

# HOUSE BILL No. 6255

June 9, 2010, Introduced by Reps. Johnson, Melton and Womack and referred to the Committee on Government Operations.

A bill to amend 1990 PA 72, entitled "Local government fiscal responsibility act," by amending section 20 (MCL 141.1220).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 20. (1) ~~In consultation with the local government, the~~  
2 ~~emergency financial manager shall develop, and may from time to~~  
3 ~~time amend, a written financial plan for the local government.~~

4       **WITHIN 180 DAYS AFTER BEING APPOINTED, THE EMERGENCY FINANCIAL**  
5 **MANAGER, IN CONSULTATION WITH THE LOCAL GOVERNMENT, SHALL DEVELOP**  
6 **AND HAVE APPROVED BY THE LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN**  
7 **BOARD A WRITTEN FINANCIAL PLAN FOR THE LOCAL GOVERNMENT. IF AN**  
8 **EMERGENCY FINANCIAL MANAGER IS SERVING ON THE EFFECTIVE DATE OF THE**  
9 **AMENDATORY ACT THAT ADDED THIS SENTENCE, WITHIN 180 DAYS AFTER THE**  
10 **EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SENTENCE, THE**  
11 **EMERGENCY FINANCIAL MANAGER, IN CONSULTATION WITH THE LOCAL**

1 GOVERNMENT, SHALL DEVELOP AND HAVE APPROVED BY THE LOCAL EMERGENCY  
2 FINANCIAL ASSISTANCE LOAN BOARD A WRITTEN FINANCIAL PLAN FOR THE  
3 LOCAL GOVERNMENT. THE EMERGENCY FINANCIAL MANAGER, IN CONSULTATION  
4 WITH THE LOCAL GOVERNMENT, MAY FROM TIME TO TIME AMEND THE WRITTEN  
5 FINANCIAL PLAN FOR THE LOCAL GOVERNMENT. The financial plan shall  
6 provide for both of the following:

7 (a) Conducting the operations of the local government within  
8 the resources available according to the emergency financial  
9 manager's revenue estimate.

10 (b) The payment in full of the scheduled debt service  
11 requirements on all bonds and notes of the local government and all  
12 other uncontested legal obligations.

13 (2) After the initial development of a financial plan, the  
14 plan shall be regularly reexamined by the emergency financial  
15 manager in consultation with the local government, and if the  
16 emergency financial manager reduces his or her revenue estimates,  
17 the emergency financial manager shall modify the financial plan to  
18 conform to revised revenue estimates.

19 (3) The financial plan shall be in a form and shall contain  
20 that information for each year during which year the financial plan  
21 is in effect that the local emergency financial manager specifies.

22 (4) The emergency financial manager shall make public the plan  
23 or modified plan. This subsection ~~shall not be construed to~~ **DOES**  
24 **NOT** mean that the emergency financial manager must receive public  
25 approval before he or she implements the financial plan or any  
26 modification of the plan.