

# HOUSE BILL No. 5131

November 5, 2013, Introduced by Reps. Santana, Olumba, Cavanagh, Durhal, Talabi and Stallworth and referred to the Committee on Commerce.

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:**

1           Sec. 5. (1) Each authority shall be under the supervision and  
2 control of a board chosen by the governing body. Subject to  
3 subsection (2), the governing body may by majority vote designate 1  
4 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.

9           (b) The trustees of the board of a downtown development  
10 authority established under 1975 PA 197, MCL 125.1651 to 125.1681.

11           (c) The trustees of the board of a tax increment financing

1 authority established under the tax increment finance authority  
2 act, 1980 PA 450, MCL 125.1801 to 125.1830.

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

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

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

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

27 (4) Before assuming the duties of office, a member shall

1 qualify by taking and subscribing to the oath of office provided in  
2 section 1 of article XI of the state constitution of 1963.

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

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

21 (7) All financial records of an authority shall be open to the  
22 public under the freedom of information act, 1976 PA 442, MCL  
23 15.231 to 15.246.

24 (8) A majority of the members of the board appointed and  
25 serving shall constitute a quorum. Action may be taken by the board  
26 at a meeting upon a vote of the majority of the members present.