

# HOUSE BILL No. 5796

April 30, 1992, Introduced by Reps. Keith, Barns and Kosteva and referred to the Committee on Transportation.

A bill to amend section 10 of Act No. 204 of the Public Acts of 1967, entitled as amended  
"Metropolitan transportation authorities act of 1967,"  
as amended by Act No. 481 of the Public Acts of 1988, being section 124.410 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 10 of Act No. 204 of the Public Acts of  
2 1967, as amended by Act No. 481 of the Public Acts of 1988, being  
3 section 124.410 of the Michigan Compiled Laws, is amended to read  
4 as follows:

5 Sec. 10. (1) The following subdivisions shall apply only to  
6 authorities other than the southeastern Michigan transportation  
7 authority:

8 (a) Authorities shall be governed by a board consisting of 9  
9 members. The term of office of the members of the board shall be

1 3 years, except that of the members first appointed 3 shall be  
2 for 1 year, 3 for 2 years, and 3 for 3 years. All terms shall  
3 expire on June 30 except that members shall serve until their  
4 successors are appointed. The members of the board may be  
5 removed by the appointing authority for cause. Any vacancy in  
6 office shall be filled by the governor for the remainder of the  
7 unexpired term. The members shall annually elect a ~~chairman~~  
8 CHAIRPERSON and ~~vice chairman~~ VICE-CHAIRPERSON from among their  
9 members. The board shall hold regular monthly meetings and spe-  
10 cial meetings as necessary at times as it determines, and shall  
11 designate the time and place of those meetings. ~~It~~ THE BOARD  
12 shall adopt its own rules of procedure and shall keep a record of  
13 its proceedings. Five members constitute a quorum for the trans-  
14 action of business and the affirmative vote of a majority of all  
15 the members shall be necessary for the adoption of a motion or  
16 resolution. The members of a board shall be residents of the  
17 counties included in the authority.

18 (b) A county choosing not to participate in an authority may  
19 withdraw by a majority vote of its elected county board of com-  
20 missioners within 1 year after the establishment of the authority  
21 and by a 2/3 vote of the board of commissioners at any time  
22 thereafter. If a county withdraws from an authority pursuant to  
23 this section, the term of a member of the board from the county  
24 which withdraws shall expire at the time of the county's  
25 withdrawal.

26 (c) Each member of the board shall receive reimbursement for  
27 expenses incurred in the discharge of his OR HER duties as a

1 board member. Each member of the board may receive compensation  
2 of not more than \$35.00 for each meeting of the board the member  
3 attends, not exceeding 4 meetings per month. The ~~chairman~~  
4 CHAIRPERSON of the board may receive compensation of not more  
5 than \$45.00 for each meeting of the board the ~~chairman~~  
6 CHAIRPERSON attends, not exceeding 4 meetings per month. A copy  
7 of the proceedings of each board meeting shall be available for  
8 public inspection during normal working hours at the offices of  
9 the board.

10 (d) Six members of the board shall be appointed by the gov-  
11 ernor with the advice and consent of the senate, from lists of 3  
12 or more names each submitted by the county boards of commission-  
13 ers of member counties and the mayor of cities within the author-  
14 ity with a population of more than 500,000. Three members shall  
15 be appointed directly by the governor with the advice and consent  
16 of the senate.

17 (e) An authority shall hold a public hearing on its annual  
18 operating and capital budget, financial audits, and construction  
19 plans.

20 (f) An authority shall also maintain close working and coor-  
21 dinating relationships with the state, local, and federal agen-  
22 cies or other agencies to the end that duplication of effort is  
23 minimized and that the planning and implementation functions work  
24 together in the public interest to carry out the purposes of this  
25 act.

26 (2) The following subdivisions shall apply only to the  
27 southeastern Michigan transportation authority:

1       (a) The board of the southeastern Michigan transportation  
2 authority shall be composed of the chief executive officers of  
3 each county in which a city having a population of 750,000 or  
4 more is located within the area served by the southeastern  
5 Michigan transportation authority and of all other counties imme-  
6 diately contiguous to such city, and the representative of each  
7 such chief executive officer to be designated in the sole discre-  
8 tion of, and serve at the sole pleasure of, that chief executive  
9 officer. A chief executive officer may designate an alternate to  
10 serve in his or her place on the board. The counties of  
11 Livingston, Monroe, St. Clair, and Washtenaw shall be collec-  
12 tively represented on the board by 1 person from these counties.  
13 The counties shall determine their representative member on the  
14 board in a manner to be determined by the counties. The county  
15 from which the representative member is to be selected shall  
16 rotate among the counties at least every 2 years and the member  
17 shall be a resident of the county from which the member is to be  
18 selected. If 1 or more of the counties of Livingston, Monroe,  
19 St. Clair, and Washtenaw withdraw from the authority, the member  
20 shall rotate among, and be selected from, the remaining  
21 counties.

22       (b) The board by a majority vote shall adopt bylaws and  
23 rules of procedure governing its meetings. A majority vote for  
24 the adoption of bylaws and rules of procedure and for the trans-  
25 action of business shall not be effective unless it includes at  
26 least 1 vote from each county in which a city having a population

1 of 750,000 or more is located, and at least 1 vote from each  
2 county immediately contiguous to such city.

3 (c) The business which the board may perform shall be con-  
4 ducted at a public meeting of the board held in compliance with  
5 the open meetings act, Act No. 267 of the Public Acts of 1976,  
6 being sections 15.261 to 15.275 of the Michigan Compiled Laws.  
7 Public notice of the time, date, and place of the meeting shall  
8 be given in the manner required by Act No. 267 of the Public Acts  
9 of 1976.

10 (d) The board shall do the following:

11 (i) Obtain an annual audit in accordance with sections ~~6- 5~~  
12 to 13 of the uniform budgeting and accounting act, Act No. 2 of  
13 the Public Acts of 1968, being sections ~~141.426 to 141.440a~~  
14 141.425 TO 141.433 of the Michigan Compiled Laws. The audit  
15 shall also be in accordance with generally accepted government  
16 auditing standards as promulgated by the United States general  
17 accounting office and shall satisfy federal regulations relating  
18 to federal grant compliance audit requirements. A copy of the  
19 annual audit shall be filed with the state treasurer in accord-  
20 ance with section 4(2) of the uniform budgeting and accounting  
21 act, Act No. 2 of the Public Acts of 1968, BEING SECTION 141.424  
22 OF THE MICHIGAN COMPILED LAWS, and a copy shall be filed with the  
23 state transportation department in accordance with section 10h(2)  
24 of Act No. 51 of the Public Acts of 1951, being section 247.660h  
25 of the Michigan Compiled Laws.

26 (ii) Prepare budgets and appropriations acts in accordance  
27 with sections 14, 15(1)(a) to (g), 15(1)(i), 15(2), 16, 17, 18,

1 and 19 of the uniform budgeting and accounting act, Act No. 2 of  
2 the Public Acts of 1968, being sections 141.434 to 141.439 of the  
3 Michigan Compiled Laws. IN PREPARING ANNUAL BUDGETS AND APPRO-  
4 PRIATIONS, THE BOARD SHALL GIVE PRIORITY FOR PASSING THROUGH  
5 STATE FORMULA OPERATING ASSISTANCE TO MULTIJURISDICTIONAL ELIGI-  
6 BLE AUTHORITIES ORGANIZED UNDER ACT NO. 7 OF THE PUBLIC ACTS OF  
7 THE EXTRA SESSION OF 1967, BEING SECTIONS 124.501 TO 124.512 OF  
8 THE MICHIGAN COMPILED LAWS, THAT WERE OPERATING WITHIN THE SERV-  
9 ICE AREA OF THE AUTHORITY ON MARCH 1, 1992 AND THAT PROVIDE LOCAL  
10 TAX CONTRIBUTIONS TO SUPPORT THE OPERATIONS OF PUBLIC TRANSPORTA-  
11 TION SERVICES. THESE ELIGIBLE AUTHORITIES MAY RECEIVE UP TO 44%  
12 OF THEIR ELIGIBLE COSTS THROUGH THE PASS THROUGH OF STATE FORMULA  
13 OPERATING ASSISTANCE FUNDS AUTHORIZED TO THE AUTHORITY UNDER ACT  
14 NO. 51 OF THE PUBLIC ACTS OF 1951, BEING SECTIONS 247.651 TO  
15 247.675 OF THE MICHIGAN COMPILED LAWS. MONEY RETURNED TO THESE  
16 ELIGIBLE AUTHORITIES IN THE FORM OF A CREDIT UNDER SECTION 104 OF  
17 ACT NO. 51 OF THE PUBLIC ACTS OF 1951, BEING SECTION 247.6604 OF  
18 THE MICHIGAN COMPILED LAWS, SHALL NOT BE USED TO SATISFY THE PASS  
19 THROUGH OF ELIGIBLE COSTS REQUIREMENT OF THIS SUBDIVISION.

20 (iii) If ending a fiscal year in a deficit condition, file a  
21 financial plan to correct the deficit condition in the same  
22 manner as provided in section 21(2) of THE STATE REVENUE SHARING  
23 ACT OF 1971, Act No. 140 of the Public Acts of 1971, being sec-  
24 tion 141.921 of the Michigan Compiled Laws. A copy of the finan-  
25 cial plan shall also be filed with the state transportation  
26 department.

1 (e) The board may change the name of the authority by a  
2 majority vote of the members as described in subdivision (b).  
3 The board shall notify the state transportation commission within  
4 10 days after a name change is adopted.

5 (f) The board shall guarantee each of the counties of  
6 Livingston, Monroe, St. Clair, and Washtenaw, as long as they  
7 remain members of the authority, the average percentage of state  
8 transportation funds allocated to the authority that each county  
9 received in the last 5 fiscal years before ~~the effective date of~~  
10 ~~this subdivision~~ DECEMBER 28, 1988. The state transportation  
11 department shall be responsible for determining these  
12 percentages.