

HOUSE BILL NO. 6354

November 12, 2020, Introduced by Reps. Coleman and Steven Johnson and referred to the Committee on Government Operations.

A bill to amend 1974 PA 338, entitled
"Economic development corporations act,"
by amending sections 15, 17, 23, and 31 (MCL 125.1615, 125.1617,
125.1623, and 125.1631), sections 17 and 31 as amended by 1980 PA
501 and section 23 as amended by 2002 PA 357.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 15. (1) Meetings of the project citizens district council
2 shall be open to the public. ~~Notice~~ **Through December 31, 2021,**

1 **notice** of the time and place of the meetings shall be given by
 2 publication in a newspaper of general circulation not less than 3
 3 days before the dates set for meetings of the project citizens
 4 district council. **Beginning January 1, 2022, the project citizens**
 5 **district council shall post notice as provided in the local**
 6 **government public notice act of the time and place of the meeting,**
 7 **not less than 3 days before the date set for the meeting.** A person
 8 present at those meetings shall have reasonable opportunity to be
 9 heard.

10 (2) A record of the meetings of a project citizens district
 11 council, including information and data presented, shall be
 12 maintained by the council.

13 (3) A project citizens district council may request of and
 14 receive from the corporation and the local public agency
 15 information and technical assistance relevant to the preparation of
 16 a project plan for its district area.

17 (4) Failure of a project citizens district council to organize
 18 or to consult with and be advised by a corporation and the local
 19 public agency, or failure to advise the local public agency or the
 20 governing body, as provided ~~herein,~~ **in this section,** shall not
 21 preclude the adoption of a project plan by a municipality if the
 22 municipality complies with the other provisions of this act.

23 Sec. 17. (1) The governing body of the municipality for which
 24 the corporation is incorporated, before adoption of a resolution
 25 approving a project plan authorized by this act, shall hold a
 26 public hearing. This act shall not be construed to require any
 27 other municipality, other than the municipality for which the
 28 corporation is incorporated, to hold a public hearing. ~~Notice~~
 29 **Through December 31, 2021, notice** of the time and place of the

1 hearing shall be given by publication once in a newspaper of
2 general circulation designated by the municipality, not less than
3 10 days before the date set for the hearing. **Beginning January 1,**
4 **2022, the governing body of the municipality shall post notice as**
5 **provided in the local government public notice act of the time and**
6 **place of the hearing, not less than 10 days before the date set for**
7 **the hearing.** In the case of an agricultural and forestry enterprise
8 project undertaken by a county corporation, each unit of government
9 within the county shall be notified by mail.

10 (2) ~~Notice~~ **Through December 31, 2021, notice** of the hearing
11 shall be posted in at least 10 conspicuous and public places in the
12 proposed project district area not less than 10 days before the
13 hearing and shall be mailed not less than 10 days before the
14 hearing to the last known owner of each parcel of real property in
15 the proposed project district area at the last known address of the
16 owner as shown by the tax assessment records of the municipality in
17 which the project area is located. Agricultural and forestry
18 enterprise projects shall not be required to comply with this
19 subsection.

20 (3) Notice of the time, date, and place of hearing on a
21 proposed project plan shall contain a description of the location
22 of the project area in relation to highways, streets, streams, or
23 otherwise. The notice shall contain a statement that maps, plats,
24 and a description of the proposed project plan, including the
25 method of relocating families and individuals who will be displaced
26 from the area, are available for public inspection at a place
27 designated in the notice and that all aspects of the proposed
28 project plan will be open for discussion at the public hearing and
29 shall contain other information the governing body considers

1 appropriate. At the time set for hearing, the governing body shall
2 provide an opportunity for interested persons to be heard and shall
3 receive and consider communications in writing with reference to
4 the hearing. The hearing shall provide the fullest opportunity for
5 expression of opinion, for argument on the merits, and for
6 introduction of documentary evidence pertinent to the proposed
7 project plan. The governing body shall make and preserve a record
8 of the public hearing, including all data presented at the public
9 hearing. The record shall be made available to the public in
10 compliance with ~~Act No. 442 of the Public Acts of 1976, as amended,~~
11 ~~being sections 15.231 to 15.246 of the Michigan Compiled Laws.~~**the**
12 **freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.**

13 Sec. 23. (1) For the purpose of defraying all or part of its
14 project costs, refunding or refunding in advance obligations
15 authorized under this act or obligations authorized under the
16 industrial development revenue bond act of 1963, 1963 PA 62, MCL
17 125.1251 to 125.1267, by a municipality incorporating a corporation
18 under this act, a corporation may borrow money and issue its
19 revenue bonds or revenue notes. Refunding bonds may be issued by
20 the corporation whether the bonds to be refunded have or have not
21 matured, are or are not redeemable on the date of issuance of the
22 refunding bonds, or are or are not subject to redemption before
23 maturity, and may be issued to pay principal, interest, redemption
24 premiums, or any combination thereof of the obligations to be
25 refunded. The bonds may be issued partly to refund bonds and partly
26 for any other purpose authorized by this act. The refunding bonds
27 may be issued in a principal amount greater than the principal
28 amount of the bonds to be refunded as may be necessary to effect
29 the refunding pursuant to the plan of refunding. The bonds or notes

1 shall be exempt from all taxation except inheritance and transfer
2 taxes and the interest on the bonds or notes shall be exempt from
3 all taxation in ~~the~~**this** state, ~~of Michigan,~~ notwithstanding that
4 the interest may be subject to federal income tax.

5 (2) The municipality shall not be liable on notes or bonds of
6 the corporation and the notes and bonds shall not be a debt of the
7 municipality. The notes and bonds shall contain on their face a
8 statement to that effect.

9 (3) The bonds and notes of the corporation may be invested in
10 by all public officers, state agencies and political subdivisions,
11 insurance companies, banks, savings and loan associations,
12 investment companies, and fiduciaries and trustees, and may be
13 deposited with and received by all public officers and the agencies
14 and political subdivisions of this state for any purpose for which
15 the deposit of bonds is authorized.

16 (4) The corporation shall report to the governing body of the
17 municipality for which the corporation is incorporated and the
18 Michigan economic development corporation not less than once per
19 year, which report shall fully describe the activities of the
20 corporation including a statement of all revenues and expenditures
21 since the previous report.

22 (5) The financial records, accountings, audit reports, and
23 other reports of public money under the control of the corporation
24 shall be public records and open to inspection. ~~The~~**Through**
25 **December 31, 2021, the** corporation shall publish in a newspaper of
26 general circulation in the incorporating municipality not more than
27 120 days after the conclusion of the corporation's operating year a
28 statement of all of its revenues and expenditures for the year. ~~and~~
29 **Beginning January 1, 2022, the corporation shall post notice as**

1 provided in the local government public notice act of a statement
2 of all of its revenues and expenditures for the year not more than
3 120 days after the conclusion of the corporation's operating year.

4 The corporation shall distribute copies of the report upon request.

5 Sec. 31. (1) The articles of incorporation shall be executed
6 in duplicate and delivered to the county clerk who shall file 1
7 copy in his or her office and the other with the recording officer
8 of the corporation when a recording officer is selected. The

9 **Through December 31, 2021, the** municipality's clerk shall cause a
10 copy of the articles of incorporation to be published once in a
11 newspaper designated in the articles of incorporation and
12 circulating within the municipality. ~~accompanied by~~ **Beginning**
13 **January 1, 2022, the municipality's clerk shall post notice as**
14 **provided in the local government public notice act of the articles**
15 **of incorporation. The publication shall include** a statement that
16 the right exists to question the incorporation in court as provided
17 in this section.

18 (2) The county clerk shall file 1 printed copy of the articles
19 of incorporation with the secretary of state and 1 printed copy in
20 his or her office, attached to each of which printed copies shall
21 be his or her certificate setting forth that the same is a true and
22 complete copy of the original articles of incorporation on file in
23 his or her office.

24 (3) The corporation shall become effective at the time
25 provided in the articles of incorporation.

26 (4) The validity of the incorporation shall be conclusively
27 presumed unless questioned in a court of competent jurisdiction
28 within 60 days after the filing of a certified copy with the
29 secretary of state.

1 Enacting section 1. This amendatory act does not take effect
2 unless Senate Bill No.____ or House Bill No. 6440 (request no.
3 02449'19) of the 100th Legislature is enacted into law.