

HOUSE BILL No. 4097

January 18, 2011, Introduced by Rep. McMillin and referred to the Committee on Local, Intergovernmental, and Regional Affairs.

A bill to amend 1909 PA 279, entitled
"The home rule city act,"
by amending section 5e (MCL 117.5e).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5e. A municipal water or sewage system established by a
2 city incorporated under this act which serves more than 40% of the
3 population of the state shall:

4 (a) Be audited annually by an independent auditor designated
5 by the legislative auditor general. ~~No~~**A** charter provision shall
6 **NOT** require an annual local audit for the same period. The auditor
7 shall be paid by the system. The results of the annual audit shall
8 be made available to the public in compliance with ~~Act No. 442 of~~
9 ~~the Public Acts of 1976, being sections 15.231 to 15.246 of the~~

1 ~~Michigan Compiled Laws~~ **THE FREEDOM OF INFORMATION ACT, 1976 PA 442,**
2 **MCL 15.231 TO 15.246.** The annual audit shall be submitted to the
3 governing body of each city, village, or township served by the
4 system and to the legislature before December 1 of each year. Each
5 city, village, or township served by the system shall be audited
6 annually by an independent auditor. The auditor shall be paid by
7 that city, village, or township served by the system. The results
8 shall be made available to the public.

9 (b) Hold at least 1 public hearing at least 120 days before a
10 proposed rate increase is scheduled to take effect. Each hearing
11 shall be conducted in compliance with ~~Act No. 267 of the Public~~
12 ~~Acts of 1976, being sections 15.261 to 15.275 of the Michigan~~
13 ~~Compiled Laws~~ **THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO**
14 **15.275.** Notice of the time, date, and place of each hearing shall
15 be given in the manner required by ~~Act No. 267 of the Public Acts~~
16 ~~of 1976~~ **THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275,**
17 shall be prominently printed in a daily newspaper of general
18 circulation within the area, and shall be mailed to each city,
19 village, or township served by the system not less than 30 days
20 before each hearing. A final vote by the governing body of the city
21 to implement a proposed rate increase shall not be taken until the
22 hearings provided for in this subdivision are concluded and the
23 results of those hearings are considered by the city's governing
24 body. This section shall not be construed to impair the obligations
25 of a contract. A city shall not be required to hold a public
26 hearing before the establishment of a water or sewer rate which is
27 necessary for debt retirement under outstanding bond obligations.

1 (C) POST ON ITS WEBSITE ALL CONTRACTS AND EXPENDITURES THAT
2 EXCEED \$25,000.00 MADE BY THE SYSTEM.