SENATE BILL No. 1524

December 4, 2002, Introduced by Senator EMMONS and referred to the Committee on Government Operations.

A bill to provide for the audit and examination of this state and state funds; to provide for the audit and examination of the books and accounts of all branches, departments, offices, boards, commissions, agencies, authorities, and institutions of this state, and other entities and individuals receiving state funds or funds under state control; to prescribe powers and duties of certain state officers and employees, and other entities and individuals receiving state funds or funds under state control; to provide for access to certain records; to provide for the subpoena of witnesses and production of documents and records; and to provide for the administration of this act.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 1. (1) The auditor general shall conduct audits and
examinations of all branches, departments, offices, boards,

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- 1 commissions, agencies, authorities, and institutions of this
- 2 state.
- 3 (2) In connection with the audits and examinations described
- 4 in this act, the auditor general may examine, or cause to be
- 5 examined, the books, accounts, documents, records, activities,
- 6 and affairs of each branch, department, office, board, commis-
- 7 sion, agency, authority, and institution of this state, and other
- 8 entities and individuals receiving state funds or funds under
- 9 state control.
- 10 (3) Upon demand of the auditor general, deputy auditor gen-
- 11 eral, or any person appointed by the auditor general to make the
- 12 audits and examinations provided in this act, the officers and
- 13 employees of all branches, departments, offices, boards, commis-
- 14 sions, agencies, authorities, and institutions of this state, and
- 15 other entities and individuals receiving state funds or funds
- 16 under state control, shall produce for examination all books,
- 17 accounts, documents, and records of their respective activities
- 18 and affairs and to truthfully answer all questions relating to
- 19 their books, accounts, documents, and records of their respective
- 20 activities and affairs.
- 21 (4) The auditor general, deputy auditor general, or any
- 22 person appointed by the auditor general has unrestricted access
- 23 to all personnel, records, and information that they consider
- 24 necessary for the completion of an audit or examination.
- 25 Disclosing information to the auditor general, deputy auditor
- 26 general, or any person appointed by the auditor general under
- 27 this subsection does not abrogate or waive any privilege or

- 1 confidentiality that may otherwise be legitimately asserted to
- 2 shield records from public access, including, but not limited to,
- 3 the attorney-client privilege.
- 4 (5) In connection with audits and examinations described in
- 5 this act, the auditor general, deputy auditor general, or any
- 6 person appointed to make audits and examinations may issue sub-
- 7 poenas, direct the service of the subpoena by any police officer,
- 8 and compel the attendance and testimony of witnesses; may admin-
- 9 ister oaths and examine any person as may be necessary; and may
- 10 compel the production of books, accounts, papers, documents, and
- 11 records. The orders and subpoenas issued by the auditor general,
- 12 deputy auditor general, or any person appointed with the duty of
- 13 making the examinations provided in this subsection may be
- 14 enforced upon application to any circuit court as provided by
- 15 law.
- 16 (6) The auditor general may employ and compensate auditors,
- 17 examiners, and assistants as he or she considers necessary. In
- 18 addition, the auditors, examiners, and assistants shall be paid
- 19 their necessary traveling expenses while engaging in the duties
- 20 provided under this act. Compensation and expenses shall be paid
- 21 out of the funds appropriated for that purpose. The auditor gen-
- 22 eral and the deputy auditor general shall receive their actual
- 23 traveling expenses incurred while engaging in the duties provided
- 24 under this act, which shall be paid out of the funds appropriated
- 25 for that purpose.

- 1 (7) As used in this act, "auditor general" means the
- 2 individual appointed auditor general under section 53 of article
- 3 IV of the state constitution of 1963.