

SENATE BILL No. 1180

November 8, 2018, Introduced by Senator HILDENBRAND and referred to the Committee on Government Operations.

A bill to amend 2016 PA 560, entitled
"Michigan veterans' facility authority act,"
by amending sections 3 and 5 (MCL 36.103 and 36.105).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) The Michigan veterans' facility authority is
2 created as a public body corporate and politic within the
3 department. **THE AUTHORITY IS AN AUTONOMOUS ENTITY WITHIN THE**
4 **DEPARTMENT.** The exercise by the authority of the powers conferred
5 by this act is an essential governmental function of this state.

6 (2) Notwithstanding the existence of common management, the
7 authority shall be treated and accounted for as a separate legal
8 entity with its separate corporate purposes as set forth in this
9 act. The assets, liabilities, and funds of the authority shall not
10 be consolidated or commingled with those of this state.

1 Sec. 5. (1) The authority shall exercise its duties through
2 ~~its~~ **A** board of directors.

3 (2) The board shall be made up of ~~9 members as follows:~~ **THE**
4 **FOLLOWING MEMBERS:**

5 (a) ~~Subject to subsection (7), the~~ **THE** director of the
6 department. **BEGINNING JANUARY 1, 2019, THE DIRECTOR SHALL SERVE AS**
7 **A NONVOTING MEMBER.**

8 (b) Three members with professional knowledge, skill, or
9 experience in long-term care, health care licensure or finance, or
10 medicine who represent the interests of 1 or more congressionally
11 chartered veterans' organizations appointed by the governor with
12 the advice and consent of the senate.

13 (c) Three members with professional knowledge, skill, or
14 experience in long-term care, health care licensure or finance, or
15 medicine appointed by the governor with the advice and consent of
16 the senate. One of the members appointed under this subdivision
17 shall be a resident of the Upper Peninsula of this state.

18 (d) One member appointed by the governor from a list of 2 or
19 more individuals selected by the majority leader of the senate,
20 with professional knowledge, skill, or experience in long-term
21 care, health care licensure or finance, or medicine.

22 (e) One member appointed by the governor from a list of 2 or
23 more individuals selected by the speaker of the house of
24 representatives, with professional knowledge, skill, or experience
25 in long-term care, health care licensure or finance, or medicine.

26 **(F) BEGINNING JANUARY 1, 2019, 1 MEMBER APPOINTED BY THE**
27 **GOVERNOR WHO IS A VETERAN WITH PROFESSIONAL KNOWLEDGE, SKILL, OR**

1 **EXPERIENCE IN LONG-TERM CARE, HEALTH CARE LICENSURE OR FINANCE, OR**
2 **MEDICINE.**

3 (3) The appointed members shall serve for terms of 4 years. Of
4 the 5 members first appointed, 1 shall be appointed for an initial
5 term of 1 year, 2 shall be appointed for an initial term of 2
6 years, and 2 shall be appointed for an initial term of 3 years. The
7 appointed members shall serve until a successor is appointed. A
8 vacancy shall be filled for the balance of the unexpired term in
9 the same manner as the original appointment.

10 (4) ~~The~~ **A** director of a state department who is a designated
11 member of the board may appoint a representative to serve in his or
12 her absence.

13 (5) Members of the board shall serve without compensation but
14 may receive reasonable reimbursement for necessary travel and
15 expenses incurred in the discharge of their duties.

16 (6) The director of the department shall serve as chairperson
17 of the board until ~~1 year after the second facility operated by the~~
18 ~~authority is open and housing veterans.~~ **JANUARY 1, 2019.** At that
19 time, the board members shall elect a ~~new~~ chairperson who is not
20 the director of the department or his or her designee.

21 ~~—— (7) One year after the second facility operated by the~~
22 ~~authority is open and housing veterans, the director of the~~
23 ~~department shall then serve as a nonvoting member of the board. A~~
24 ~~new member who is a veteran who has professional knowledge, skill,~~
25 ~~or experience in long term care, health care licensure or finance,~~
26 ~~or medicine shall be appointed by the governor with the advice and~~
27 ~~consent of the senate.~~

(7) ~~(8)~~ A majority of the appointed and serving members of the board shall constitute a quorum of the board for the transaction of business. Actions of the board shall be approved by a majority vote of the members present at a meeting.

(8) ~~(9)~~ The authority may employ or contract for legal, financial, and technical experts, and other officers, agents, and employees, permanent and temporary, as the authority requires, and shall determine their qualifications, duties, and compensation. The board may delegate to 1 or more agents or employees ~~those~~ **ANY** powers or duties, ~~with the~~ **AND ANY** limitations ~~as~~ **ON THOSE POWERS OR DUTIES, THAT** the board considers proper.

(9) ~~(10)~~ The members of the board and officers and employees of the authority are subject to 1968 PA 317, MCL 15.321 to 15.330, and 1968 PA 318, MCL 15.301 to 15.310.

(10) ~~(11)~~ A member of the board or officer, employee, or agent of the authority shall discharge the duties of his or her position in a nonpartisan manner, with good faith, and with that degree of diligence, care, and skill that an ordinarily prudent person would exercise under similar circumstances in a like position. In discharging ~~the~~ **HIS OR HER** duties, a member of the board or an officer, employee, or agent, when acting in good faith, may rely upon the opinion of **THE AUTHORITY'S** counsel, ~~for the authority,~~ upon the report of an independent appraiser selected with reasonable care by the board, or upon **THE** financial statements of the authority represented to ~~the member of the board or officer, employee, or agent of the authority to be correct~~ **HIM OR HER** by the president, or ~~the~~ **AN** officer of the authority having charge of its

1 books or account, **TO BE CORRECT**, or stated in a written report by a
2 certified public accountant, or firm of certified public
3 accountants, ~~fairly~~ to **FAIRLY** reflect the financial condition of
4 the authority.

5 (11) ~~(12)~~—The board shall organize and make its own policies
6 and procedures. The board shall conduct all business at public
7 meetings held in compliance with the open meetings act, 1976 PA
8 267, MCL 15.261 to 15.275. Public notice of the time, date, and
9 place of each meeting shall be given in the manner required by the
10 open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

11 (12) ~~(13)~~—Upon request by a member of the legislature, the
12 board shall make nonprivileged information regarding the operations
13 and accounts of the authority and nonprivileged information
14 regarding the care provided to veterans at a veterans' facility
15 available to members of the legislature.