

Act No. 75
Public Acts of 2008
Approved by the Governor
April 7, 2008
Filed with the Secretary of State
April 8, 2008
EFFECTIVE DATE: May 4, 2008

**STATE OF MICHIGAN
94TH LEGISLATURE
REGULAR SESSION OF 2008**

Introduced by Senators Allen, Van Woerkom, Kuipers, Stamas, Brown, Gilbert, Jansen, Hardiman, Birkholz, McManus, Pappageorge, Richardville, Jelinek, Kahn, George, Garcia, Jacobs, Cherry, Whitmer, Prusi, Gleason, Barcia, Thomas, Anderson, Schauer, Clarke, Hunter and Olshove

ENROLLED SENATE BILL No. 1177

AN ACT to amend 1984 PA 270, entitled "An act relating to the economic development of this state; to create the Michigan strategic fund and to prescribe its powers and duties; to transfer and provide for the acquisition and succession to the rights, properties, obligations, and duties of the job development authority and the Michigan economic development authority to the Michigan strategic fund; to provide for the expenditure of proceeds in certain funds to which the Michigan strategic fund succeeds in ownership; to provide for the issuance of, and terms and conditions for, certain notes and bonds of the Michigan strategic fund; to create certain boards and funds; to create certain permanent funds; to exempt the property, income, and operation of the fund and its bonds and notes, and the interest thereon, from certain taxes; to provide for the creation of certain centers within and for the purposes of the Michigan strategic fund; to provide for the creation and funding of certain accounts for certain purposes; to impose certain powers and duties upon certain officials, departments, and authorities of this state; to make certain loans, grants, and investments; to provide penalties; to make an appropriation; and to repeal acts and parts of acts," (MCL 125.2001 to 125.2094) by adding chapter 2A; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

CHAPTER 2A

Sec. 29. As used in this chapter:

- (a) "Commissioner" means the Michigan film commissioner created in section 29b.
- (b) "Council" means the Michigan film office advisory council created in section 29c.
- (c) "Local film office" means an office, agency, bureau, or department of a political subdivision of this state that seeks to promote film production within the political subdivision and that is funded principally by the political subdivision.
- (d) "Office" means the Michigan film office created in section 29a.
- (e) "Promotion fund" means the Michigan film promotion fund created under section 29d.

Sec. 29a. (1) The Michigan film office is created in the fund. The office shall be the successor to any authority, powers, duties, functions, or responsibilities of the Michigan film office under section 21 of the history, arts, and libraries act, 2001 PA 63, MCL 399.721.

(2) The office may do all of the following:

(a) Promote and market locations, talent, crews, facilities, and technical production and other services related to film, digital media, and television production in this state.

(b) Provide to interested persons descriptive and pertinent information on locations, talent, crews, facilities, and technical production and other services related to film, digital media, and television production in this state.

(c) Provide technical assistance to the film, television, and digital media industry in locating and securing the use of locations, talent, crews, facilities, and services in this state.

(d) Encourage community and Michigan film, digital media, and television production industry participation in, and coordination with, state and local efforts to attract film, digital media, and television production in this state.

(e) Serve as this state's chief liaison with the film, digital media, and television production industry and with other governmental units and agencies for the purpose of promoting, encouraging, and facilitating film, digital media, and television production in this state.

(f) Explain the benefits and advantages of producing films, digital media, and television productions in this state.

(g) Assist film, digital media, and television producers with securing location authorization and other appropriate services connected with film, digital media, and television production in this state.

(h) Scout potential film locations for national and international film, digital media, and television prospects.

(i) Escort film, digital media, and television producers on location scouting trips.

(j) Serve as a liaison between film, digital media, and television producers, state agencies, local agencies, federal agencies, community organizations and leaders, and the film, digital media, and television industry in this state.

(k) Assist film, digital media, and television producers in securing permits to film at specific locations in this state and in obtaining needed services related to the production of a film, digital media, or a television program.

(l) Represent this state at film, digital media, and television industry trade shows and film festivals.

(m) Sponsor workshops or conferences on topics relating to filmmaking, including, but not limited to, screenwriting, film financing, and the preparation of communities to attract and assist film, digital media, and television productions in this state.

(n) Encourage cooperation between local, state, and federal government agencies and local film offices in the location and production of films, digital media, and television programming in this state.

(o) Coordinate activities with local film offices.

(p) Facilitate cooperation from state departments and agencies, local governments, local film offices, federal agencies, and private sector entities in the location and production of films, digital media, and television programming in this state.

(q) Prepare, maintain, and distribute a directory of persons, firms, and governmental agencies available to assist in the production of films, digital media, and television programming in this state.

(r) Prepare, maintain, and distribute a digital library depicting the variety and extent of the locations within this state for film, digital media, and television productions.

(s) Prepare and distribute appropriate promotional and informational materials that do all of the following:

(i) Describe desirable locations in this state for film, digital media, and television production.

(ii) Explain the benefits and advantages of producing films, digital media, and television productions in this state.

(iii) Detail services and assistance available from state government, from local film offices, and from the film, digital media, and television industry in this state.

(t) Solicit and accept gifts, grants, labor, loans, and other aid from any person, government, or entity.

(u) Employ technical experts, other officers, agents, or employees, permanent or temporary, paid from the funds of the office. The office shall determine the qualifications, duties, and compensation of those the office employs.

(v) Contract for goods and services and engage personnel as necessary to perform the duties of the office under this chapter.

(w) Study, develop, and prepare reports or plans the office considers necessary to assist the office in the exercise of its powers under this chapter and to monitor and evaluate progress under this chapter.

(x) Exercise the duties and responsibilities vested in the office under this chapter and all of the following:

(i) Section 88d.

(ii) Section 88j(3)(e).

(iii) Section 4cc of the general sales tax act, 1933 PA 167, MCL 205.54cc.

(iv) Sections 455 to 459 of the Michigan business tax act, 2007 PA 36, MCL 208.1455 to 208.1459.

(y) All other things necessary or convenient to achieve the objectives and purposes of the office, this chapter, or other laws that relate to the purposes and responsibilities of the office.

(3) The enumeration of a power in this chapter shall not be construed as a limitation upon the general powers of the office. The powers granted under this chapter are in addition to those powers granted by any other law.

(4) The commissioner and the president of the fund shall cooperate in administering the budget, procurement, and related management functions of the office. The fund may provide the office with staff support and other services to assist the office in performing the functions and duties of the office.

(5) State departments, agencies, boards, commissions, and officers and local film offices shall cooperate with the office in the performance of the office's duties under this chapter.

Sec. 29b. (1) The head of the office shall be the Michigan film commissioner. The commissioner shall be a member of the state classified service. The terms and conditions of the employment of the commissioner shall be governed by a senior executive service limited term employment agreement and the rules and regulations of the civil service commission governing the senior executive service. The term of the agreement shall not exceed 2 years and shall end on December 31 of an even-numbered year consistent with the rules and regulations of the civil service commission. The governor shall be the appointing authority for the commissioner. Before entering upon the duties of his or her office, the commissioner shall take and file the constitutional oath of office provided in section 1 of article XI of the state constitution of 1963.

(2) The commissioner shall serve as an advisor to the governor on matters relating to films and other digital media. The commissioner may report directly to the governor and the president of the fund on matters relating to the office, to the council, and to films and digital media generally.

(3) The commissioner shall supervise, and be responsible for, the performance of the functions of the office under this chapter. The commissioner shall perform all duties vested in the commissioner under the laws of this state. The commissioner shall consult with the president of the fund on activities of the office affecting the fund.

(4) The commissioner shall attend the meetings of the council and provide the council and the president of the fund with regular reports and other information describing the activities of the office.

(5) Except as otherwise provided in this chapter, the commissioner shall exercise his or her powers, duties, functions, and responsibilities under this chapter independently of the fund.

(6) The commissioner may promulgate rules under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, as the commissioner deems necessary to execute the duties and responsibilities of the office.

Sec. 29c. (1) The Michigan film office advisory council is created in the office. The council shall consist of the following members:

(a) Fourteen individuals appointed by the governor as follows:

(i) Five members associated with broad areas of film, digital media, and motion picture making, production of television programs and commercials, and related industries in Michigan.

(ii) Two members from film, television, digital media, or related industry unions.

(iii) One member representing theater owners based in this state.

(iv) One member representing local film offices or local units of government.

(v) One individual selected from a list of 3 or more nominees submitted by the speaker of the house of representatives.

(vi) One individual selected from a list of 3 or more nominees submitted by the senate majority leader.

(vii) Three other residents of this state, including at least 2 residents not active in the film, television, digital media, and related industries.

(b) The commissioner, who shall serve as an ex officio nonvoting member of the council.

(c) The president of the fund.

(2) The governor shall designate 1 member of the council to serve as chairperson of the council at the pleasure of the governor. The members of the council may elect a member of the council to serve as vice-chairperson of the council and may elect other members of the council as officers of the council as the council considers appropriate.

(3) Except as provided in subsection (4), the term of office of each member of the council appointed by the governor under subsection (1)(a) shall be 4 years.

(4) Of the members of the council initially appointed by the governor under subsection (1)(a), 4 shall be appointed for terms expiring on September 30, 2008, 4 shall be appointed for terms expiring on September 30, 2009, 3 shall be appointed for terms expiring on September 30, 2010, and 3 shall be appointed for terms expiring on September 30, 2011.

(5) If a vacancy occurs on the council other than by expiration of a term, the vacancy shall be filled in the same manner as the original appointment for the remainder of the term.

(6) Members of the council shall serve without compensation but, subject to available appropriations, may receive reimbursement for their actual and necessary expenses while attending meetings or performing other authorized official business of the council.

(7) The council may do 1 or more of the following:

(a) Advise the office, the fund, the governor, and the legislature on how to promote and market this state's locations, crews, facilities, and technical production facilities and other services used by film, television, digital media, and related industries.

(b) Encourage community and Michigan film, digital media, and television production industry participation in, and coordination with, state efforts to attract film, digital media, television, and related production to this state.

(c) Assist the office and the fund in promoting, encouraging, and facilitating film, digital media, television, and related production in this state.

(d) Develop strategies and methods to attract film, digital media, television, and related business to this state.

(e) Under direction of the office, provide assistance to film, digital media, television, and related service personnel who use this state as a business location.

(f) Sponsor and support official functions for film, digital media, television, and related industries.

(g) Assist in the establishment of film, digital media, and television ventures and such related matters as the office considers appropriate.

(h) Make inquiries, studies, and investigations, hold hearings, and receive comments from the public. The council may also consult with outside experts in order to perform its duties, including, but not limited to, experts in the private sector, organized labor, government agencies, and at institutions of higher education.

(i) Provide other assistance or advice relating to the duties of the council under this chapter as requested by the commissioner.

(8) The council shall meet not less than 3 times per year and at the call of its chairperson.

(9) A meeting of the council shall be conducted as a public meeting held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. Notice of the date, time, and place of a public meeting of the council shall be given as prescribed in the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. A majority of the members of the council serving constitute a quorum for the transaction of the council's business. The council shall act by a majority vote of its serving members.

(10) A writing prepared, owned, used, in the possession of, or retained by the council when performing business of the council is subject to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, except that such a writing may be kept confidential for up to 6 months after the date a request to inspect, obtain, or copy the writing is received, if, in the judgment of the chairperson of the council, disclosure of the record would compromise or otherwise undermine the ability of Michigan industry to compete in the promotion and marketing of Michigan's locations, crews, facilities, and technical production and other services.

(11) A member of the council shall not use for personal gain information obtained by the member while performing business of the council, nor shall a member of the council disclose confidential information obtained by the member while conducting council business, except as necessary to perform council business. The council shall adopt a code of ethics for its members and establish policies and procedures requiring the disclosure of relationships that may give rise to a conflict of interest. The council shall require that any member of the council with a direct or indirect interest in any matter before the council disclose the member's interest to the council before the council takes any action on the matter.

Sec. 29d. (1) The Michigan film promotion fund is created within the state treasury.

(2) The state treasurer may receive money or other assets from any source for deposit into the promotion fund, including federal funds, other state revenues, gifts, bequests, and other donations, including, but not limited to, all of the following:

(a) Fees deposited in the promotion fund under sections 455 to 459 of the Michigan business tax act, 2007 PA 36, MCL 208.1455 to 208.1459.

(b) Fees deposited in the promotion fund under section 367 of the income tax act of 1967, 1967 PA 281, MCL 206.367.

(c) Proceeds deposited in the promotion fund under section 88d.

(3) The state treasurer shall direct the investment of the promotion fund and shall credit to the promotion fund interest and earnings from promotion fund investments.

(4) Money in the promotion fund at the close of a fiscal year shall remain in the promotion fund and shall not lapse to the general fund.

(5) Money in the promotion fund may be expended, upon appropriation, to support the functions of the office under this chapter and other applicable law and for purposes authorized under this chapter.

Sec. 29e. The powers and duties of the fund under this chapter may be exercised and performed by the Michigan economic development corporation as a joint exercise of power authorized under the urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, pursuant to the contractual interlocal agreement effective April 5, 1999, as amended, between local participating economic development corporations formed under the economic development corporations act, 1974 PA 338, MCL 125.1601 to 125.1636, and the fund, or under an intergovernmental agreement with local film offices or other governmental entities. This section does not authorize the office to exercise the powers and duties of the fund.

Sec. 29f. (1) A person who is not an agent or employee of the office, commissioner, or council shall not represent that the person is an employee or agent of the office, commissioner, or council without the express authorization of the commissioner.

(2) A person who violates this section is guilty of a misdemeanor and may be imprisoned for not more than 93 days and shall be fined not more than \$5,000.00.

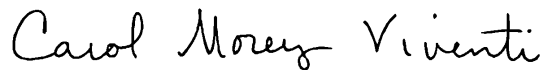
Sec. 29g. (1) All records, personnel, property, grants, and unexpended balances of appropriations, allocations, and other funds used, held, employed, available, or to be made available to any entity for the activities, powers, duties, functions, and responsibilities vested in the office under this chapter are transferred to the office. The state budget director shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system for the remainder of the fiscal year ending September 30, 2008.

(2) The unexpended balances of appropriations transferred to the office under subsection (1) include, but are not limited to, any funds appropriated to the office under section 88j(3)(e) remaining in a work project on the effective date of the amendatory act that added this subsection.

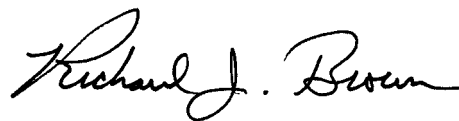
Enacting section 1. Sections 21 and 22 of the history, arts, and libraries act, 2001 PA 63, MCL 399.721 and 399.722, are repealed effective May 4, 2008.

Enacting section 2. This amendatory act takes effect May 4, 2008.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved _____

Governor