

MICHIGAN FINANCIAL REVIEW COMMISSION ACT (EXCERPT)
Act 181 of 2014

141.1637 Commission; powers.

Sec. 7.

A commission may do 1 or more of the following for its qualified city or qualified school district:

(a) For a qualified city, review and approve that qualified city's consensus revenue estimate under section 4t of the home rule city act, 1909 PA 279, MCL 117.4t. The commission may also, after consultation with the qualified city or qualified school district, revise a revenue estimate prepared in connection with a budget, budget modification, financial plan, or financial plan modification, if the commission determines that the revenue estimate was not based on assumptions and methods of estimation reasonable and appropriate under the circumstances and in view of the objectives and purposes of this act. After consultation with the qualified city or qualified school district, the commission may determine the estimated revenues for the qualified city or qualified school district, but any revenue estimate adopted by the commission shall be based on the same requirements as the qualified city's or qualified school district's initial revenue estimate.

(b) For a qualified city, require the qualified city to submit the 4-year financial plan required in section 4t of the home rule city act, 1909 PA 279, MCL 117.4t, in a form and manner the commission considers appropriate. The requirement to submit a 4-year financial plan is not subject to waiver under section 8.

(c) Review, modify, and approve proposed and amended operational budgets of a qualified city or qualified school district. A proposed budget or budget amendment does not take effect unless approved by the commission.

(d) Require the chief financial officer of the qualified city or qualified school district to provide the commission with information it requests related to the qualified city's or qualified school district's finances. The commission may also require the chief financial officer to attend commission meetings. If the chief financial officer fails to comply with the provisions of this subdivision, the commission may require the qualified city, or qualified school district to remove the chief financial officer and appoint a successor.

(e) Review and approve requests by a qualified city or qualified school district to issue debt under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, or any other law governing the issuance of bonds or notes. The commission may develop rules for the issuance of debt, including limitations that are greater than those provided in sections 401 to 405 of the revised municipal finance act, 2001 PA 34, MCL 141.2401 to 141.2405. The debt described in this subdivision may not be issued unless and until approved by the commission and the commission's approval shall be in addition to any approval of the department of treasury as required by law.

(f) Review compliance by a qualified city with a deficit elimination plan submitted under section 21 of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.921, or by a qualified school district with a deficit elimination plan submitted under article I of the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1772.

(g) Approve the appointment of a qualified city's chief financial officer. If that appointment is not approved by the commission within 45 days of written submission of the appointment by the qualified city, the appointment is denied. The commission may require that any effort to terminate the chief financial officer be subject to commission review and approval.

(h) Approve the appointment of the qualified school district's chief financial officer. If that appointment is not approved by the commission within 45 days of written submission by the qualified school district, the appointment is denied. A qualified school district may not terminate its chief financial officer without the approval of the commission. The superintendent and the chairperson of the school board of the qualified school district shall not have a vote on an approval under this subdivision.

(i) For a qualified school district, provide that a qualified school district may not alter the terms and conditions of an employment contract with or the benefits of its superintendent or terminate its superintendent without the approval of the commission. The superintendent and the chairperson of the school board of the qualified school district shall not have a vote on an approval under this subdivision.

(j) Require the development and implementation of financial best practices for a qualified city or qualified school district.

(k) Recommend the adoption or amendment of certain charter provisions, bylaws, ordinances, policies, or operating procedures for the qualified city or qualified school district, as applicable.

(l) Require the pursuit of financial or managerial training to ensure the proper discharge of duties for the qualified city or qualified school district.

(m) Make and execute contracts necessary to carry out the purposes of this act.

(n) Sue or be sued. The commission may retain legal counsel to enforce any provisions of this act.

(o) Require the qualified city or qualified school district and the employees or agents of the qualified city or qualified school district to timely produce and share all information and documents, and provide access to all

information on assets, services, records, and any other materials or documents the commission determines are necessary to carry out its responsibilities under this act. The commission may require the officers or employees of the qualified city or qualified school district to attend commission meetings for any purpose necessary to carry out its responsibilities under this act.

(p) Perform any duty provided by law that a receivership transition advisory board as described in section 23 of the local financial stability and choice act, 2012 PA 436, MCL 141.1563, may perform.

(q) For a qualified school district, approve all reimbursement to school board members, officials, and employees for travel outside this state.

(r) Perform any other duties assigned by the governor that are not inconsistent with the purposes of this act.

History: 2014, Act 181, Imd. Eff. June 20, 2014 ;-- Am. 2016, Act 53, Imd. Eff. Mar. 29, 2016 ;-- Am. 2016, Act 195, Imd. Eff. June 21, 2016