- Public Act 123 of 1949, which provides for the disconnection of land from cities and villages (House Bill 5672).
- Public Act 190 of 1879, which provides for filling vacancies in certain public offices (House Bill 5673).
- The Michigan Estate Tax Act (House Bill 5707).
- Public Act 226 of 1889, which pertains to the collection of taxes from corporations, partnerships, and other parties or persons (House Bill 5708).
- Public Act 292 of 1931, which pertains to the payment of certain drain taxes and highway assessments (House Bill 5709).

House Bill 5710 would amend Public Act 133 of 1933, which allows for the acceptance of specified bonds and coupons in payment of certain taxes and special assessments. In addition to removing references to the Auditor General, the bill would delete a provision that requires a county treasurer or other tax collecting officer to accept bonds and coupons issued by the Home Owners Loan Corporation in full or partial payment of taxes and special assessments.

House Bill 5711, 5712, and 5713 would delete references to the Auditor General from, respectively, Public Act 59 of 1915, which provides for the construction and maintenance of highways and the levy of taxes and special assessments for those purposes; the Aeronautics Code; and the Drain Code.

House Bill 5714 (H-1) would repeal Public Act 294 of 1915, which provides for the creation of the Agricultural Fair Commission (which no longer exists); requires it to receive and distribute money appropriated to it for the payment of premiums awarded at annual agricultural fairs; and requires the Auditor General to issue warrants for the payments.

House Bills 5715 through 5719 would amend the following statutes to remove references to the Auditor General:

- Chapter 12 of the Revised Statutes of 1846, which allows the Auditor General and other State officers to request the assistance of the Attorney General (House Bill 5715).
- Public Act 230 of 1941, which allows the Auditor General to sell or lease certain real estate granted or given to the State (House Bill 5716).
- Public Act 197 of 1883, which provides for the disposition of certain lands granted to the State for railroad purposes by acts of Congress (House Bill 5717).
- The Natural Resources and Environmental Protection Act (House Bill 5718).
- Public Act 16 of the 1st Extra Session of 1942, which pertains to the receipt of grants from the Federal government for public schools (House Bill 5719).

House Bill 5220 (H-1) would repeal Sections 10, 12, 14, and 16 of Public Act 116 of 1893, which provides for the maintenance and management of the Michigan School for the Deaf. Section 10 requires certain inventory records to be kept by the school's board, and filed with the Auditor General. Section 12 authorizes the board to draw money from the State General Fund "as shall be made to appear to the Auditor General to be necessary...". Section 14 pertains to the payment of board members' expenses by the Auditor General. Section 16 allows the board to grant to poor students up to \$60 per year for clothing and other necessities, as issued by the Auditor General.

House Bill 5721 (H-1) would repeal Sections 9 and 10 of Public Act 123 of 1893, which provides for the maintenance and supervision of the Michigan School for the Blind. Section 9 requires the Secretary of State to compile a list of all blind children in the State; requires parents, under certain circumstances, to send their blind children to the school; and requires the Auditor General to make payments for certain transportation expenses. Section 10 allows the school's board to grant to poor students up to \$50 per year for clothing and other necessities, as issued by the Auditor General.

House Bills 5722 and 5742 would delete references to the Auditor General from, respectively, the General Property Tax Act and Public Act 302 of 1921, which provides for the supervision of private, denominational, or parochial schools.

- MCL 15.51 (H.B. 5611)
- 2.53 (H.B. 5612)
- 6.15 (H.B. 5613)
- 10.11 (H.B. 5614)
- 15.36 (H.B. 5615)
- 14.111 & 14.112 (H.B. 5661)
- 14.133 (H.B. 5662)
- 15.41 (H.B. 5663)
- 17.1 (H.B. 5664)
- 21.41 et al. (H.B. 5665)
- 28.12a (H.B. 5666)
- 38.9 (H.B. 5667)
- 41.280 (H.B. 5668)
- 51.82 (H.B. 5669)
- 78.9 (H.B. 5670)
- 102.4 (H.B. 5671)
- 123.34 (H.B. 5672)
- 201.91 (H.B. 5673)
- 205.201a et al. (H.B. 5707)
- 207.441 et al. (H.B. 5708)
- 211.393 (H.B. 5709)
- 211.403a et al. (H.B. 5710)
- 247.434 et al. (H.B. 5711)

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259.35 (H.B. 5712)  
280.271 & 280.323 (H.B. 5713)  
285.122-285.128 (H.B. 5714)  
124.29 & 14.32 (H.B. 5715)  
322.1 et al. (H.B. 5716)  
322.460 (H.B. 5717)  
324.33934 et al. (H.B. 5718)  
388.803 (H.B. 5719)  
393.60 et al. (H.B. 5720)  
393.109 & 393.110 (H.B. 5721)  
211.35 et al. (H.B. 5722)  
388.551 (H.B. 5742)

### **FISCAL IMPACT**

All of the bills, except House Bill 5661 (H-1), would have no fiscal impact on State or local government.

House Bill 5661 (H-1) would not have an impact on the State budget as a whole; however, it would have an impact on the Department of Attorney General's budget. Currently, client departments and State agencies pay litigation related costs. According to the Department of Attorney General, litigation-related expenses paid by client agencies annually total approximately \$5 million.

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