

SENATE BILL NO. 639

October 30, 2025, Introduced by Senator ALBERT and referred to Committee on Government Operations.

A bill to amend 1921 PA 2, entitled

"An act to promote the efficiency of the government of the state, to create a state administrative board, to define the powers and duties thereof, to provide for the transfer to said board of powers and duties now vested by law in other boards, commissions, departments and officers of the state, and for the abolishing of certain of the boards, commissions, departments and offices, whose powers and duties are hereby transferred,"

by amending sections 2b and 3 (MCL 17.2b and 17.3), section 2b as added by 2006 PA 474 and section 3 as amended by 2021 PA 143.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2b. (1) The state administrative board ~~shall~~ also have

1 **has** the powers granted and **shall** perform the duties imposed under
 2 section ~~88i of the Michigan strategic fund act, 1984 PA 270, MCL~~
 3 ~~125.2088i.19~~ **of the economic development fair competition and free**
 4 **enterprise act.**

5 (2) The state administrative board shall employ the chief
 6 compliance officer described in section ~~88i of the Michigan~~
 7 ~~strategic fund act, 1984 PA 270, MCL 125.2088i,~~ **19 of the economic**
 8 **development fair competition and free enterprise act,** as authorized
 9 by section 2.

10 (3) The state administrative board shall review all reports
 11 described in section ~~88i of the Michigan strategic fund act, 1984~~
 12 ~~PA 270, MCL 125.2088i,~~ **19 of the economic development fair**
 13 **competition and free enterprise act** submitted to the state
 14 administrative board by the chief compliance officer under section
 15 ~~88i of the Michigan strategic fund act, 1984 PA 270, MCL~~
 16 ~~125.2088i.19~~ **of the economic development fair competition and free**
 17 **enterprise act.**

18 (4) The state administrative board also ~~shall have~~ **has** the
 19 powers granted and **shall** perform the duties described under section
 20 8 of the Michigan tobacco settlement finance authority act, 2005 PA
 21 226, MCL 129.268.

22 Sec. 3. (1) The state administrative board shall exercise
 23 general supervisory control over the functions and activities of
 24 all administrative departments, boards, commissioners, and officers
 25 of ~~the~~ **this** state, and of all state institutions.

26 (2) Except as provided in subsection (5), the state
 27 administrative board shall not ~~have power to transfer any-an~~
 28 ~~appropriation to the general fund at any time or use the same-an~~
 29 **appropriation** for ~~any-a~~ purpose other than that designated by the

1 legislature.

2 (3) The state administrative board shall not ~~have power to~~
 3 allow to ~~any a~~ state department, board, commission, officer, or
 4 institution ~~any funds, money that is~~ not appropriated ~~therefor for~~
 5 **the state department, board, commission, officer, or institution** by
 6 the legislature, from any source. ~~whatever, except as provided in~~
 7 ~~the emergency appropriation act of 1931.~~

8 (4) Except as provided in subsection (5), the state
 9 administrative board shall not ~~have the power to transfer to any a~~
 10 state department, board, commission, officer, or institution ~~any~~
 11 ~~sum money~~ from ~~the an~~ amount appropriated by the legislature for
 12 ~~any other another~~ purpose.

13 (5) ~~Subject to subsection (6), the~~ **The** state administrative
 14 board may inter-transfer ~~funds money~~ within the appropriation for a
 15 particular department, board, commission, officer, or institution.
 16 If the inter-transfer of funds could otherwise be accomplished
 17 through the transfer process under section 393 of the management
 18 and budget act, 1984 PA 431, MCL 18.1393, the state administrative
 19 board may carry out the inter-transfer only if both of the
 20 following requirements have been met:

21 (a) The state budget director has first requested ~~the approval~~
 22 ~~of from~~ or ~~given notice to,~~ **notified**, as applicable, the senate and
 23 house of representatives appropriations committees regarding the
 24 inter-transfer of funds under section 393 of the management and
 25 budget act, 1984 PA 431, MCL 18.1393.

26 (b) The request to inter-transfer funds made under subdivision
 27 (a) has not been approved by both appropriations committees by
 28 ~~whichever of the following dates is the earliest~~ **of the following**
 29 **dates:**

1 (i) Six session days after the request was made.

2 (ii) Thirty calendar days after the first session day after the
3 request was made.

4 ~~(6) The state administrative board may not transfer or inter-~~
5 ~~transfer any funds that are appropriated to or deposited in the~~
6 ~~strategic outreach and attraction reserve fund created in section 4~~
7 ~~of the Michigan trust fund act, 2000 PA 489, MCL 12.254, or that~~
8 ~~are appropriated or transferred for the critical industry program~~
9 ~~created in section 88s of the Michigan strategic fund act, 1984 PA~~
10 ~~270, MCL 125.2088s, or the Michigan strategic site readiness~~
11 ~~program created in section 88t of the Michigan strategic fund act,~~
12 ~~1984 PA 270, MCL 125.2088t.~~

13 (6) ~~(7)~~ The state administrative board may in its discretion
14 ~~intervene~~ **do any of the following:**

15 (a) **Intervene** in any matter ~~touching~~ **related to** the **state**
16 **administrative board's** functions and activities under this section.
17 ~~and may, by~~

18 (b) **By** resolution or order, advise or direct the department,
19 board, commission, officer, or institution concerned as to the
20 manner in which ~~the~~ **a** function or other activity ~~shall~~ **must** be
21 performed. ~~, and may order~~

22 (c) **Order** an interchange or transfer of employees between
23 departments, boards, commissions, and state institutions ~~when~~ **if**
24 necessary. ~~It is hereby made the duty of each and every~~

25 (7) **An** official ~~and or~~ employee connected with ~~any~~ **an**
26 administrative department, office, or institution of ~~the~~ **this** state
27 ~~to~~ **shall** follow ~~the~~ **a** direction or order ~~so given ; and to~~ **by the**
28 **state administrative board under subsection (6).** In carrying out
29 **the purposes and intent of this act, the official or employee shall**

1 perform ~~such~~ **any** services ~~in the carrying out of the purposes and~~
2 ~~intent of this act as may be required~~ by the board. Failure ~~so to~~
3 ~~do shall be deemed to constitute~~ **to comply with this subsection is**
4 malfeasance in office and ~~shall be~~ **is** sufficient cause for removal.

5 (8) As used in this section, "session day" means a day on
6 which both the senate and the house of representatives convene in
7 session.

8 Enacting section 1. This amendatory act does not take effect
9 unless Senate Bill No. 631 of the 103rd Legislature is enacted into
10 law.