

HOUSE BILL No. 5300

October 21, 1997, Introduced by Rep. Brewer and referred to the Committee on House Oversight and Ethics.

A bill to amend 1996 PA 522, entitled "The Michigan biologic products institute transfer act," by amending the title and sections 3 and 9 (MCL 333.26333 and 333.26339) and by adding sections 3a and 3b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

TITLE

2 An act TO ESTABLISH THE MICHIGAN BIOLOGIC PRODUCTS INSTITUTE
3 AS AN INDEPENDENT, TEMPORARY STATE AGENCY; to authorize the con-
4 veyance of the assets and liabilities of the state related to the
5 operation of the Michigan biologic products institute; to autho-
6 rize the state administrative board to approve the conveyance and
7 to make determinations that certain conditions upon the convey-
8 ance have been met; to permit the acceptance of consideration in
9 exchange for the conveyance; to make certain findings and
10 determinations of the interest of the state relative to the

1 conveyance; to authorize the state administrative board to
2 approve certain agreements for continued services and products by
3 certain state agencies to transferred facilities or to the state
4 from the transferred facilities; TO ESTABLISH THE MICHIGAN BIO-
5 LOGIC PRODUCTS COMMISSION AS A TEMPORARY STATE COMMISSION; to
6 authorize the Michigan biologic products commission to negotiate
7 and, upon concurrence of the state administrative board, approve
8 certain agreements related to the conveyance of the assets and
9 liabilities of the state associated with the Michigan biologic
10 products institute, certain agreements for the marketing of the
11 assets and liabilities, certain agreements for continued services
12 and products, and certain agreements for the retention of rights,
13 interests, and easements in certain conveyed assets; to authorize
14 employees and employee based entities to bid for or make propos-
15 als to acquire the assets and liabilities of the state associated
16 with the Michigan biologic products institute; to prescribe the
17 powers and duties of certain public officers and certain state
18 agencies and departments; to grant exclusive jurisdiction over
19 claims related to the conveyance to the court of claims and to
20 limit the time in which claims related to the conveyance or to
21 the products produced by the Michigan biologic products institute
22 may be brought; to provide for the disposition of the revenue
23 derived from the conveyance; and to make an appropriation.

24 Sec. 3. As used in this act:

25 (a) "Assets" means all or part of the following that are
26 associated with the institute and are subject to conveyance under
27 this act:

1 (i) Real property, including all rights to coal, oil, gas,
2 and other materials, and all rights to sand, gravel, clay, and
3 other nonmetallic minerals, found on, within, or under real prop-
4 erty conveyed under this act, except that the agreement for the
5 conveyance of the assets and liabilities of the institute entered
6 into under this act shall specify that the state shall receive
7 not less than 1/2 of the net royalties from the development, if
8 any, of coal, oil, gas, or other minerals on or under the real
9 estate.

10 (ii) Personal property.

11 (iii) Intangible property.

12 (iv) Product inventory, including, but not limited to, manu-
13 factured products that have been released by the federal food and
14 drug administration for public sale and use, manufactured pro-
15 ducts that have not been released by the federal food and drug
16 administration for public sale and use, and products that are in
17 the process of being manufactured and components of those
18 products.

19 (b) "Chair" means the chair of the commission.

20 (c) "Commission" means the Michigan biologic products com-
21 mission established by Executive Order 1995-25, pursuant to sec-
22 tion 4 of article V of the state constitution of 1963, AND BY
23 SECTION 3B.

24 (d) "Conveyance" means sale, transfer, assignment, or other
25 disposition.

26 (e) "Institute" means the Michigan biologic products
27 institute established by Executive Order 1995-25, pursuant to

1 section 4 of article V of the state constitution of 1963, AND BY
2 SECTION 3A.

3 (f) "Local health department" means that term as defined in
4 section 1105 of the public health code, ~~being section 333.1105~~
5 ~~of the Michigan Compiled Laws~~ MCL 333.1105.

6 (g) "Pharmaceutical products fund" means the pharmaceutical
7 products fund established under section 9112 of the public health
8 code, ~~being section 333.9112 of the Michigan Compiled Laws~~ MCL
9 333.9112.

10 (h) "Public health code" means ~~Act No. 368 of the Public~~
11 ~~Acts of 1978, being sections 333.1101 to 333.25211 of the~~
12 ~~Michigan Compiled Laws~~ 1978 PA 368, MCL 333.1101 TO 333.25211.

13 (i) "Real property" means all or a portion of the real prop-
14 erty associated with the institute, more particularly described
15 as follows:

16 (i) A parcel of land in the NE 1/4 of section 5, T4N, R2W,
17 Ingham County, Michigan and more particularly described as com-
18 mencing at the northeast corner of said section 5; thence
19 N89°59'49"W 124.94 feet, on the north line of said section 5;
20 thence S00°00'11"W 33.00 feet, to the point of beginning of this
21 description; thence S33°12'59"W 315.33 feet; thence N53°08'14"W
22 101.37 feet; thence S89°11'38"W 47.55 feet; thence S00°42'03"W
23 63.21 feet; thence S89°45'02"W 73.97 feet; thence S00°59'58"W
24 106.92 feet; thence 132.16 feet, on the arc of a curve to the
25 right with a central angle of 33°53'13", a radius of 223.46 feet,
26 and a long chord bearing and distance of S22°22'16"W 130.25 feet;
27 thence S59°26'51"W 14.65 feet; thence S77°08'54"W 92.93 feet;

04465'97

1 thence S88°34'58"W 131.49 feet; thence S01°57'43"E 41.46 feet;
2 thence S88°02'17"W 153.47 feet; thence S01°57'43"E 132.00 feet;
3 thence S88°02'17"W 351.61 feet; to the easterly right of way line
4 of Logan Street; thence N00°28'13"E 716.63 feet, to the southerly
5 right of way line of Sheridan Road; thence S89°59'49"E 1155.21
6 feet, on said right of way to the point of beginning, containing
7 12.56 acres, more or less.

8 (ii) A parcel of land in the SE 1/4 of Section 32, T5N, R2W,
9 Clinton County, Michigan and more particularly described as
10 beginning at the S 1/4 corner of said section 32; thence
11 N00°12'30"W 2152.16 feet on the N-S 1/4 line of said section 32;
12 thence S89°57'16"E 683.94 feet to the westerly Right-of-Way of
13 DeWitt Road at a point 500.00 feet southerly of the E-W 1/4 line
14 of said section 32; thence on the westerly Right-of-Way of DeWitt
15 Road for the next five calls; thence S04°03'50"E 112.68 feet;
16 thence 299.44 feet on the arc of a curve to the left with a cen-
17 tral angle of 23°26'19", a radius of 731.99 feet and long chord
18 bearing and distance of S15°47'00"E 297.36 feet; thence
19 S27°30'10"E 927.69 feet; thence 356.62 feet on the arc of a curve
20 to the right with a central angle of 27°41'37", a radius of
21 737.82 feet and a long chord bearing and distance of S13°39'21"E
22 353.16 feet; thence S00°11'27"W 30.40 feet; thence S88°07'13"W
23 171.96 feet; thence S17°13'15"W 128.78 feet; thence S02°36'04"W
24 161.34 feet; thence N89°52'39"W 420.93 feet; thence S00°06'07"E
25 267.69 feet to the south line of said section 32, thence
26 N89°59'49"W 632.45 feet on the south line of said section 32 to
27 the N 1/4 corner of section 5, T4N, R2W; thence S89°27'29"W 6.45

04465'97

1 feet on the south line of said section 32 to the point of
2 beginning, containing 46.94 acres, more or less.

3 (j) "State administrative board" means the state administra-
4 tive board created under ~~Act No. 2 of the Public Acts of 1921,~~
5 ~~being sections 17.1 to 17.11 of the Michigan Compiled Laws~~ 1921
6 PA 2, MCL 17.1 TO 17.11.

7 SEC. 3A. (1) EFFECTIVE FEBRUARY 5, 1998, THE MICHIGAN BIO-
8 LOGIC PRODUCTS INSTITUTE IS ESTABLISHED AS A TEMPORARY AGENCY
9 WITH A LIFE OF NOT MORE THAN 2 YEARS, PURSUANT TO SECTION 4 OF
10 ARTICLE V OF THE STATE CONSTITUTION OF 1963.

11 (2) THE INSTITUTE IS AN INDEPENDENT AND AUTONOMOUS ENTITY.
12 THE INSTITUTE AND THE DIRECTOR OF THE INSTITUTE SHALL EXERCISE
13 THE POWERS AND PERFORM THE DUTIES PRESCRIBED BY THIS ACT INDEPEN-
14 DENTLY OF THE PRINCIPAL EXECUTIVE DEPARTMENTS OF THIS STATE,
15 INCLUDING, BUT NOT LIMITED TO, PERSONNEL, BUDGETING, PROCUREMENT,
16 AND MANAGEMENT-RELATED FUNCTIONS.

17 (3) THE GOVERNOR SHALL APPOINT A DIRECTOR FOR THE INSTITUTE,
18 WHO SHALL BE THE HEAD OF THE INSTITUTE, WITHIN THE MEANING OF THE
19 EXECUTIVE REORGANIZATION ACT OF 1965, 1965 PA 380, MCL 16.101 TO
20 16.608. THE DIRECTOR IS ALSO THE APPOINTING AUTHORITY FOR PUR-
21 POSES OF SECTION 5 OF ARTICLE XI OF THE STATE CONSTITUTION OF
22 1963.

23 (4) THE INSTITUTE ASSUMES ALL FUNCTIONS, DUTIES, CONTRACTUAL
24 OBLIGATIONS, RESPONSIBILITIES, INVENTORY, TANGIBLE AND INTANGIBLE
25 PROPERTY, AND EMPLOYEES OF THE BIOLOGIC PRODUCTS DIVISION OF THE
26 DEPARTMENT OF COMMUNITY HEALTH, INCLUDING, BUT NOT LIMITED TO,

1 ADMINISTRATION OF THE PHARMACEUTICAL PRODUCTS FUND, PURSUANT TO
2 EXECUTIVE ORDER 1995-25.

3 SEC. 3B. (1) EFFECTIVE FEBRUARY 5, 1998, THE MICHIGAN BIO-
4 LOGIC PRODUCTS COMMISSION IS ESTABLISHED AS A TEMPORARY COMMIS-
5 SION WITH A LIFE OF NO MORE THAN 2 YEARS, PURSUANT TO SECTION 4
6 OF ARTICLE V OF THE STATE CONSTITUTION OF 1963.

7 (2) THE COMMISSION CONSISTS OF 3 VOTING MEMBERS APPOINTED BY
8 THE GOVERNOR WHO ARE NOT EMPLOYEES OF THE INSTITUTE AND WHO SHALL
9 SERVE AT THE PLEASURE OF THE GOVERNOR. THE GOVERNOR SHALL DESIG-
10 NATE 1 OF THE APPOINTED MEMBERS TO SERVE AS CHAIR OF THE
11 COMMISSION. THE CHAIR OF THE COMMISSION ALSO SERVES IN THAT
12 CAPACITY AT THE PLEASURE OF THE GOVERNOR.

13 (3) THE COMMISSION HAS THE POWERS, DUTIES, AND RESPONSIBILI-
14 TIES PRESCRIBED IN EXECUTIVE ORDER 1995-25.

15 (4) THE MEMBERS OF THE COMMISSION SHALL SERVE WITHOUT COM-
16 PENSATION, BUT SHALL BE REIMBURSED FOR NECESSARY TRAVEL AND OTHER
17 EXPENSES PURSUANT TO THE STANDARD TRAVEL REGULATIONS OF THE
18 DEPARTMENT OF MANAGEMENT AND BUDGET.

19 (5) THE COMMISSION MAY PROMULGATE BYLAWS GOVERNING THE
20 ORGANIZATION AND PROCEDURES OF THE COMMISSION. A MAJORITY OF THE
21 MEMBERS SERVING CONSTITUTE A QUORUM FOR THE TRANSACTION OF BUSI-
22 NESS, NOTWITHSTANDING THE EXISTENCE OF 1 OR MORE VACANCIES ON THE
23 COMMISSION. THE COMMISSION SHALL APPROVE A FINAL ACTION OF THE
24 COMMISSION BY A MAJORITY VOTE OF THE MEMBERS. A MEMBER OF THE
25 COMMISSION MUST BE PRESENT AT A MEETING OF THE COMMISSION IN
26 ORDER TO VOTE, EITHER IN PERSON OR BY AMPLIFIED TELEPHONE
27 EQUIPMENT.

04465'97

1 (6) THE COMMISSION SHALL MEET AT THE CALL OF THE CHAIR AND
2 AS OTHERWISE PROVIDED IN THE COMMISSION'S BYLAWS. THE COMMISSION
3 MAY MEET AT ANY LOCATION WITHIN THE STATE. A MEETING OF THE COM-
4 MISSION IS SUBJECT TO THE OPEN MEETINGS ACT, 1976 PA 267, MCL
5 15.261 TO 15.275. THE COMMISSION MAY MAKE INQUIRIES, CONDUCT
6 STUDIES AND INVESTIGATIONS, HOLD HEARINGS, AND RECEIVE COMMENTS
7 FROM THE PUBLIC.

8 Sec. 9. (1) Except for the pharmaceutical products fund,
9 any assets that have not been conveyed on or before ~~the expira-~~
10 ~~tion of the life of the commission~~ FEBRUARY 5, 2000 shall be
11 transferred to the department of management and budget or ~~any~~
12 ~~other~~ ANOTHER state executive department, as the state adminis-
13 trative board may direct.

14 (2) Not less than 90 days after the conveyance of assets and
15 liabilities is completed under this act, the state administrative
16 board shall make a report in writing to the legislature of the
17 terms of the conveyance.