SENATE BILL NO. 259

April 11, 2019, Introduced by Senator ALEXANDER and referred to the Committee on Appropriations.

A bill to amend 2012 PA 436, entitled "Local financial stability and choice act," by amending section 32 (MCL 141.1572).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 32. (1) Except as otherwise provided in subsection (2), this act does not impose any liability or responsibility in law or equity upon this state, any department, agency, or other entity of this state, or any officer or employee of this state, or any member of a receivership transition advisory board, for any
action taken by any local government under this act, for any violation of the provisions of this act by any local government, or for any failure to comply with the provisions of this act by any local government. A cause of action against this state or any department, agency, or entity of this state, or any officer or employee of this state acting in his or her official capacity, or any membership of a receivership transition advisory board acting in his or her official capacity, may not be maintained for any activity authorized by this act, or for the act of a local government filing under chapter 9, including any proceeding following a local government's filing.

(2) If a local government is placed in receivership with an appointed emergency manager for 18 months or more and that local government incurs any additional debt or liability, excluding interest on existing debt or liabilities, that is over the amount of the debt or liabilities that existed for that local government on the date the local government was placed in receivership, this state shall reimburse that local government for the amount of the additional debt or liability incurred by an appropriation as provided by law.