

SENATE BILL No. 742

February 19, 1992, Introduced by Senator ARTHURHULTZ and referred to the Committee on Corporations and Economic Development.

A bill to amend sections 3, 5, 6, and 7 of Act No. 157 of the Public Acts of 1986, entitled "Michigan export development act," sections 3, 5, and 7 as amended by Act No. 304 of the Public Acts of 1990, being sections 447.153, 447.155, 447.156, and 447.157 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 3, 5, 6, and 7 of Act No. 157 of the
2 Public Acts of 1986, sections 3, 5, and 7 as amended by Act
3 No. 304 of the Public Acts of 1990, being sections 447.153,
4 447.155, 447.156, and 447.157 of the Michigan Compiled Laws, are
5 amended to read as follows:

6 Sec. 3. (1) The Michigan export development authority is
7 created as a body politic and corporate within ~~— but not as a~~
8 ~~part of,~~ the department of ~~agriculture~~ COMMERCE. The

1 authority shall exercise ~~the authority's~~ ITS prescribed
2 statutory powers, duties, and functions independently of the
3 director of ~~the department of agriculture and independently of~~
4 ~~the commission of agriculture~~ COMMERCE. The budgeting, procure-
5 ment, and related functions of the authority shall be performed
6 under the direction and supervision of the director of ~~the~~
7 ~~department of agriculture~~ COMMERCE.

8 (2) The purpose of the authority is:

9 (a) To assist, promote, encourage, develop, and advance eco-
10 nomic prosperity and employment throughout this state by foster-
11 ing the expansion of exports of goods and services to foreign
12 purchasers.

13 (b) To cooperate and act in conjunction with other organi-
14 zations, public and private, the objects of which are the promo-
15 tion and advancement of export trade activities in this state.

16 (c) To provide guarantees and grants and to locate sources
17 and export insurance to support export development not otherwise
18 available.

19 (d) To provide information and referrals to, and to act as a
20 clearinghouse for, potential and existing exporters.

21 Sec. 5. (1) A vacancy in the membership of the board shall
22 not impair the right of a quorum to exercise all rights and per-
23 form all the duties of the board. An action taken by the board
24 may be authorized by resolution at a regular or special meeting
25 and shall take effect upon the date the resolution is approved by
26 the board unless some other date is provided in the resolution.

1 (2) The board may delegate to 1 or more of its members or to
2 an official, agent, or employee of the authority the powers and
3 duties as the board considers proper.

4 (3) THE BOARD MAY APPOINT A FINANCE COMMITTEE COMPOSED OF
5 NOT LESS THAN 3 MEMBERS AND MAY DELEGATE TO THAT COMMITTEE THE
6 POWERS OF THE AUTHORITY ENUMERATED IN SECTION 7(C). HOWEVER, ANY
7 GUARANTEE OF AN AMOUNT MORE THAN \$500,000.00 REQUIRES THE
8 APPROVAL OF THE BOARD.

9 (4) ~~-(3)-~~ A member of the board or a person acting on behalf
10 of the authority executing a contract, commitment, or agreement
11 issued under this act ~~-shall-~~ IS not ~~-be-~~ personally liable or
12 accountable on the contract, commitment, or agreement.

13 (5) ~~-(4)-~~ A member of the board or a person acting on behalf
14 of the authority ~~-shall-~~ IS not ~~-be-~~ liable personally for damage
15 or injury resulting from the performance of his or her duties
16 arising under this act. The authority shall indemnify and pro-
17 cure insurance indemnifying the members of the board and staff
18 officers appointed by a resolution of the board from personal
19 loss or accountability from liability asserted by a person on the
20 bonds or notes of the fund or from any personal liability or
21 accountability by reason of the issuance of the bonds, notes,
22 insurance, or guarantees; or by reason of any other action taken
23 or the failure to act by the authority.

24 (6) ~~-(5)-~~ The board may appoint up to 2 employees to unclas-
25 sified positions not included in the state civil service to serve
26 for terms at the pleasure of the board.

1 Sec. 6. (1) The business which the authority OR ITS FINANCE
2 COMMITTEE DESCRIBED IN SECTION 5 may perform shall be conducted
3 at a public meeting of the authority held in compliance with the
4 open meetings act, Act No. 267 of the Public Acts of 1976, being
5 sections 15.261 to 15.275 of the Michigan Compiled Laws. Public
6 notice of the time, date, and place of the meeting shall be given
7 in the manner required by Act No. 267 of the Public Acts of
8 1976.

9 (2) Except as provided in subsection (3), all writing pre-
10 pared, owned, used, in the possession of, or retained by the
11 authority OR ITS FINANCE COMMITTEE in the performance of an offi-
12 cial function shall be made available to the public in compliance
13 with the freedom of information act, Act No. 442 of the Public
14 Acts of 1976, being sections 15.231 to 15.246 of the Michigan
15 Compiled Laws.

16 (3) Information submitted to or compiled by the authority OR
17 ITS FINANCE COMMITTEE in connection with ~~the authority's~~ ITS
18 responsibilities with respect to the identity, background,
19 finance, marketing plans, trade secrets, or any other commer-
20 cially sensitive information of persons, firms, associations,
21 partnerships, agencies, corporations, or other entities is confi-
22 dential, except to the extent that the person or entity which
23 provided the information consents to disclosure.

24 Sec. 7. The authority shall possess all the powers of a
25 body politic and corporate necessary and convenient to accomplish
26 the purposes of this act including, but not limited to, all of
27 the following powers:

1 (a) To borrow money and otherwise incur indebtedness for any
2 of its purposes including the issuance of bonds, debentures,
3 notes, or other evidence of indebtedness, whether secured or
4 unsecured.

5 (b) To purchase, discount, sell, or negotiate, with or with-
6 out guaranty notes, other evidences of indebtedness, and to sell
7 and guarantee securities.

8 (c) To lend money OR PROVIDE WORKING CAPITAL LOAN GUARANTEES
9 to a financial institution ~~in the form of an~~ COVERING eligible
10 export ~~loan which is~~ LOANS used to finance eligible export
11 transactions.

12 (d) To procure or locate sources of export insurance. To
13 ~~provide guarantees to guarantee,~~ insure, coinsure, or reinsure
14 against ~~risk of~~ loss DUE TO COMMERCIAL OR POLITICAL RISKS, and
15 TO PROVIDE other insurance ~~or guarantees~~ as the authority may
16 consider necessary.

17 (e) To provide EXPORT financial counseling services to busi-
18 nesses of this state.

19 (f) To procure insurance to secure the payment of principal
20 and interest on bonds, notes, or other obligations of the
21 authority.

22 (G) TO SERVE AS A POLICY ADVISER TO THE GOVERNOR WITH
23 RESPECT TO INTERNATIONAL ISSUES.

24 (H) ~~-(g)-~~ To accept gifts, grants, or loans from, and enter
25 into contracts or other transactions with, a federal or state
26 agency, a municipality, a private organization, or any other
27 source. To charge and collect fees for its services. To enter

1 into contracts or other agreements with the export-import bank of
2 the United States, the foreign credit insurance association, or
3 other federal agencies or instrumentalities.

4 (I) ~~-(h)-~~ To adopt, and from time to time to amend or
5 rescind, a bylaw or rule of the authority as may be necessary or
6 convenient for the performance of its functions, powers, and
7 duties under this act.

8 (J) ~~-(i)-~~ To sue and be sued.

9 (K) ~~-(j)-~~ To purchase; receive; take by grant, gift, devise,
10 bequest, or otherwise; lease; or acquire, own, hold, improve,
11 employ, use, or deal in and with real or personal property, or
12 any interest in real or personal property, wherever situated.

13 (L) ~~-(k)-~~ To sell, convey, lease, exchange, transfer, or
14 otherwise dispose of property or an interest in property, wher-
15 ever situated.

16 (M) ~~-(l)-~~ To promulgate rules necessary to carry out the pur-
17 poses of this act and to exercise the powers expressly granted in
18 this act pursuant to the administrative procedures act of 1969,
19 Act No. 306 of the Public Acts of 1969, being sections 24.201 to
20 24.328 of the Michigan Compiled Laws.

21 (N) ~~-(m)-~~ To lead, participate in, support, or otherwise
22 cooperate in trade missions, trade shows, and related efforts to
23 encourage the export of Michigan goods and services.

24 (O) ~~-(n)-~~ To sponsor or foster a foreign sales corporation
25 as defined in section 922 of the internal revenue code of 1986,
26 26 U.S.C. 922. To establish, participate, and secure federal
27 approval for an export trading company under the export trading

1 company act of 1982, Public Law 97-290, 96 Stat. 1233, or
2 equivalent entities under similar federal legislation. The
3 authority may in connection with any entities created under this
4 subdivision acquire and transfer title to goods and corporate or
5 partnership ownership interest, and may enter into joint ventures
6 with other export trading companies.

7 (P) ~~—(e)—~~ To exercise all other powers and functions neces-
8 sary or appropriate to carry out the duties and purposes set
9 forth in this act.

10 Section 2. This amendatory act shall not take effect unless
11 Senate Bill No. 743
12 of the 86th Legislature is enacted into law.