

**STATE DISBURSEMENTS TO LOCAL UNITS OF GOVERNMENT (EXCERPT)**  
**Act 101 of 1979**

**21.237 Joint rules; establishment; purpose; review of records; requesting audit.**

Sec. 7.

(1) The legislature shall establish joint rules to provide for a method of identifying whether or not legislation proposes a state requirement as described in this act.

(2) The legislature shall establish joint rules to provide for a method of estimating the amount of a necessary cost required to provide disbursements to a local unit of government for legislation identified to propose a state requirement as described in this act.

(3) The estimate required by this section shall include the total amount estimated to make disbursements to all local units of government for the necessary costs required to administer or implement a state requirement during the first 3 fiscal years of the legislation's operation.

(4) The legislature may review any records pertaining to a claim or request an audit to be performed by the auditor general to verify the actual amount of the necessary cost of a state requirement.

**History:** 1979, Act 101, Imd. Eff. Aug. 3, 1979