

MICHIGAN FINANCIAL REVIEW COMMISSION ACT (EXCERPT)
Act 181 of 2014

141.1635 Financial review commission; membership; financial review commission for both qualified city and qualified school district; exception; terms; compensation; travel and expenses; chairperson; quorum; conducting business at public meetings; writings subject to freedom of information act; bylaws; professional services; members and contractors or agents subject to MCL 15.321 to 15.330 and MCL 15.301 to 15.310; adoption of ethics policy; oath of office.

Sec. 5. (1) Except as otherwise provided in subsection (2), each commission shall consist of the following 9 members:

- (a) The state treasurer, who shall serve for the duration of his or her term of office.
- (b) The director of the department of technology, management, and budget or successor agency, or his or her designee, who shall serve for the duration of his or her term of office.
- (c) Three members appointed by the governor who have knowledge, skill, or experience in the field of business or finance and who shall possess knowledge, training, skill, or experience in budgeting, revenue forecasting, debt management or borrowing, actuarial science, law, or business operations, at least 1 of whom is a resident of that qualified city or qualified school district, and at least 1 of whom is a resident of this state who is not a resident of a qualified city or qualified school district.
- (d) The mayor or chief executive officer of that qualified city or qualified school district other than a qualified school district described in section 4(2), or his or her designee, who shall serve for the duration of the mayor's or chief executive officer's term of office.
- (e) One member appointed by the governor from a list of 3 or more individuals nominated by the senate majority leader who have knowledge, skill, or experience in the field of business or finance, and who shall possess knowledge, training, skill, or experience in budgeting, revenue forecasting, debt management or borrowing, actuarial science, law, or business operations, and 1 of whom is a resident of that qualified city or qualified school district.
- (f) One member appointed by the governor from a list of 3 or more individuals nominated by the speaker of the house of representatives who have knowledge, skill, or experience in the field of business or finance, and who shall possess knowledge, training, skill, or experience in budgeting, revenue forecasting, debt management or borrowing, actuarial science, law, or business operations, and 1 of whom is a resident of that qualified city or qualified school district.
- (g) The president or chairperson of the qualified city's governing body or qualified school district's school board other than a qualified school district described in section 4(2), or his or her designee, who shall serve for the duration of the president's or chairperson's term of office.

(2) If a financial review commission is the financial review commission for both a qualified city and a qualified school district under section 4(2), in addition to the mayor or chief executive officer of the qualified city or his or her designee under subsection (1)(d) and the president or chairperson of the qualified city's governing body or his or her designee under subsection (1)(g), the financial review commission also shall include as members the superintendent of the qualified school district and the chairperson of the school board of the qualified school district. The superintendent of the qualified school district and the chairperson of the school board of the qualified school district shall not have a vote on matters relating to the qualified city. The mayor or chief executive officer of the qualified city, or his or her designee under subsection (1)(d) and the president or chairperson of the qualified city's governing body or his or her designee under subsection (1)(g), shall not have a vote on matters relating to the qualified school district. This subsection does not apply to a qualified school district whose functions and responsibilities have been transferred to another school district under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852.

(3) The appointed members shall serve for a term of 4 years, except that of the 5 members first appointed, the appointees of the governor shall serve a term of 1, 2, and 4 years respectively, the appointee of the governor who was nominated by the speaker of the house of representatives shall serve a term of 2 years, and the appointee of the governor who was nominated by the senate majority leader shall serve a term of 3 years. Appointed members serve at the pleasure of, and may be removed by, their respective appointing official.

(4) Members of a commission shall serve without compensation but may receive reasonable reimbursement for necessary travel and expenses incurred in the discharge of their official duties.

(5) The state treasurer or his or her designee shall serve as chairperson of a commission.

(6) A majority of the eligible voting members of the commission shall constitute a quorum of the commission for the transaction of business. The commission shall meet no less than monthly and at times and

places designated by the chairperson. Actions of the commission shall be approved by a majority of the members.

(7) The commission shall conduct its business at public meetings in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. However, members of the commission may attend and participate in a meeting of the commission by the use of telecommunication or other electronic equipment if their attendance and participation by the use of telecommunication or other electronic equipment is authorized by the bylaws of the commission and that meeting is otherwise conducted in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(8) A writing prepared, owned, used, in the possession of, or retained by the commission in the performance of an official function is subject to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(9) The commission shall adopt bylaws for governance of the commission, which shall, at a minimum, address the procedures for conducting meetings, including voting procedures, and the requirements of its members to attend meetings. Procedural rules required by this section are not subject to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(10) The commission may contract for professional services, as it requires, and shall determine the qualifications it considers necessary.

(11) The members of the commission and contractors or agents of the commission are subject to 1968 PA 317, MCL 15.321 to 15.330, and 1968 PA 318, MCL 15.301 to 15.310.

(12) A member of the commission, and any person the commission contracts with, 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. The commission shall adopt an ethics policy governing the conduct of commission members and officers and employees of the commission.

(13) Commission members shall take and subscribe to the constitutional oath of office under section 1 of article XI of the state constitution of 1963. The oath shall be filed with the secretary of state.

History: 2014, Act 181, Imd. Eff. June 20, 2014;—Am. 2016, Act 53, Imd. Eff. Mar. 29, 2016;—Am. 2016, Act 195, Imd. Eff. June 21, 2016.