

EXECUTIVE REORGANIZATION ORDER

E.R.O. No. 2006-5

17.241 Transfer of duties and responsibilities of local government claims review board to state administrative board; abolishment of local government claims review board.

WHEREAS, Section 1 of Article V of the Michigan Constitution of 1963 vests the executive power of the State of Michigan in the Governor;

WHEREAS, Section 2 of Article V of the Michigan Constitution of 1963 empowers the Governor to make changes in the organization of the executive branch of state government or in the assignment of functions among its units that the Governor considers necessary for efficient administration;

WHEREAS, the activities of the Local Government Claims Review Board can be more efficiently and effectively administered if transferred to the State Administrative Board;

WHEREAS, there is a continuing need to reorganize functions amongst state departments to ensure efficient administration and effectiveness of government;

NOW, THEREFORE, I, Jennifer M. Granholm, Governor of the State of Michigan, by virtue of the power and authority vested in the Governor by the Michigan Constitution of 1963 and Michigan law order:

I. DEFINITIONS

As used in this Order:

A. "Local Government Claims Review Board" means the board created under Section 10 of 1979 PA 101, MCL 21.240.

B. "Department of Management and Budget" means the principal department of state government created under Section 121 of The Management and Budget Act, 1984 PA 431, MCL 18.1121.

C. "State Administrative Board" means the board authorized under Section 3 of 1921 PA 2, MCL 17.3, to exercise general supervisory control over the functions and activities of all administrative departments, boards, commissioners, and officers of this state, and of all state institutions.

D. "State Budget Director" means the Director of the State Budget Office created under Section 321 of The Management and Budget Act, 1984 PA 431, MCL 18.1321.

II. TRANSFER OF AUTHORITY

A. All of the authority, powers, duties, functions, and responsibilities of the Local Government Claims Review Board under 1979 PA 101, MCL 21.231 to 21.244, are transferred from the Local Government Claims Review Board to the State Administrative Board.

B. The Local Government Claims Review Board is abolished.

III. IMPLEMENTATION OF TRANSFERS

A. The Director of the Department of Management and Budget shall provide executive direction and supervision for the implementation of all transfers of functions under this Order and shall make internal organizational changes as necessary to complete the transfers under this Order.

B. The functions transferred under this Order shall be administered by the State Administrative Board in such ways as to promote efficient administration.

C. Any rule-making, licensing, and registration functions related to the functions of the Local Government Claims Review Board transferred under this Order, including, but not limited to, the prescription of rules, regulations, standards, and adjudications, under the Administrative Procedures Act of 1969, 1969 PA 306, MCL 24.201 to 24.328, are transferred to the State Administrative Board.

D. All records, property, and unexpended balances of appropriations, allocations, and other funds used, held, employed, available, or to be made available to the Local Government Claims Review Board for the activities, powers, duties, functions, and responsibilities transferred under this Order are transferred to the State Administrative Board.

E. The Director of the Department of Management and Budget shall develop a memorandum of record identifying any pending settlements, issues of compliance with any applicable state or federal laws or regulations, or

other obligations to be resolved by the Local Government Claims Review Board.

F. The State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system necessary for the implementation of this Order for Fiscal Year 2006-2007.

IV. MISCELLANEOUS

A. All rules, orders, contracts, and agreements relating to the functions transferred under this Order lawfully adopted prior to the effective date of this Order shall continue to be effective until revised, amended, repealed, or rescinded.

B. This Order shall not abate any suit, action, or other proceeding lawfully commenced by, against, or before any entity affected under this Order. Any suit, action, or other proceeding may be maintained by, against, or before the appropriate successor of any entity affected under this Order.

C. The invalidity of any portion of this Order shall not affect the validity of the remainder of the Order, which may be given effect without any invalid portion. Any portion of this Order found invalid by a court or other entity with proper jurisdiction shall be severable from the remaining portions of this Order.

History: 2006, E.R.O. No. 2006-5, Eff. Oct. 22, 2006