

**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:

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

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
13 successor is appointed and qualified. Thereafter, each member shall
14 serve for a term of 3 years. An appointment to fill a vacancy shall
15 be made by the chief executive officer of the municipality for the
16 unexpired term only. Members of the board shall serve without
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.

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

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
6 the holding of regular meetings, subject to the approval of the
7 governing body. Special meetings may be held when called in the
8 manner provided in the rules of the board. Meetings of the board
9 shall be open to the public, in accordance with the open meetings
10 act, 1976 PA 267, MCL 15.261 to 15.275. **THE RULES OF PROCEDURE OF
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
13 ELECTED, OR TO BE APPOINTED TO THE BOARD BY A PUBLIC OFFICIAL. THE
14 RULES OF PROCEDURE OF THE AUTHORITY MAY ALSO PROVIDE THAT THE
15 MEMBER'S TERM ON THE BOARD SHALL EXPIRE UPON EXPIRATION OF THE
16 MEMBER'S SERVICE AS A PUBLIC OFFICIAL OR UPON THE EXPIRATION OF THE
17 SERVICE OF THE PUBLIC OFFICIAL WHO APPOINTED THE MEMBER. THE
18 EXPIRATION OF SERVICE AS A PUBLIC OFFICIAL SHALL BE DEFINED TO ALSO
19 INCLUDE THE PUBLIC OFFICIAL'S RESIGNATION OR REMOVAL FROM THE
20 POSITION AS A PUBLIC OFFICIAL.**

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

25 (7) All financial records of an authority shall be open to the
26 public under the freedom of information act, 1976 PA 442, MCL
27 15.231 to 15.246.

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