

EXECUTIVE REORGANIZATION ORDER
E.R.O. No. 1995-19

12.182 Transfer of powers and duties of the Michigan underground storage tank financial assurance authority from the department of management and budget to the department of treasury.

WHEREAS, Article V, Section 1, of the Constitution of the State of Michigan of 1963 vests the executive power in the Governor; and

WHEREAS, Article V, Section 2, of the Constitution of the State of Michigan of 1963 empowers the Governor to make changes in the organization of the Executive Branch or in the assignment of functions among its units which he considers necessary for efficient administration; and

WHEREAS, it is necessary in the interests of efficient administration and effective government to effect changes in the organization of the Executive Branch of government; and

WHEREAS, the Michigan Underground Storage Tank Financial Assurance Authority is created as a body corporate within the Department of Management and Budget by part 215 of Act No. 451 of the Public Acts of 1994, as amended, being Section 324.21501 et seq. of the Michigan Compiled Laws; and

WHEREAS, the Michigan Underground Storage Tank Financial Assurance Authority assists in financing the cost of the replacement of petroleum underground storage tanks and the remediation of property damaged by the released petroleum from underground storage tank systems and is authorized to, among other things, issue and sell notes and bonds for such purposes; and

WHEREAS, the Department of Treasury acts as the fiscal agent for various state bonding authorities and assists state authorities with debt issuance to ensure that it is accomplished in a cost-efficient and effective manner, is responsible for various state investment and debt management and issuance functions, and provides analysis of bonding proposals submitted by state and local authorities to determine whether there is adequate security for each issue; and

WHEREAS, it is important that there be maximum efficiency and coordination in the operation of financing programs; and

WHEREAS, the functions, duties and responsibilities assigned to the Michigan Underground Storage Tank Financial Assurance Authority can be more effectively organized and carried out under the supervision and direction of the State Treasurer.

NOW, THEREFORE, I, John Engler, Governor of the State of Michigan, pursuant to the powers vested in me by the Constitution of the State of Michigan of 1963 and the laws of the State of Michigan, order the following:

1. All the authority, powers, duties, functions and responsibilities of the Michigan Underground Storage Tank Financial Assurance Authority set forth in part 215 of Act No. 451 of the Public Acts of 1994, as amended, being Section 324.21501 et seq. of the Michigan Compiled Laws, are transferred from the Department of Management and Budget to the Department of Treasury. The authority shall retain, with the exception of those functions set forth in paragraph 3, all of its statutory authority, powers, duties and responsibilities, which it shall exercise independently of the State Treasurer. In addition, the transfer includes, but is not limited to, bond, note, loan, grant, reserve and trust funds, subject to any agreement with note and bond holders, borrowers, grant recipients, contract holders or the holders or issuers of instruments that may have been guaranteed.

2. The State Treasurer shall replace the Director of the Department of Management and Budget as a member of the board of directors of the Michigan Underground Storage Tank Financial Assurance Authority created in Section 21523 of Act No. 451 of 1994, as amended, being Section 324.21523 of the Michigan Compiled Laws. Prior consent of the State Treasurer, instead of the Director of the Department of Management and Budget, shall be required with respect to the authority's power to budget, solicit and accept gifts, grants, loans and other aid from any person or the federal, state, or local government or any agency of the federal, state, or local government, or participate in any other way in a federal, state or local government program.

3. The State Treasurer shall provide executive direction and supervision for the implementation of the transfer. All administrative functions, including budgeting, procurement and related management functions of the authority, shall be performed under the direction and supervision of the State Treasurer. The Department of Treasury shall function as the appointing authority for the civil service employees of the authority. The authority may contract with the Department of Treasury for the purpose of maintaining and improving the rights and interests of the authority.

4. The State Treasurer shall administer the assigned functions in such a way as to promote efficient

administration and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities prescribed by this Order.

5. All records, personnel, property, and unexpended balances of appropriations, allocations and other funds used, held, employed, available, or to be made available to the Department of Management and Budget for the activities and functions transferred to the Department of Treasury by this Order are hereby transferred to the Department of Treasury.

6. The State Treasurer and the Director of the Department of Management and Budget shall immediately initiate coordination to facilitate the transfer and develop a memorandum of record identifying any pending settlements, issues of compliance with applicable federal and state laws and regulations, or other obligations to be resolved by the authority or the Department of Management and Budget.

7. All rules, orders, contracts, and agreements relating to the assigned functions lawfully adopted prior to the effective date of this Order shall continue to be effective until revised, amended or repealed.

8. Any suit, action or other proceeding lawfully commenced by, against or before any entity affected by this Order shall not abate by reason of the taking effect of this Order. Any suit, action or other proceeding may be maintained by, against or before the appropriate successor of any entity affected by this Order.

In fulfillment of the requirement of Article V, Section 2, of the Constitution of the State of Michigan of 1963, the provisions of this Executive Order shall become effective 60 days after filing.

History: 1995, E.R.O. No. 1995-19, Eff. Jan. 31, 1996.