



Senate Fiscal Agency
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House Bill 5131 (Substitute H-1 as passed by the House)
House Bill 5132 (Substitute H-1 as passed by the House)
Sponsor: Representative Harvey Santana
House Committee: Commerce
Senate Committee: Economic Development

Date Completed: 2-11-14

CONTENT

House Bills 5131 (H-1) and 5132 (H-1) would amend the Brownfield Redevelopment Financing Act and the Economic Redevelopment Corporations Act, respectively, to do the following:

- **Allow rules of procedure (or bylaws) for entities created under the Acts to permit a person to be appointed to a board in his or her capacity as a public official, or to allow a public official to appoint a person to a board.**
- **Allow the rules of procedure or bylaws to specify that the appointed person's term on the board would end upon the expiration of the person's term as a public official, or upon the end of the term of the public official who appointed the person.**

Currently, the members of a brownfield redevelopment authority board are appointed by the governing body of the municipality that created the authority. Members of an economic development corporation board are appointed by the chief executive officer of the municipality, with the advice and consent of the governing body. Each member serves a set term of years. For brownfield redevelopment authorities, initial members are appointed to a one-, two-, or three-year term, and then each succeeding member serves a three-year term. For economic development corporations, initial board of director members are appointed for terms ranging from one to six years. Succeeding members serve a six-year term.

The bills would permit boards to establish rules of procedure or bylaws allowing a person to be appointed to a board in his or her capacity as a public official, whether appointed or elected. The bills also would permit boards to establish rules or bylaws allowing a person to be appointed to a board by a public official.

In addition, the bills would allow boards of authorities or corporations created under the Acts to establish rules of procedure or bylaws providing that a member's term on the board would expire upon expiration of the member's service as a public official or upon expiration of the service of the public official who appointed the member. The bills specify that the expiration of the member's service would include the public official's resignation or removal from office.

MCL 125.2655 (H.B. 5131)
125.1604 (H.B. 5132)

Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bills would have no fiscal impact on State or local government.

Fiscal Analyst: Elizabeth Pratt

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.