

HOUSE BILL No. 5739

June 14, 2012, Introduced by Reps. Stallworth, Tlaib, Durhal, Howze, Talabi, Dillon, Hobbs, Liss, Rutledge, Greimel, Townsend and Segal and referred to the Committee on Government Operations.

A bill to expand and clarify the consent agreement process for local governments; to prescribe the powers and duties of the governor, other state departments, officials, and employees, and officials and employees of local governments, including school districts; and to provide certain conditions for the negotiation of a new consent agreement.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "consent agreement process act".

3 Sec. 3. As used in this act:

4 (a) "Chief administrative officer" means that term as defined
5 in section 5 of the local government and school district fiscal
6 accountability act, MCL 141.1505.

7 (b) "Local government" means a municipal government or school

1 district.

2 (c) "Local government and school district fiscal
3 accountability act" means the local government and school district
4 fiscal accountability act, 2011 PA 4, MCL 141.1501 to 141.1531.

5 (d) "Municipal government" means that term as defined in
6 section 5 of the local government and school district fiscal
7 accountability act, MCL 141.1505.

8 (e) "Review team" means a review team appointed under section
9 12 of the local government and school district fiscal
10 accountability act, MCL 141.1512.

11 (f) "School district" means that term as defined in section 5
12 of the local government and school district fiscal accountability
13 act, MCL 141.1505.

14 Sec. 5. (1) In addition to the consent agreement requirements
15 provided under sections 13 and 14a of the local government and
16 school district fiscal accountability act, MCL 141.1513 and
17 141.1514a, a consent agreement entered into by a local government
18 under the local government and school district fiscal
19 accountability act shall include all of the following:

20 (a) A statement clearly defining in measurable terms the
21 reasons the local government is in a condition of severe financial
22 stress.

23 (b) A preliminary plan of specific actions necessary to
24 correct the severe financial stress in the local government.

25 (c) Specific actions to be taken to correct the severe
26 financial stress in the local government and the target dates by
27 which those actions shall occur. The specific actions to be taken

1 shall include, but are not limited to, all of the following:

2 (i) Defining core services for the local government.

3 (ii) Establishing a measurable commitment to acceptable service
4 levels and establishing how and when the acceptable service levels
5 will be met.

6 (iii) A commitment to local contracting to reinforce the local
7 government's economy.

8 (iv) Defining specific state legislative support and financial
9 support to remediate issues.

10 (d) The specific date the consent agreement expires.

11 (2) If a specific action required under this section to
12 correct the severe financial stress in the local government is not
13 accomplished by the target date set for that action, the chief
14 administrative officer of the local government and the review team
15 shall conduct a public meeting to discuss with the residents of the
16 local government all of the following:

17 (a) Why the specific action required to correct the severe
18 financial stress was not met.

19 (b) A proposed corrective action plan.

20 (c) Target date for completion of the corrective action plan.

21 (3) The chief administrative officer of the local government
22 and the review team shall conduct additional public meetings in
23 addition to the public meeting required under subsection (2) if the
24 target date for the completion of the corrective action plan is not
25 met. If the completion of the corrective action plan is not met
26 after a third public meeting with the residents of the local
27 government, the chief administrative officer of the local

1 government and the review team shall negotiate a new consent
2 agreement.

3 Enacting section 1. This act does not take effect unless
4 Senate Bill No.____ or House Bill No.____ (request no. 06080'12 a)
5 of the 96th Legislature is enacted into law.