

# HOUSE BILL No. 6763

December 4, 2008, Introduced by Rep. Coulouris and referred to the Committee on Banking and Financial Services.

A bill to amend 1984 PA 270, entitled  
"Michigan strategic fund act,"  
(MCL 125.2001 to 125.2094) by adding section 16.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 16. (1) THE INVESTMENT OVERSIGHT BOARD IS CREATED WITHIN  
2        THE FUND. THE INVESTMENT OVERSIGHT BOARD SHALL EXERCISE ITS POWERS,  
3        DUTIES, AND DECISION-MAKING AUTHORITY UNDER THIS SECTION  
4        INDEPENDENTLY OF THE FUND, THE BOARD, AND THE DEPARTMENT OF  
5        TREASURY, EXCEPT AS NECESSARY TO CARRY OUT THE INVESTMENT OVERSIGHT  
6        BOARD'S INVESTMENT ACTIVITIES, AS SPECIFIED IN SUBSECTION (2).

7        (2) THE INVESTMENT OVERSIGHT BOARD SHALL DIRECT THE INVESTMENT  
8        OF FUNDS RECEIVED BY THE FUND UNDER TRIBAL GAMING COMPACTS ENTERED

1 BETWEEN THIS STATE AND A FEDERALLY RECOGNIZED INDIAN TRIBE.  
2 INVESTMENTS SHALL BE USED TO PROVIDE A DIRECT CAPITAL INVESTMENT.

3 (3) THE INVESTMENT OVERSIGHT BOARD SHALL CONSIST OF THE  
4 FOLLOWING MEMBERS:

5 (A) THE STATE TREASURER OR HIS OR HER DESIGNEE.

6 (B) THE CHIEF EXECUTIVE OFFICER OF THE MICHIGAN ECONOMIC  
7 DEVELOPMENT CORPORATION OR HIS OR HER DESIGNEE.

8 (C) THE COMMISSIONER OF THE DEPARTMENT OF ENERGY, LABOR, AND  
9 ECONOMIC GROWTH, OFFICE OF FINANCIAL AND INSURANCE REGULATION, OR  
10 HIS OR HER DESIGNEE.

11 (D) A PERSON APPOINTED BY THE COMMISSIONER OF THE DEPARTMENT  
12 OF ENERGY, LABOR, AND ECONOMIC GROWTH, OFFICE OF FINANCIAL AND  
13 INSURANCE REGULATION.

14 (E) THREE MEMBERS APPOINTED BY THE GOVERNOR AS FOLLOWS:

15 (i) ONE MEMBER WHO REPRESENTS THE INTERESTS OF THE BANKING  
16 INDUSTRY.

17 (ii) ONE MEMBER SELECTED FROM A LIST OF 2 OR MORE INDIVIDUALS  
18 SELECTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES WHO  
19 REPRESENTS THE INTERESTS OF SMALL BUSINESSES.

20 (iii) ONE MEMBER SELECTED FROM A LIST OF 2 OR MORE INDIVIDUALS  
21 SELECTED BY THE MAJORITY LEADER OF THE SENATE WHO REPRESENTS THE  
22 INTERESTS OF SMALL BUSINESSES.

23 (4) THE COMMISSIONER OF THE DEPARTMENT OF ENERGY, LABOR, AND  
24 ECONOMIC GROWTH, OFFICE OF FINANCIAL AND INSURANCE REGULATION SHALL  
25 SERVE AS CHAIRPERSON OF THE INVESTMENT OVERSIGHT BOARD. THE  
26 INVESTMENT OVERSIGHT BOARD SHALL SELECT FROM AMONG ITS MEMBERS, A  
27 MEMBER TO SERVE AS VICE-CHAIRPERSON AND A MEMBER TO SERVE AS

1 SECRETARY.

2 (5) UPON APPOINTMENT TO THE INVESTMENT OVERSIGHT BOARD UNDER  
3 THIS SECTION AND UPON THE TAKING AND FILING OF THE CONSTITUTIONAL  
4 OATH OF OFFICE PRESCRIBED IN SECTION 1 OF ARTICLE XI OF THE STATE  
5 CONSTITUTION OF 1963, A MEMBER SHALL ENTER THE OFFICE AND EXERCISE  
6 THE DUTIES OF THE OFFICE.

7 (6) MEMBERS OF THE INVESTMENT OVERSIGHT BOARD SHALL SERVE  
8 WITHOUT COMPENSATION. MEMBERS OF THE INVESTMENT OVERSIGHT BOARD  
9 THAT ARE NOT STATE EMPLOYEES MAY BE REIMBURSED FOR ACTUAL AND  
10 NECESSARY EXPENSES.

11 (7) UPON THE INITIAL APPOINTMENT OF MEMBERS UNDER THIS  
12 SECTION, THE INVESTMENT OVERSIGHT BOARD SHALL ORGANIZE AND ADOPT  
13 ITS OWN POLICIES, PROCEDURES, SCHEDULE OF REGULAR MEETINGS, AND A  
14 REGULAR MEETING DATE, PLACE, AND TIME.

15 (8) THE INVESTMENT OVERSIGHT BOARD MAY ACT ONLY BY RESOLUTION  
16 APPROVED BY A MAJORITY OF THE INVESTMENT OVERSIGHT BOARD MEMBERS  
17 APPOINTED AND SERVING. A MAJORITY OF THE MEMBERS OF THE INVESTMENT  
18 OVERSIGHT BOARD APPOINTED AND SERVING SHALL CONSTITUTE A QUORUM FOR  
19 THE TRANSACTION OF BUSINESS. THE INVESTMENT OVERSIGHT BOARD SHALL  
20 MEET IN PERSON OR BY MEANS OF ELECTRONIC COMMUNICATION DEVICES THAT  
21 ENABLE ALL PARTICIPANTS IN THE MEETING TO COMMUNICATE WITH EACH  
22 OTHER.

23 (9) THE INVESTMENT OVERSIGHT BOARD SHALL CONDUCT ALL BUSINESS  
24 AT PUBLIC MEETINGS HELD IN COMPLIANCE WITH THE OPEN MEETINGS ACT,  
25 1976 PA 267, MCL 15.261 TO 15.275. PUBLIC NOTICE OF THE TIME, DATE,  
26 AND PLACE OF EACH MEETING SHALL BE GIVEN IN THE MANNER REQUIRED BY  
27 THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275, AND SHALL

1 BE PUBLISHED ON THE FUND'S INTERNET WEBSITE.

2 (10) FINANCIAL INSTITUTIONS RECEIVING INVESTMENTS UNDER  
3 SUBSECTION (2) SHALL PROVIDE THE INVESTMENT OVERSIGHT BOARD WITH  
4 QUARTERLY REPORTS ON THE STATUS OF THE INVESTMENTS RECEIVED.

5 (11) THE INVESTMENT OVERSIGHT BOARD SHALL PROVIDE A REPORT TO  
6 THE SENATE AND HOUSE COMMITTEES ON APPROPRIATIONS, THE SENATE AND  
7 HOUSE FISCAL AGENCIES, AND THE STATE BUDGET OFFICE.