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**House
Legislative
Analysis
Section**

**REVISE LOCAL UNITS' FINANCIAL
FILING REQUIREMENTS**

House Bill 5532

Sponsor: Rep. Bob Brown

**Committee: Local Government and Urban
Policy**

Complete to 5-4-00

A REVISED SUMMARY OF HOUSE BILL 5532 AS INTRODUCED 3-21-00

House Bill 5532 would amend the Uniform Budgeting and Accounting Act to modify the filing requirements that local units of government must meet when they submit their annual financial reports to the state treasurer.

Under current law, the fiscal officer of each local unit makes an annual financial report. The report summarizes all revenues, expenditures, the amount of indebtedness, and fund balances. The report also indicates whether there are derivative instruments or products in the local unit's nonpension investment portfolio, and if so, the report includes their cost and market value both on an aggregate basis, and itemized by issuer and type of instrument. Likewise, the report indicates whether there are derivative instruments or products in the pension investment portfolio (excluding investments of defined contribution plans and deferred compensation plans chosen by employees), and if so, then the cost and market value of those instruments are reported on an aggregate and itemized basis.

Under the law a local unit of government must file one copy of its annual financial report within 120 days after the end of the local unit's fiscal year. Upon request for reasonable cause, the treasurer can extend the filing date. House Bill 5532 would eliminate the provision in the law that allows the governing body of a local unit to request, and the state treasurer to grant for reasonable cause, an extension of the filing date. However, the bill would retain the provision that requires the state treasurer to grant a 60-day extension if the local unit presents evidence to the treasurer that the audit is in progress and will be completed within 180 days after the end of the local unit's fiscal year.

MCL 141.424

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