

# HOUSE BILL NO. 5832

February 23, 2022, Introduced by Reps. Weiss, Brenda Carter, Sabo, Clemente, Coleman, Haadsma, Hope, Breen, Stone, Neeley, Brabec, Sowerby, Garza, Liberati, O'Neal, Pohutsky, Steckloff, Cavanagh, Rabhi, Cherry, Steenland, Tyrone Carter, Manoogian, Cynthia Johnson, Bolden, Kuppa, Rogers, Ellison, Peterson, Aiyash, Scott, Thanedar, Koleszar, Young, Shannon, Hood, Tate, Morse, Hertel, Brixie, Jones and Whitsett and referred to the Committee on Appropriations.

A bill to create the school and local government financing commission and prescribe its powers and duties; to provide for the powers and duties of certain state and local governmental officers and entities; and to repeal acts and parts of acts.

## **THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 1. This act may be cited as the "school and local  
2 government financing commission act".

3           Sec. 3. As used in this act:

4           (a) "Commission" means the school and local government  
5 financing commission established in this act.

1 (b) "Local government" means a county, city, village, or  
2 township.

3 Sec. 5. (1) The school and local government financing  
4 commission is created in the department of treasury.

5 (2) The governor shall appoint the members of the commission.  
6 The commission must consist of 11 members who have expertise in  
7 state and local finance.

8 (3) The governor shall appoint the first members of the  
9 commission within 60 days after the effective date of this act.

10 (4) The governor shall appoint each of the first members to 3-  
11 year terms. After the first appointments, the term of a member of  
12 the commission is 3 years or until a successor is appointed under  
13 subsection (2), whichever is later.

14 (5) If a vacancy occurs on the commission, the governor shall  
15 appoint an individual to fill the vacancy for the balance of the  
16 term.

17 (6) The governor may remove a member of the commission for  
18 incompetence, dereliction of duty, malfeasance or nonfeasance in  
19 office, or any other good cause.

20 (7) The governor shall call the first meeting of the  
21 commission. At the first meeting, the commission shall elect a  
22 member as a chairperson and may elect other officers that it  
23 considers necessary or appropriate. The commission shall meet at  
24 least quarterly, or more frequently at the call of the chairperson  
25 or at the request of 6 or more members.

26 (8) A majority of the members of the commission constitutes a  
27 quorum for transacting business. Agreement of a majority of the  
28 members of the commission serving is required for any action of the  
29 commission.

1           (9) The commission shall conduct its business in compliance  
2 with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

3           (10) A writing that is prepared, owned, used, possessed, or  
4 retained by the commission in performing an official function is  
5 subject to the freedom of information act, 1976 PA 442, MCL 15.231  
6 to 15.246.

7           (11) A member of the commission is not entitled to  
8 compensation for service on the commission, but the commission may  
9 reimburse a member for actual and necessary expenses incurred in  
10 serving.

11           (12) The commission shall review and investigate all of the  
12 following:

13           (a) The funding for local governments, including the formula  
14 for revenue sharing, local tax limitations in the constitution,  
15 including, but not limited to, section 29 of article IX of the  
16 state constitution of 1963 and other statutes or constitutional  
17 provisions of this state, and increasing cost burdens of local  
18 governments with a focus on if the funding for local governments is  
19 adequate, equitable, and stable.

20           (b) The funding for school districts and intermediate school  
21 districts in this state, including, but not limited to, the  
22 approval of Proposal A of 1994, related legislation, and other  
23 statutes or constitutional provisions of this state that have  
24 impacted school districts and intermediate school districts.

25           (c) The increasing costs of school districts and intermediate  
26 school districts with a focus on if the funding for the school  
27 districts and intermediate school districts in this state is  
28 adequate, equitable, and stable.

29           (13) Not later than 2 years after the effective date of this

1 act, the commission shall make specific determinations of the items  
2 described in subsection (12) and report those determinations to  
3 each house of the legislature, the governor, the senate fiscal  
4 agency, the house fiscal agency, and the public.

5 (14) The governor may direct that state agencies subject to  
6 the supervision of the governor under section 8 of article V of the  
7 state constitution of 1963 provide information to the commission to  
8 assist the commission in fulfilling its duties under this section.  
9 Upon request of the commission, the commission must be given access  
10 to all information, records, and documents in the possession of a  
11 state agency that the commission considers necessary to fulfill its  
12 duties under this section. The commission may hold hearings and may  
13 request that any person appear before the commission, or at a  
14 hearing, and give testimony or produce documentary or other  
15 evidence that the commission considers relevant to its duties under  
16 this section.

17 (15) This act is repealed effective 3 years after the  
18 effective date of this act.