

**SUBSTITUTE FOR
HOUSE BILL NO. 5196**

A bill to require public employers to report information concerning public employees and severance packages for public employees; to require electronic posting of compensation information; and to require duties of certain state departments and agencies.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "public employee compensation disclosure act".

3 Sec. 2. As used in this act:

4 (a) "Department" means the department of technology,
5 management, and budget.

6 (b) "Public employee" means an individual who is employed by
7 this state; a department or agency of this state; a city, village,
8 township, county, or other political subdivision of this state; a

House Bill No. 5196 (H-1) as amended May 23, 2012

1 school district, intermediate school district, or special district; [a
cyber school; a public school academy;]
2 a community college or junior college as described in section 7 of
3 article VIII of the state constitution of 1963; an institution of
4 higher education, as described in section 4 of article VIII of the
5 state constitution of 1963; or any other public entity of this
6 state or of a political subdivision of this state.

7 (c) "Severance payment" means a payment that is additional
8 compensation paid or payable by the public employer if a public
9 employee's employment terminates. Severance payment does not
10 include a payment under a retirement plan that is generally
11 applicable to employees of the public employer.

12 Sec. 3. By June 1 of each year, a public employer shall
13 provide to the department or post on the public employer's website
14 with an access link on the public employer's homepage all of the
15 following information:

16 (a) For each job classification of the public employer in
17 aggregate:

18 (i) The number of full-time equivalent employees.

19 (ii) The total annual wages paid to all employees within the
20 job classification.

21 (iii) The total annual cost of the benefits for all employees
22 within the job classification.

23 (b) For each severance payment agreement the public employer
24 entered into with an employee since the last reporting period, the
25 terms of the severance payment agreement and the employee's job
26 classification.

27 Sec. 4. A report submitted to the department under this act

1 shall be submitted electronically in a format specified by the
2 department. The department shall post the information on a website
3 that is accessible to the public within 90 days after receiving the
4 information.