

HOUSE BILL NO. 5952

September 26, 2024, Introduced by Reps. Steele, Kuhn, Tisdell and Borton and referred to the Committee on Government Operations.

A bill to amend 1984 PA 431, entitled "The management and budget act," by amending section 448 (MCL 18.1448), as added by 2012 PA 381, and by adding section 449.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 448. (1) The department shall issue directives requiring
2 all state agencies to **require entities seeking a grant of state**
3 **funds to submit a detailed spending plan for those funds and**
4 **specify in that plan if any of the funds to be received will be**
5 **provided to another entity, to conduct an annual audit of each**

1 **grant recipient, and to** provide the department with, and to make
2 available through a link on their website homepages, all of the
3 following information regarding the expenditure of state funds:

4 (a) The name of the entity receiving the funds, **including the**
5 **name of a third-party recipient, if applicable.**

6 (b) The amount of state funds.

7 (c) The funding state agency.

8 (d) A descriptive purpose of the funding action or
9 expenditure.

10 **(e) For any grants provided after the effective date of the**
11 **amendatory act that added section 449, the annual audit of the use**
12 **of those funds.**

13 **(f) ~~(e)~~**Any other information required by the department.

14 (2) Not later than January 1, 2013, the department shall
15 develop and operate a searchable website accessible by the public
16 at no cost to access the information provided in subsection (1).

17 (3) Nothing in this section shall require the disclosure of
18 information that is considered confidential by state or federal
19 law.

20 (4) As used in this section, "expenditure of state funds"
21 means an expenditure of appropriated or nonappropriated funds
22 processed through the state's central accounting system by an
23 executive branch agency that includes, but is not limited to, all
24 of the following:

25 (a) State purchases.

26 (b) Contracts and subcontracts.

27 (c) Grants.

28 **Sec. 449. This state and any departmental agency of this state**
29 **shall not provide a grant, loan, or other economic assistance to an**

1 entity that meets any 1 of the following:

2 (a) Has not been established and operating in this state or
3 another state for at least 2 years.

4 (b) Does not have a physical office in this state or has not
5 provided services in this state within the immediately preceding 6
6 months before the approval or disbursement of funds.

7 (c) Is owned or operated by an employee of the executive or
8 legislative branch of this state, or the owner or operator of the
9 entity has an immediate family member who is an employee of the
10 executive or legislative branch of this state.

11 (d) Is owned or operated by an employee who is a member of any
12 state board that has direct or indirect responsibility for the
13 approval or auditing of a grant, loan, or other economic assistance
14 for which the entity is applying.