

**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.