HB-5131, As Passed House, June 11, 2014 HB-5131, As Passed Senate, June 10, 2014

SENATE SUBSTITUTE FOR

HOUSE BILL NO. 5131

A bill to amend 1996 PA 381, entitled "Brownfield redevelopment financing act," by amending section 5 (MCL 125.2655), as amended by 2000 PA 145.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 5. (1) Each authority shall be under the supervision and
 control of a board chosen by the governing body. Subject to
 subsection (2), the governing body may by majority vote designate 1
 of the following to constitute the board:

5 (a) The board of directors of the economic development
6 corporation of the municipality established under the economic
7 development corporations act, 1974 PA 338, MCL 125.1601 to
8 125.1636.

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(b) The trustees of the board of a downtown development

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1 authority established under 1975 PA 197, MCL 125.1651 to 125.1681.

2 (c) The trustees of the board of a tax increment financing
3 authority established under the tax increment finance authority
4 act, 1980 PA 450, MCL 125.1801 to 125.1830.

5 (d) The trustees of the board of a local development financing
6 authority established under the local development financing act,
7 1986 PA 281, MCL 125.2151 to 125.2174.

8 (e) Not less than 5 nor more than 9 persons appointed by the 9 chief executive officer of the municipality subject to the approval 10 of the governing body. Of the initial members appointed, an equal 11 number, as near as practicable, shall be appointed for 1 year, 2 12 years, and 3 years. A member shall hold office until the member's successor is appointed and qualified. Thereafter, each member shall 13 14 serve for a term of 3 years. An appointment to fill a vacancy shall be made by the chief executive officer of the municipality for the 15 unexpired term only. Members of the board shall serve without 16 17 compensation, but shall be reimbursed for reasonable actual and 18 necessary expenses.

19 (2) The governing body of a municipality in which a board 20 described in subsection (1)(b), (c), or (d) has been established 21 shall designate the trustees of 1 of those boards to constitute the 22 board. This subsection shall only apply in the event a board 23 described in subsection (1)(b), (c), or (d) is authorized under 24 subsection (1) to serve as the board of the authority.

(3) The members shall elect 1 of their membership as
chairperson and another as vice-chairperson. The members may
designate and elect other officers of the board as they consider

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1 necessary.

2 (4) Before assuming the duties of office, a member shall
3 qualify by taking and subscribing to the oath of office provided in
4 section 1 of article XI of the state constitution of 1963.

5 (5) The board shall adopt rules governing its procedure and the holding of regular meetings, subject to the approval of the 6 governing body. Special meetings may be held when called in the 7 manner provided in the rules of the board. Meetings of the board 8 9 shall be open to the public, in accordance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. THE RULES OF PROCEDURE OF 10 11 THE AUTHORITY MAY PERMIT A PERSON TO BE APPOINTED TO THE BOARD IN 12 HIS OR HER CAPACITY AS A PUBLIC OFFICIAL, WHETHER APPOINTED OR ELECTED. THE RULES OF PROCEDURE OF THE AUTHORITY MAY ALSO PROVIDE 13 THAT THE MEMBER'S TERM ON THE BOARD SHALL EXPIRE UPON EXPIRATION OF 14 THE MEMBER'S SERVICE AS A PUBLIC OFFICIAL. THE EXPIRATION OF 15 SERVICE AS A PUBLIC OFFICIAL SHALL BE DEFINED TO ALSO INCLUDE THE 16 PUBLIC OFFICIAL'S RESIGNATION OR REMOVAL FROM THE POSITION AS A 17 PUBLIC OFFICIAL. 18

19 (6) After notice and an opportunity to be heard, a member of 20 the board appointed under subsection (1)(e) may be removed before 21 the expiration of his or her term for cause by the governing body. 22 Removal of a member is subject to review by the circuit court.

(7) All financial records of an authority shall be open to the
public under the freedom of information act, 1976 PA 442, MCL
15.231 to 15.246.

26 (8) A majority of the members of the board appointed and27 serving shall constitute a quorum. Action may be taken by the board

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1 at a meeting upon a vote of the majority of the members present.