

# HOUSE BILL No. 5055

September 21, 1989, Introduced by Reps. Spaniola, Middaugh and Hillegonds and referred to the Committee on Appropriations.

A bill to authorize the donation of certain property and artifacts to the department of state; to provide for state acceptance of the donated property and artifacts; to prescribe the powers and duties of the department of state in relation to the donated property and artifacts; to provide for the operation and administration of certain museums; to create museum advisory boards and prescribe the powers and duties of the boards; to create revolving trust funds and provide for the operation of those funds; to encourage establishment of recognized friends organizations; and to make appropriations to the department of state and provide for the expenditure of the appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 1. This act shall be known and may be cited as the  
2 "Michigan museum act".

1       Sec. 2. As used in this act:

2       (a) "Department" means the department of state.

3       (b) "Durand" means the city of Durand, a home rule city sit-  
4 uated in Shiawassee county.

5       (c) "Maritime corporation" means the Lake Michigan maritime  
6 museum, inc., a nonprofit corporation, CID 706-436.

7       (d) "Maritime museum" means the Lake Michigan maritime  
8 museum situated in South Haven and operated under authority of  
9 this act.

10      (e) "Maritime museum advisory board" means the Lake Michigan  
11 maritime museum advisory board created by section 106.

12      (f) "Maritime museum store" means the retail sales store  
13 located in the maritime museum, as authorized by section 108.

14      (g) "Maritime museum trust fund" means the Lake Michigan  
15 maritime museum trust fund created by section 108.

16      (h) "Railroad corporation" means the grand trunk western  
17 railroad company, a Michigan corporation.

18      (i) "Railroad history museum" means the Michigan railroad  
19 history museum situated in the Durand union station railroad  
20 depot and operated under authority of this act.

21      (j) "Railroad history museum advisory board" means the  
22 Michigan railroad history museum and information center advisory  
23 board created by section 206.

24      (k) "Railroad history museum store" means the retail sales  
25 store located in the railroad history museum, as authorized by  
26 section 208.

1 (l) "Railroad history museum trust fund" means the Michigan  
2 railroad history museum trust fund created by section 209.

3 (m) "South Haven" means the city of South Haven, a home rule  
4 city situated in Van Buren county.

5 (n) "Union station corporation" means the Durand union sta-  
6 tion, inc., a nonprofit corporation.

7 Sec. 3. The secretary of state shall consult with the  
8 attorney general concerning the form and content of all lease and  
9 rental agreements authorized by this act.

10 Sec. 101. (1) The department, on behalf of the state of  
11 Michigan, may accept as sesquicentennial gifts all of the  
12 following:

13 (a) Real property and improvements on the real property,  
14 commonly known as the Lake Michigan maritime museum, free of any  
15 lease, and related personal property from the city of South  
16 Haven. The real property is described as follows:

17 Commencing on the southerly line of Dyckman Avenue at a  
18 point 31.5 feet northwesterly from the northwest corner of lot 2,  
19 block 8, thence south 17°-40' west 153 feet, thence north 47°-34'  
20 west 265 feet, thence south 23°-33' east 132.60 feet, thence  
21 north 22°-27'-50" east 265.14 feet, thence north 70°-27'-50" east  
22 95.42 feet, thence south 61°-32'-10" east 263.36 feet, thence  
23 north 21°-51' east approximately 49.29 feet, thence north 68°-09'  
24 west 95 feet, thence north 21°-51' east 139 feet to the southerly  
25 line of Dyckman Avenue, thence northwesterly along said line to  
26 point of beginning, excepting any and all docks or finger piers  
27 located on or adjacent to, or connected to the foregoing

1 described property. Said parcel is part of Dyckman and Woodman's  
2 Addition, City of South Haven, County of Van Buren, State of  
3 Michigan T1S, R17W.

4 (b) All of the historical artifacts and collections and any  
5 other personal property owned by the maritime corporation.

6 (2) Any liability of the maritime corporation, including,  
7 but not limited to, a lien against the real property described in  
8 subsection (1) that is outstanding and is identified to the  
9 department on the effective date of the transfer of the real  
10 property, shall be accepted by the department. A liability that  
11 is not identified to the department on the date of transfer or  
12 that arises subsequent to the date of transfer is not the respon-  
13 sibility of the department.

14 Sec. 102. (1) If the city of South Haven elects to make the  
15 gift specified in section 101, the city of South Haven shall  
16 deliver to the department a quitclaim deed for the real property  
17 described in section 101, subject to any and all encumbrances,  
18 easements, and restrictions of record at the time of transfer.  
19 The deed shall include a covenant that provides that the property  
20 shall be used exclusively as a maritime museum or public park, or  
21 both, and that upon termination of those uses or upon use for any  
22 other purpose, title to the property shall revert immediately to  
23 the city of South Haven. This covenant shall run with the land.

24 (2) If the maritime corporation elects to make the gift  
25 specified in section 101, the maritime corporation shall deliver  
26 to the department a memorandum of gift that describes each

1 donated artifact or other property and includes maritime museum  
2 accession numbers.

3 (3) The quitclaim deed and memorandum of gift required by  
4 this section, and any other legal documents required to effect  
5 the transfers specified in section 101, shall be approved by the  
6 attorney general.

7 (4) If the department receives the real property described  
8 in section 101 and later elects to sell any of that property, the  
9 city of South Haven shall have the right of first refusal with  
10 respect to purchasing the property at its fair market value.

11 Sec. 103. (1) At the time of transfer, employees of the  
12 maritime corporation working at the maritime museum on the effec-  
13 tive date of this act shall become employees of the department in  
14 accordance with a plan prepared by the department and approved by  
15 the department of civil service. The plan shall relate to com-  
16 pensation, classification, status, probationary periods, seniori-  
17 ty, longevity, annual and sick leave, group insurance coverages,  
18 retirement, and other terms and conditions of employment.

19 (2) The sum of not to exceed \$100,000.00 is appropriated to  
20 the department from the general fund for the fiscal year ending  
21 September 30, 1989, and 2 full-time equated positions are autho-  
22 rized for the purposes of this section.

23 (3) Nothing in subsection (1) shall be construed to restrict  
24 the department from assigning new duties to, or otherwise trans-  
25 ferring, a former employee of the maritime museum after the  
26 person becomes an employee of the department.

1       Sec. 104. (1) The department's bureau of history shall  
2 operate the maritime museum as part of its statewide museum  
3 system.

4       (2) The maritime museum shall be dedicated to maritime pre-  
5 servation and education.

6       (3) The programs undertaken at the maritime museum shall  
7 include research, restoration, and conservation efforts, with the  
8 intent of preserving and interpreting maritime history and cul-  
9 ture, both in material and documentary forms.

10      (4) The regional emphasis of the maritime museum shall be on  
11 the Great Lakes area, with special attention given to the Lake  
12 Michigan coastal zone and the subject of the evolution of Great  
13 Lakes watercraft.

14      (5) The programs presented at the maritime museum may  
15 include those that recognize the effect of changes in the water,  
16 air, shoreline, and marine life upon the maritime history of the  
17 Great Lakes region and that promote a sense of awareness and  
18 understanding of Great Lakes environmental issues.

19      (6) The department may disseminate information concerning  
20 maritime matters to the public in relevant forms, including, but  
21 not limited to, maritime museum publications, seminars, special  
22 exhibits, and public presentations such as boat building  
23 classes.

24      (7) As part of its maritime museum program, the department  
25 may train persons in the areas of maritime research, interpreta-  
26 tion, and preservation.

1       (8) The department shall maintain and operate a maritime  
2 library at the maritime museum. This program shall be known as  
3 the Marialyce Canonie Great Lakes research library.

4       (9) All documents, artifacts, vessels, and other  
5 history-related property given to the department under section  
6 101 shall not at any time be permanently removed from the mari-  
7 time museum, sold, or transferred.

8       Sec. 105. With respect to the maritime museum and in addi-  
9 tion to its other powers and duties, the department may do any of  
10 the following:

11       (a) Act to preserve maritime documents, artifacts, vessels,  
12 and related items of historical interest.

13       (b) Accept on behalf of the state donations of money, real  
14 property, historical artifacts, and other personal property  
15 related to the themes of the maritime museum. Donations of money  
16 made under this subdivision shall be credited to the maritime  
17 museum trust fund.

18       (c) Purchase historical artifacts related to the themes of  
19 the maritime museum within the limits of funds available.

20       Sec. 106. (1) The Lake Michigan maritime museum advisory  
21 board is created within the department.

22       (2) The maritime museum advisory board shall consist of 9  
23 members appointed by the governor, including all of the  
24 following:

25       (a) Two representatives from the city of South Haven.

26       (b) One representative from the maritime corporation.

(c) One representative from the maritime industry.

(d) Two representatives from southwestern Michigan.

(e) Three representatives of the general citizenry of the state, at least 1 of whom shall be a resident of the Upper Peninsula.

(3) Each member of the maritime museum advisory board shall be a registered voter and a resident of this state. The governor may appoint 1 or more directors of the maritime corporation to serve on the maritime museum advisory board under subsection (2)(a), (c), (d), and (e).

(4) Not more than 5 members of the maritime museum advisory board shall be of the same political party at any 1 time.

(5) Except for members first appointed, each member of the maritime museum advisory board shall serve for a 4-year term. The initial term of office for the members first appointed under subsection (2) shall be determined at the first meeting of the maritime museum advisory board by the drawing of lots among the members with 3 members serving for 4 years, 3 members serving for 3 years, and 3 members serving for 2 years. Vacancies on the maritime museum advisory board shall be filled in the same manner as the original appointment for the remainder of the unexpired term.

(6) A member shall not receive compensation for his or her services as a member of the maritime museum advisory board, except for expenses incurred while acting as an official representative of the maritime museum advisory board, but not more than \$75.00 per day for not more than 24 days per calendar year.

1 All claims for expenses shall be paid from the maritime museum  
2 trust fund pursuant to voucher submitted to the department of  
3 treasury.

4 (7) The members of the maritime museum advisory board annu-  
5 ally shall elect a chairperson, vice-chairperson, and secretary.

6 (8) The maritime museum advisory board shall meet not less  
7 than twice each calendar year at the call of the chairperson. A  
8 majority of the members shall constitute a quorum for the trans-  
9 action of business. A decision of the maritime museum advisory  
10 board shall be made by majority vote of the members present and  
11 voting at a meeting of the maritime museum advisory board.

12 Sec. 107. (1) The maritime museum advisory board shall do  
13 all of the following:

14 (a) Advise the department as to construction of and poli-  
15 cies, plans, acquisitions, and programs concerning the maritime  
16 museum.

17 (b) Facilitate cooperation between the department and public  
18 and private entities interested in maritime history and the pro-  
19 grams of the maritime museum.

20 (c) Encourage donations of real and personal property to the  
21 department for purposes incidental to, or connected with, the  
22 maritime museum, including artifacts and vessels associated with  
23 maritime and Great Lakes history.

24 (d) Promote public use of the maritime museum and its  
25 programs.

26 (e) Make recommendations regarding fees and charges for  
27 products and services provided at the maritime museum.

1 (f) Provide other assistance and advice as may be required.

2 (2) The business that the maritime museum advisory board  
3 performs shall be conducted at a public meeting of the maritime  
4 museum advisory board held in compliance with the open meetings  
5 act, Act No. 267 of the Public Acts of 1976, being sections  
6 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of  
7 the time, date, and place of each meeting shall be given in the  
8 manner required by Act No. 267 of the Public Acts of 1976.

9 (3) A writing prepared, owned, used, in the possession of,  
10 or retained by the maritime museum advisory board in the per-  
11 formance of an official function shall be made available to the  
12 public in compliance with the freedom of information act, Act  
13 No. 442 of the Public Acts of 1976, being sections 15.231 to  
14 15.246 of the Michigan Compiled Laws.

15 Sec. 108. (1) In order to assist the funding of the mari-  
16 time museum, the department may do all of the following:

17 (a) Charge a reasonable admission fee for entry into the  
18 maritime museum. The fee shall be established by the secretary  
19 of state and shall be reviewed annually.

20 (b) Establish and administer a retail sales store at the  
21 maritime museum. The maritime museum store may acquire and sell  
22 items that pertain to the collections maintained at the maritime  
23 museum or to the purpose of the maritime museum, or both. Items  
24 sold by the maritime museum store may be acquired by purchase,  
25 gift, or consignment and may be sold on a commission basis. The  
26 department is exempt from the provisions of section 261 of the  
27 management and budget act, Act No. 431 of the Public Acts of

1 1984, being section 18.1261 of the Michigan Compiled Laws, when  
2 acquiring items intended for resale in the maritime museum  
3 store. A charge shall be established for each item offered for  
4 sale. The charge may include markups and discounts that are com-  
5 mensurate with industry practice. The department may accept  
6 cash, check, or credit card payments as compensation for items  
7 sold and shall determine which credit cards will be accepted for  
8 payment. The department may establish accounts in credit card  
9 banks for the deposit of credit card sales invoices and to pay  
10 discounts and service charges in connection with the use of  
11 credit cards. The department may purchase and place advertise-  
12 ments concerning items offered for sale at the maritime museum  
13 store. The maritime museum store may utilize the services of  
14 high school cooperative students and volunteers.

15 (c) Establish and operate a snack bar or other food and bev-  
16 erage service at the maritime museum and make reasonable charges  
17 for the items sold. The department may enter into agreements  
18 with a contractor or concessionaire to operate food and beverage  
19 concessions at the maritime museum. A food and beverage conces-  
20 sion agreement entered into under authority of this subdivision  
21 shall require each contractor or concessionaire to conduct his or  
22 her business in good taste and in keeping with the theme of the  
23 maritime museum.

24 (2) The money collected under this section and section 105  
25 shall be credited to a revolving fund that is created in the  
26 state treasury and shall be known as the Lake Michigan maritime  
27 museum trust fund. Except as provided in subsection (3), money

1 deposited in the maritime museum trust fund shall be used to  
2 defray the costs of operating the maritime museum, to purchase  
3 maritime museum store items, and for making capital and other  
4 substantial improvements to the maritime museum facilities. The  
5 department shall administer the maritime museum trust fund. The  
6 money in the maritime museum trust fund at the close of the  
7 fiscal year shall remain in the maritime museum trust fund.

8 (3) The sum of not to exceed \$885,000.00 is appropriated  
9 from the general fund to the department for the fiscal year  
10 ending September 30, 1989, for 1 or more of the following pur-  
11 poses related to the Michigan maritime museum:

12 (a) Weatherproofing the structure.

13 (b) Restoration of the interior or exterior of the  
14 structure.

15 (c) Installation of exhibit areas inside the structure.

16 (d) Providing an adequate parking area.

17 (e) Fencing the property.

18 (f) Operational expenses.

19 Sec. 109. The department may operate a maritime artifact  
20 conservation service at the maritime museum. If provided, the  
21 service may be made available to the general public and to state,  
22 federal, and local agencies. The department may charge a reason-  
23 able fee for this service, including a markup that is commensu-  
24 rate with industry practice. Money received for conservation  
25 services shall be credited to the maritime museum trust fund.

26 Sec. 110. (1) The department shall encourage the creation  
27 of an officially recognized friends of the maritime museum

1 organization designed to provide funding, promotional support,  
2 volunteer labor, and other forms of assistance to the maritime  
3 museum.

4 (2) If established, the officially recognized friends of the  
5 maritime museum organization may do all of the following:

6 (a) Make expenditures on behalf of the programs of the mari-  
7 time museum, if such expenditures are requested by the  
8 department.

9 (b) Use the facilities of the maritime museum without charge  
10 upon receipt of written permission from the department to do so.

11 Use of the maritime museum facilities shall be in keeping with  
12 the authorized purposes of the friends of the maritime museum  
13 organization, shall not be made at times and places that would  
14 unreasonably interfere with opportunities of the general public  
15 to use the facilities for established purposes, and shall be  
16 subject to the other provisions of this section.

17 (c) Engage in fund-raising activities at the maritime  
18 museum.

19 (d) Operate a maritime museum store or other sales facili-  
20 ties, or both, if the department enters into a concession agree-  
21 ment with the friends of the maritime museum organization.

22 (3) To qualify as the officially recognized friends of the  
23 maritime museum organization, an organization shall do all of the  
24 following:

25 (a) Incorporate under the laws of the state of Michigan.

26 (b) Operate on a nonprofit basis.

1 (c) Request written approval from the department, using  
2 procedures and forms prescribed by the department, to function as  
3 an officially recognized friends of the maritime museum  
4 organization.

5 (4) Except as provided in subsection (5), if an entity qual-  
6 ifies as the officially recognized friends of the maritime museum  
7 organization, the department shall issue a letter of certifica-  
8 tion recognizing the friends of the maritime museum  
9 organization's qualifications. The letter shall specify the con-  
10 ditions under which the friends of the maritime museum organi-  
11 zation may make expenditures on behalf of the maritime museum and  
12 may include other appropriate provisions.

13 (5) Nothing in this section requires the department to cer-  
14 tify a friends of the maritime museum organization that meets the  
15 qualifications prescribed in this section.

16 (6) The department may promulgate rules pursuant to the  
17 administrative procedures act of 1969, Act No. 306 of the Public  
18 Acts of 1969, being sections 24.201 to 24.328 of the Michigan  
19 Compiled Laws, to establish special conditions with which the  
20 friends of the maritime museum organization shall comply in order  
21 to use maritime museum facilities.

22 (7) The department shall not permit the use of museum facil-  
23 ities if the friends of the maritime museum organization fails to  
24 provide membership and employment opportunities to all persons  
25 regardless of race, color, religion, sex, age, national origin,  
26 or physical handicap.

1       Sec. 201. (1) The department, on behalf of the state of  
2 Michigan, may accept all of the following as gifts:

3       (a) From the city of Durand, the Durand union station rail-  
4 road depot structure, situated in the city of Durand, Michigan,  
5 exclusive of any interest in the land upon which the structure is  
6 located.

7       (b) From the city of Durand, approximately 3.76 acres of  
8 land formerly owned by the Ann Arbor railroad and associated with  
9 the depot structure, more particularly described as follows:

10       Part of the northwest quarter of section 22, T6N, R4E, City  
11 of Durand, County of Shiawassee, State of Michigan, and further  
12 described as beginning at a point on the centerline of Ann Arbor  
13 Street (extended westerly) said point being south 89°44'55" west  
14 91.40 feet from the intersection of said centerline of Ann Arbor  
15 Street with the west line of the plat of "M.V. RUSSELL'S THIRD  
16 ADDITION to the Village of Durand", thence continuing south  
17 89°45'55" west along the centerline (extended westerly) 87.65  
18 feet, thence south 02°24'50" west 259.22 feet to a point on a  
19 line which is 50 feet northeasterly of and parallel with the cen-  
20 terline of the company's main track, thence north 53°42'10" west  
21 parallel with said main track 180.02 feet, thence along a curve  
22 to the left with a long chord bearing and distance of north  
23 40°52'39" west 334.57 feet, thence north 00°06'15" east 95.0 feet  
24 to a point on a line which is 83 feet southeasterly of and paral-  
25 lel with the centerline of the company's westbound track, thence  
26 north 71° east parallel with said westbound track 486.18 feet,  
27 thence south 00°26'45" east 353.48 feet to the point of

1 beginning, containing 3.76 acres more or less, subject to all  
2 easements of record.

3 (c) From the city of Durand, artifacts and other personal  
4 property that pertain to the depot structure or railroading.

5 (d) From the union station corporation, artifacts and other  
6 personal property that pertain to the depot structure or  
7 railroading.

8 (e) From the union station corporation, any corporate funds  
9 that are earmarked for restoration of the structure and are held  
10 by the union station corporation on the date the depot structure  
11 is transferred to the state.

12 (f) From the railroad corporation, all real property and  
13 improvements on the real property with respect to approximately  
14 72,200 square feet of land situated underneath and associated  
15 with the depot structure, more particularly described as  
16 follows:

17 Beginning at the intersection of the company's southerly  
18 property line and the east line of Railroad Street projected,  
19 said lines also being the company's common property lines with  
20 land owned by the city, formerly owned by the Ann Arbor railroad,  
21 thence northeasterly along said southerly property line 105 feet,  
22 thence northwesterly at right angles 61 feet to a point 8.5 feet  
23 from the centerline of the company's eastbound main track as mea-  
24 sured at right angles, thence southwesterly parallel to said  
25 eastbound main track 375 feet to a point 8.5 feet from the cen-  
26 terline of the company's main track as measured at right angles,  
27 thence southeasterly parallel to said main track 522 feet, thence

1 northeasterly 80 feet to a point on the company's common property  
2 line with land owned by the city, formerly owned by the Ann Arbor  
3 railroad, thence northwesterly along said common property line on  
4 a curve to the left 335 feet, thence northerly along said common  
5 property line 95 feet to the point of beginning, excluding the  
6 fenced area of the company's microwave tower site, containing a  
7 total area of 72,200 square feet, more or less.

8       (2) An encumbrance or lien against any of the real property  
9 or the structure described in subsection (1) that is outstanding  
10 and is identified to the department on the effective date of the  
11 gift of the real property shall be accepted by the department. A  
12 liability that is not identified to the department on the date of  
13 gift or that arises subsequent to the date of gift is not the  
14 responsibility of the department.

15       (3) If the railroad corporation declines to make the gift  
16 described in subsection (1)(f), the department may lease from the  
17 railroad corporation the real property described in  
18 subsection (1)(f). If entered, the lease shall extend for a term  
19 of not less than 25 years and shall contain a renewal clause.

20       Sec. 202. (1) If the city of Durand elects to make the  
21 gifts specified in section 201, the city of Durand shall deliver  
22 to the department a quitclaim deed for the structure and land  
23 described in section 201(1)(a) and (b), subject to any and all  
24 encumbrances, easements, and restrictions of record at the time  
25 of transfer. The deed shall include a covenant that provides  
26 that the property shall be used exclusively as a railroad history  
27 museum and that upon termination of those uses or upon use for

1 any other purpose, title to the property shall revert immediately  
2 to the city of Durand. This covenant shall run with the land.

3 (2) If the railroad corporation elects to make the gift  
4 specified in section 201(1)(f), the railroad corporation shall  
5 deliver to the department a warranty deed that describes the  
6 property donated.

7 (3) The quitclaim and warranty deeds required by this sec-  
8 tion, and any other legal documents required to effect the trans-  
9 fers specified in section 201, shall be approved by the attorney  
10 general.

11 (4) If the department accepts the structure or land  
12 described in section 201(1)(a) and (b), or both, and later elects  
13 to sell that structure or land, the city of Durand shall have the  
14 right of first refusal with respect to purchasing the premises at  
15 its fair market value.

16 Sec. 203. (1) At the time of transfer, a project director  
17 who is under contract with the union station corporation and  
18 works at the railroad history museum on the effective date of  
19 this act shall become an employee of the department in accordance  
20 with a plan prepared by the department and approved by the  
21 department of civil service. The plan shall relate to compensa-  
22 tion, classification, status, probationary periods, seniority,  
23 longevity, annual and sick leave, group insurance coverages,  
24 retirement, and other terms and conditions of employment.

25 (2) The sum of not to exceed \$100,000.00 is appropriated  
26 from the general fund to the department for the fiscal year

1 ending September 30, 1989, and 2 full-time equated positions are  
2 authorized for the purposes of this section.

3 (3) Nothing in subsection (1) shall be construed to restrict  
4 the department from assigning new duties to, or otherwise trans-  
5 ferring, a former project director at the railroad history museum  
6 after the person becomes an employee of the department.

7 Sec. 204. (1) The department's bureau of history shall  
8 operate the railroad history museum and associated premises as  
9 part of its statewide museum system.

10 (2) The railroad history museum shall be dedicated to  
11 recounting and interpreting the role of the railroad industry in  
12 the development of the social, economic, and human history of the  
13 state of Michigan.

14 (3) The programs undertaken at the railroad history museum  
15 may include research, restoration, and conservation efforts, with  
16 the intent of preserving and interpreting the documents, arti-  
17 facts, engines, and rolling stock associated with the state's  
18 rail system.

19 (4) The department may disseminate information concerning  
20 the railroad industry in Michigan and how the railroad industry  
21 helped to build, shape, and define America and assisted in open-  
22 ing frontiers and industrializing Michigan. Information may be  
23 disseminated in any appropriate form, including, but not limited  
24 to, publications, seminars, special exhibits, and public  
25 presentations.

1       (5) As part of its railroad history museum program, the  
2 department may train persons in railroad industry research,  
3 interpretation, preservation, and conservation.

4       (6) The department may maintain and operate a railroad  
5 library and archives at the railroad history museum or at another  
6 facility acquired to operate in conjunction with the railroad  
7 history museum.

8       (7) All documents, artifacts, and other personal property  
9 given to the department under section 201 shall not at any time  
10 be permanently removed from the railroad history museum, sold, or  
11 permanently transferred to another museum.

12       Sec. 205. With respect to the railroad history museum and  
13 in addition to its other powers and duties, the department may do  
14 any of the following:

15       (a) Act to preserve documents, artifacts, engines, rolling  
16 stock, and related items of historical interest connected with  
17 railroading in Michigan.

18       (b) Accept on behalf of the state grants and donations of  
19 money, real property, historical artifacts, and other personal  
20 property related to the themes of the railroad history museum.  
21 Donations of money made under this subdivision shall be credited  
22 to the railroad history museum trust fund.

23       (c) Purchase historical artifacts related to the themes of  
24 the railroad history museum within the limits of the funds  
25 available.

1       Sec. 206. (1) The Michigan railroad history museum and  
2 information center advisory board is created within the  
3 department.

4       (2) The railroad history museum advisory board shall consist  
5 of 9 members appointed by the governor, including all of the  
6 following:

7       (a) One representative from the city of Durand.

8       (b) One representative from the union station corporation.

9       (c) One representative from the chamber of commerce of the  
10 city of Durand.

11       (d) One representative from the tourism council of the  
12 county of Shiawassee.

13       (e) One representative from the county historical society of  
14 the county of Shiawassee.

15       (f) One representative from the railroad industry.

16       (g) Three representatives of the general citizenry of the  
17 state, at least 1 of whom shall be a resident of the Upper  
18 Peninsula.

19       (3) Each member of the railroad history museum advisory  
20 board shall be a registered voter and a resident of this state.

21       (4) Not more than 5 members of the railroad history museum  
22 advisory board shall be of the same political party at any 1  
23 time.

24       (5) Except for members first appointed, each member of the  
25 railroad history museum advisory board shall serve a 4-year  
26 term. The initial term of office for the members first appointed  
27 under subsection (2) shall be determined at the first meeting of

1 the railroad history museum advisory board by the drawing of lots  
2 among the members with 3 members serving for 4 years, 3 members  
3 serving for 3 years, and 3 members serving for 2 years.

4 Vacancies on the railroad history museum advisory board shall be  
5 filled in the same manner as the original appointment for the  
6 remainder of the unexpired term.

7       (6) A member shall not receive compensation for his or her  
8 services as a member of the railroad history museum advisory  
9 board, except for expenses incurred while acting as an official  
10 representative of the railroad history museum advisory board.  
11 However, a member shall not receive more than \$75.00 per day for  
12 not more than 24 days per calendar year for not more than 2  
13 years. All claims for expenses shall be paid from the railroad  
14 history museum trust fund pursuant to a voucher submitted to the  
15 department of treasury.

16       (7) The members of the railroad history museum advisory  
17 board annually shall elect a chairperson, vice-chairperson, and  
18 secretary.

19       (8) The railroad history museum advisory board shall meet  
20 not less than twice each calendar year at the call of the  
21 chairperson. A majority of the members shall constitute a quorum  
22 for the transaction of business. A decision of the railroad his-  
23 tory museum advisory board shall be made by majority vote of the  
24 members present and voting at a meeting of the railroad history  
25 museum advisory board.

26       Sec. 207. (1) The railroad history museum advisory board  
27 shall do all of the following:

1 (a) Advise the department as to the construction of and the  
2 policies, plans, acquisitions, and programs concerning the rail-  
3 road history museum.

4 (b) Facilitate cooperation between the department and public  
5 and private entities interested in railroad history and the pro-  
6 grams of the railroad history museum.

7 (c) Encourage donations of real and personal property to the  
8 department for purposes incidental to, or connected with, the  
9 railroad history museum, including artifacts, engines, and roll-  
10 ing stock associated with railroad history in Michigan.

11 (d) Promote public use of the railroad history museum and  
12 its programs.

13 (e) Make recommendations regarding fees and charges for  
14 products and services provided at the railroad history museum.

15 (f) Provide other assistance and advice as may be required.

16 (2) The business that the railroad history museum advisory  
17 board performs shall be conducted at a public meeting of the  
18 railroad history museum advisory board held in compliance with  
19 the open meetings act, Act No. 267 of the Public Acts of 1976,  
20 being sections 15.261 to 15.275 of the Michigan Compiled Laws.  
21 Public notice of the time, date, and place of each meeting shall  
22 be given in the manner required by Act No. 267 of the Public Acts  
23 of 1976.

24 (3) A writing prepared, owned, used, in the possession of,  
25 or retained by the railroad history museum advisory board in the  
26 performance of an official function shall be made available to  
27 the public in compliance with the freedom of information act, Act

1 No. 442 of the Public Acts of 1976, being sections 15.231 to  
2 15.246 of the Michigan Compiled Laws.

3 Sec. 208. (1) In order to assist the funding of the rail-  
4 road history museum, the department may do all of the following:

5 (a) Charge a reasonable fee for entry into the railroad his-  
6 tory museum. If charged, the fee shall be set by the secretary  
7 of state and shall be reviewed annually.

8 (b) Establish and administer a retail sales store at the  
9 railroad history museum. The railroad history museum store may  
10 acquire and sell items that pertain to the collections maintained  
11 at the railroad history museum or the purpose of the railroad  
12 history museum, or both. Items sold by the railroad history  
13 museum store may be acquired by purchase, gift, or consignment  
14 and may be sold on a commission basis. The department is exempt  
15 from the provisions of section 261 of the management and budget  
16 act, Act No. 431 of the Public Acts of 1984, being section  
17 18.1261 of the Michigan Compiled Laws, when acquiring items  
18 intended for resale in the railroad history museum store. A  
19 charge shall be established for each item offered for sale. The  
20 charge may include markups and discounts that are commensurate  
21 with industry practice. The department may accept cash, check,  
22 or credit card payments as compensation for items sold and shall  
23 determine which credit cards will be accepted for payment. The  
24 department may establish accounts in credit card banks for the  
25 deposit of credit card sales invoices and to pay discounts and  
26 service charges in connection with the use of credit cards. The  
27 department may purchase and place advertisements concerning items

1 offered for sale at the railroad history museum store. The  
2 railroad history museum store may utilize the services of high  
3 school cooperative students and volunteers.

4 (c) Establish and operate a snack bar or other food and bev-  
5 erage service at the railroad history museum and make reasonable  
6 charges for the items sold. The department may enter into agree-  
7 ments with a contractor or concessionaire to operate a food and  
8 beverage concession. A food and beverage concession agreement  
9 entered into under authority of this subdivision shall require  
10 each contractor or concessionaire to conduct his or her business  
11 in good taste and in keeping with the theme of the railroad his-  
12 tory museum. The Michigan commission for the blind shall have  
13 priority to establish vending and cafeteria operations in the  
14 railroad history museum, as authorized by Act No. 260 of the  
15 Public Acts of 1978, being sections 393.351 to 393.368 of the  
16 Michigan Compiled Laws.

17 (d) Rent space on the railroad history premises of the  
18 museum to tasteful and appropriate history-oriented retail busi-  
19 nesses, including, but not limited to, coin, stamp and antique  
20 dealers, and model railroad dealers. As consideration for space  
21 rented under this section, the department shall charge either 25%  
22 of the net profits of the business or the prevailing rate for the  
23 space rented. The department shall enter into a written rental  
24 agreement with each business specifying the term of the lease,  
25 which shall not exceed 1 year in duration, but may contain a  
26 renewal clause, the agreed upon consideration, grounds for  
27 termination, and any other provisions the secretary of state

1 considers necessary for the sound operation of the railroad  
2 history museum.

3       (e) Rent space on the premises of the railroad history  
4 museum to appropriate businesses that demonstrate a substantial  
5 need to engage in commerce at the railroad history museum site,  
6 including, but not limited to, amtrak or any successor to  
7 amtrak. The department shall enter into a written rental agree-  
8 ment with each business specifying the terms of the lease, which  
9 shall not exceed 10 years in length but may contain a renewal  
10 clause, the consideration, grounds for termination, and such  
11 other provisions as the secretary of state considers necessary  
12 for the sound operation of the railroad history museum and the  
13 business.

14       (f) Rent space on the premises of the railroad history  
15 museum to nonprofit businesses and entities whose purpose involve  
16 promoting the study of railroading, historic preservation in gen-  
17 eral, or Michigan history. The department may rent space under  
18 this subdivision at a rate reduced from the prevailing rate for  
19 comparable space in the area, but not below 50% of the prevailing  
20 rate. The department shall enter into a written rental agreement  
21 with each nonprofit business or entity specifying the terms of  
22 the lease, which shall not exceed 3 years in duration but may  
23 contain a renewal clause, the agreed upon consideration, grounds  
24 for termination, and any other provisions the secretary of state  
25 considers necessary for the sound operation of the railroad his-  
26 tory museum.

1       (2) The department may rent space on the premises of the  
2 railroad history museum to a suitable restaurant. The restaurant  
3 shall agree to develop a decor relating to the theme of the rail-  
4 road history museum that is subject to the approval of the secre-  
5 tary of state. As consideration for space rented under this sub-  
6 section, the department shall charge 15% of the net profits of  
7 the restaurant. The department shall enter into a written rental  
8 agreement with the restaurant specifying the terms of the lease,  
9 which shall not exceed 3 years in duration but may contain a  
10 renewal clause, the agreed upon consideration, grounds for termi-  
11 nation, and any other provisions the secretary of state considers  
12 necessary for the sound operation of the railroad history  
13 museum.

14       Sec. 209. (1) The money collected under this section and  
15 sections 205 and 208 shall be credited to a revolving fund that  
16 is created in the state treasury and shall be known as the  
17 Michigan railroad history museum trust fund. Except as provided  
18 in subsection (3), money deposited in the railroad history museum  
19 trust fund may be used to do any of the following:

20       (a) Defray the costs of operating the railroad history  
21 museum.

22       (b) Purchase artifacts, engines, and rolling stock for the  
23 collection of the railroad history museum.

24       (c) Restore artifacts, engines, and rolling stock in the  
25 collection of the railroad history museum.

1 (d) Advertise and pay for educational programs, special  
2 exhibits, and special events, including performers, presented at  
3 the railroad history museum.

4 (e) Provide free materials to school groups.

5 (f) Purchase items offered for sale at the railroad history  
6 museum store.

7 (g) Make capital and other substantial improvements to the  
8 railroad history museum facilities.

9 (2) The department shall administer the railroad history  
10 museum trust fund. The money in the railroad history museum  
11 trust fund at the close of the fiscal year shall remain in the  
12 fund for use in a subsequent year and may not be expended for any  
13 purpose other than those enumerated in this act.

14 (3) The sum of not to exceed \$885,000.00 is appropriated  
15 from the general fund to the department for the fiscal year  
16 ending September 30, 1989, for 1 or more of the following pur-  
17 poses related to the Michigan railroad history museum:

18 (a) Weatherproofing the structure.

19 (b) Restoration of the interior and exterior of the  
20 structure.

21 (c) Installation of exhibit areas inside the structure.

22 (d) Providing an adequate parking area.

23 (e) Fencing the property.

24 (f) Operational expenses.

25 Sec. 210. (1) The department shall encourage the creation  
26 of an officially recognized friends of the depot organization  
27 designed to provide funding, promotional support, volunteer

1 labor, and other forms of assistance to the railroad history  
2 museum.

3 (2) If established, the officially recognized friends of the  
4 depot organization may do all of the following:

5 (a) Make expenditures on behalf of the programs of the rail-  
6 road history museum, if such expenditures are requested by the  
7 department.

8 (b) Use the facilities of the railroad history museum with-  
9 out charge upon receipt of written permission from the department  
10 to do so. Use of the railroad history museum facilities shall be  
11 in keeping with the authorized purposes of the friends of the  
12 depot organization, shall not be made at times and places that  
13 would unreasonably interfere with opportunities of the general  
14 public to use the facilities for established purposes, and shall  
15 be subject to the other provisions of this section.

16 (c) Engage in fund-raising activities at the railroad his-  
17 tory museum.

18 (d) Furnish volunteer labor to perform services in the rail-  
19 road history museum store and in connection with other programs  
20 at the railroad history museum.

21 (3) To qualify as the officially recognized friends of the  
22 depot organization, an organization shall do all of the  
23 following:

24 (a) Incorporate under the laws of the state of Michigan.

25 (b) Operate on a nonprofit basis.

1 (c) Request written approval from the department, using  
2 procedures and forms prescribed by the department, to function as  
3 an officially recognized friends of the depot organization.

4 (4) Except as provided in subsection (5), if an entity qual-  
5 ifies as the officially recognized friends of the depot organi-  
6 zation, the department shall issue a letter of certification rec-  
7 ognizing the organization's qualifications. The letter shall  
8 specify the conditions under which the friends of the depot orga-  
9 nization may make expenditures on behalf of the railroad history  
10 museum and may include other appropriate provisions.

11 (5) Nothing in this section requires the department to cer-  
12 tify a friends of the depot organization that meets the qualifi-  
13 cations prescribed in this section.

14 (6) The department may promulgate rules pursuant to the  
15 administrative procedures act of 1969, Act No. 306 of the Public  
16 Acts of 1969, being sections 24.201 to 24.328 of the Michigan  
17 Compiled Laws, to establish special conditions with which the  
18 friends of the depot organization shall comply in order to use  
19 railroad history museum facilities.

20 (7) The department shall not permit the use of railroad his-  
21 tory museum facilities if the friends of the depot organization  
22 fails to provide membership and employment opportunities to all  
23 persons regardless of race, color, religion, sex, age, national  
24 origin, or physical handicap.