

HOUSE BILL No. 6160

September 22, 1998, Introduced by Reps. Kaza, Cropsey, Vaughn, Martinez, Lowe, Anthony, Ciaramitaro, Voorhees and Willard and referred to the Committee on House Oversight and Ethics.

A bill to amend 1984 PA 270, entitled
"Michigan strategic fund act,"
by amending section 5 (MCL 125.2005), as amended by 1987 PA 278.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5. (1) There is created by this act a public body cor-
2 porate and politic to be known as the Michigan strategic fund.
3 The fund ~~shall be within the department of commerce and shall~~
4 ~~exercise~~ IS WITHIN THE MICHIGAN JOBS COMMISSION PURSUANT TO
5 EXECUTIVE ORDER 1994-10, MCL 408.48, AND EXERCISES its prescribed
6 statutory powers, duties, and functions independently of the
7 director of ~~commerce~~ THE MICHIGAN JOBS COMMISSION. However,
8 the budgeting, procurement, and related functions of the fund and
9 administrative responsibilities for employees of the fund shall
10 be performed under the direction and supervision of the director
11 of ~~commerce~~ THE MICHIGAN JOBS COMMISSION.

1 (2) The purposes, powers, and duties of the Michigan
2 strategic fund are vested in and ~~shall be~~ exercised by a board
3 of directors.

4 (3) The board ~~shall consist~~ CONSISTS of the director of
5 the ~~department of commerce~~ MICHIGAN JOBS COMMISSION, the state
6 treasurer, and 7 other members with knowledge, skill, and
7 experience in the academic, business, or financial field, who
8 ~~shall be~~ ARE appointed by the governor with the advice and con-
9 sent of the senate. Not more than 2 of the 7 appointed members
10 of the board shall be, during their term of office on the board,
11 employees of the state of Michigan. The remainder of the
12 appointed members of the board ~~shall be~~ ARE representatives of
13 the private sector. Five of the 7 appointed members ~~shall~~
14 serve for fixed terms. ~~Of the 5 fixed-term members first~~
15 ~~appointed, 2 shall be appointed for a term that expires December~~
16 ~~31, 1986, and 3 shall be appointed for a term that expires~~
17 ~~December 31, 1987.~~ Upon completion of each fixed term, a member
18 shall be appointed for a term of 3 years. Of the private sector
19 members appointed by the governor for a fixed term, 1 shall be
20 appointed from 1 or more nominees of the speaker of the house of
21 representatives and 1 shall be appointed from 1 or more nominees
22 of the senate majority leader. A member shall serve until a suc-
23 cessor is appointed, and a vacancy shall be filled for the bal-
24 ance of the unexpired term in the same manner as the original
25 appointment. The 2 appointed members serving without a fixed
26 term ~~shall~~ serve at the pleasure of the governor. Of the
27 members appointed, there shall be minority, female, and small

1 business representation. The chief executive officer or director
2 of any state department, who is a designated member of or an
3 appointee to the board, may appoint a representative from the
4 department to serve as a voting member of the fund in the absence
5 of the chief executive officer or director.

6 (4) The governor shall designate 1 member of the board to
7 serve as its chairperson. Of the 2 board members serving at the
8 pleasure of the governor, the governor shall designate 1 member
9 to serve as the board's president and shall designate the other
10 member to serve as its vice-president if a vice-president is
11 designated. The chairperson, president, and vice-president
12 ~~shall~~ serve as those officers at the pleasure of the governor.

13 (5) Members of the board ~~shall~~ serve without compensation
14 for their membership on the board, except that the president and
15 vice-president shall receive such compensation as is reasonable
16 and established by the board, and members of the board shall
17 receive reasonable reimbursement for necessary travel and
18 expenses.

19 (6) The board may delegate to its president, vice-president,
20 staff, or others those functions and authority that the board
21 ~~deems~~ DETERMINES necessary or appropriate, which may include
22 the oversight and supervision of employees of the fund.

23 (7) A majority of the members of the board serving and
24 present in person at a board meeting constitutes a quorum for the
25 transaction of business at a meeting, or the exercise of a power
26 or function of the fund, notwithstanding the existence of 1 or
27 more vacancies. Voting upon action taken by the board shall be

1 conducted by majority vote of the members present in person at a
2 meeting of the board or, if authorized by the bylaws of the
3 board, by use of amplified telephonic equipment. The fund shall
4 meet at the call of the chair and as may be provided in the
5 bylaws of the fund. Meetings of the fund may be held anywhere
6 within the state of Michigan.

7 (8) The business ~~which~~ THAT the board ~~may perform~~
8 PERFORMS shall be conducted at a public meeting of the board held
9 in compliance with the open meetings act, ~~Act No. 267 of the~~
10 ~~Public Acts of 1976, being sections 15.261 to 15.275 of the~~
11 ~~Michigan Compiled Laws~~ 1976 PA 267, MCL 15.261 TO 15.275. AS
12 USED IN THIS SECTION, "BUSINESS" INCLUDES DISCUSSIONS WITH PER-
13 SONS WHO SEEK OR RECEIVE AN ECONOMIC BENEFIT UNDER THIS ACT.
14 Public notice of the time, date, and place of the meeting shall
15 be given in the manner required by ~~Act No. 267 of the Public~~
16 ~~Acts of 1976~~ THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO
17 15.275. ~~A record or portion of a record, material, or other~~
18 ~~data received, prepared, used, or retained by the fund or any of~~
19 ~~its centers in connection with an application to or with a~~
20 ~~project or product assisted by the fund or any of its centers~~
21 ~~which relates to financial or proprietary information submitted~~
22 ~~by the applicant that is considered by the applicant and acknowl-~~
23 ~~edged by the board as confidential shall not be subject to the~~
24 ~~disclosure requirements of the freedom of information act, Act~~
25 ~~No. 442 of the Public Acts of 1976, being sections 15.231 to~~
26 ~~15.246 of the Michigan Compiled Laws. The board may also meet in~~
27 ~~closed session pursuant to Act No. 267 of the Public Acts of 1976~~

~~1 to make a determination of whether it acknowledges as
2 confidential any financial or proprietary information submitted
3 by the applicant and considered by the applicant as
4 confidential. Unless considered proprietary information, the
5 board shall not acknowledge routine financial information as
6 confidential.~~

~~7 (9) The fund shall not disclose financial or proprietary
8 information not subject to disclosure pursuant to subsection (8)
9 without consent of the applicant submitting the information.~~

10 (9) ~~(10)~~ Any document to which the fund is a party evi-
11 dencing a loan, insurance, mortgage, lease, venture, or other
12 type of agreement THAT the fund is authorized to enter ~~into~~
13 ~~shall not be considered financial or proprietary information that~~
14 ~~may be exempt from disclosure under subsection (8)~~ IS SUBJECT TO
15 DISCLOSURE UNDER THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL
16 15.231 TO 15.246.

17 ~~(11) For purposes of subsections (8), (9), and (10),~~
18 ~~"financial or proprietary information" means information which~~
19 ~~has not been publicly disseminated or which is unavailable from~~
20 ~~other sources, the release of which might cause the applicant~~
21 ~~significant competitive harm.~~