

**EXECUTIVE REORGANIZATION ORDER**  
**E.R.O. No. 2013-3**

**125.1393 Transfer of state land bank fast track authority from Michigan strategic fund to Michigan state housing development authority; transfer of state building authority from department of technology, management, and budget to department of treasury.**

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

WHEREAS, Section 2 of Article V of the Michigan Constitution 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, there is a continued need to reorganize the functions among state departments for efficient administration; and

WHEREAS, programs, agencies, and commissions should be placed among the principal departments on a consistent logical basis in order to ensure the most efficient use of public dollars and more streamlined services;

NOW, THEREFORE, I, Richard D. Snyder, 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:

**I. DEFINITIONS**

As used in this Order:

A. "Department of Technology, Management, and Budget" means the principal department of state government created as the Department of Management and Budget under Section 121 of The Management and Budget Act, 1984 PA 431, MCL 18.1121, and renamed under Executive Order 2009-55, MCL 18.441.

B. "Department of Treasury" means the principal department of state government created under Section 75 of 1965 PA 380, MCL 16.175.

C. "Michigan State Housing Development Authority" means the public body corporate and politic created under Section 21 of the State Housing Development Authority Act of 1966, 1966 PA 346, MCL 124.1421.

D. "State Building Authority" means the body corporate created under Section 2 of 1964 PA 183, MCL 830.412.

E. "State Land Bank Fast Track Authority" means the public body corporate and politic created under Section 15 of the Land Bank Fast Track Act, 2003 PA 258, MCL 124.765.

**II. TRANSFER OF THE STATE LAND BANK FAST TRACK AUTHORITY TO THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY**

A. The State Land Bank Fast Track Authority, a public body corporate and politic, is transferred intact from the Michigan Strategic Fund to the Michigan State Housing Development Authority.

B. The State Land Bank Fast Track Authority shall exercise its prescribed statutory powers, duties, and functions independent of the Michigan State Housing Development Authority.

C. Any authority, powers, duties, functions, and responsibilities relative to the Land Bank Fast Track Act, 2003 PA 258, performed by the Michigan Strategic Fund under Executive Order 2011-4 are transferred from the Michigan Strategic Fund to the Michigan State Housing Development Authority.

D. The budgeting, procurement, and related administrative or management functions of the State Land Bank Fast Track Authority shall be performed under the direction and supervision of the Michigan State Housing Development Authority Executive Director. When directing and supervising the budgeting, procurement, and related administrative or management functions of the State Land Bank Fast Track Authority, the Michigan State Housing Development Authority Executive Director shall remain cognizant of the rights of holders of State Land Bank Fast Track Authority bonds or notes.

E. The transfer of the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the State Land Bank Fast Track Authority with respect to issuance of bonds or notes to the Michigan Finance Authority pursuant to Section IV.L.1. of Executive Order 2010-2 is ratified and confirmed.

F. Nothing in this Order shall be construed to affect the status of moneys of the State Land Bank Fast Track Authority or the State Land Bank Authority Fund created under Section 18 of the Land Bank Fast Track Act, 2003 PA 258, MCL 124.768. Funds of the State Land Bank Fast Track Authority remain funds of the State Land Bank Fast Track Authority.

G. Nothing in this Order shall be construed to affect the status of moneys of the Michigan State Housing Development Authority. Moneys of the Michigan State Housing Development Authority are not moneys of

this state and shall continue to be non-state funds. State funds appropriated to the Michigan State Housing Development Authority lose their identity as state funds upon payment to the Michigan State Housing Development Authority and become public funds of the Michigan State Housing Development Authority under the control of the Michigan State Housing Development Authority. Funds established by or within the Michigan State Housing Development Authority are public trust funds administered by the Michigan State Housing Development Authority. The exercise of any authority, powers, duties, functions, and responsibilities relative to the Land Bank Fast Tract Act, 2003 PA 258, transferred to the Michigan State Housing Development Authority under this Order that involves the expenditure of moneys of the Michigan State Housing Development Authority shall be subject to the approval of the Michigan State Housing Development Authority.

H. Nothing in this Order shall be construed to impair the obligation of any bond or note issued by or on behalf of the Michigan State Housing Development Authority. Bonds and notes issued by or on behalf of the Michigan State Housing Development Authority are obligations of the Michigan State Housing Development Authority and not obligations of this state.

I. The position on the State Land Bank Fast Track Authority designated for the director of the department under Section 16(1)(a) of the Land Bank Fast Track Act, 2003 PA 258, MCL 124.766(1)(a), is transferred to the State Treasurer or his or her designee.

**J. Implementation of Transfers to the Michigan State Housing Development Authority**

1. All records, personnel, property, unexpended balances of appropriations, allocations, or other funds used, held, employed, available, or to be made available to the Michigan Strategic Fund for the activities, powers, duties, functions, and responsibilities transferred under this Order are transferred to the Michigan State Housing Development Authority to be used or held on behalf of the State Land Bank Fast Track Authority and to be held and accounted for separately and apart from funds of the Michigan State Housing Development Authority.

2. The Michigan State Housing Development Authority, after consultation with the President of the Michigan Strategic Fund and the Department of Treasury, shall provide executive direction and supervision for the implementation of the transfers. The assigned functions shall be administered under the direction and supervision of the Executive Director of the Michigan State Housing Development Authority.

3. The President of the Michigan Strategic Fund and the Executive Director of the Michigan State Housing Development Authority shall immediately initiate coordination to facilitate the transfers contemplated by this Order and shall 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 Michigan State Housing Development Authority.

4. The Michigan State Housing Development Authority Executive Director shall administer any functions assigned or subsequently transferred in such ways as to promote efficient administration and shall make internal organizational changes as may be administratively necessary to complete the realignment of responsibilities required or permitted under this Order.

**III. STATE BUILDING AUTHORITY**

A. The State Building Authority is transferred intact from the Department of Technology, Management, and Budget to the Department of Treasury.

B. The State Building Authority shall exercise its prescribed statutory powers, duties, and functions independent of the Department of Treasury. The State Building Authority shall retain all of its statutory authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations. The State Building Authority shall also retain control of all monies and funds, including but not limited to, grants, bonds, notes, reserves, and trust funds, subject to any agreements of the State Building Authority with note and bond holders.

C. The budgeting, procurement, and related management functions of the State Building Authority shall be performed under the direction and supervision of the State Treasurer. When directing and supervising the budgeting, procurement, and related management functions of the State Building Authority, the State Treasurer shall remain cognizant of the rights of the holders of State bonds and notes and State Building Authority bonds and notes.

D. The Director of the Department of Technology, Management, and Budget, the Executive Director of the State Building Authority, and the State Treasurer shall immediately initiate coordination to facilitate the transfers contemplated by this Section and shall 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 Department of Treasury.

E. The State Treasurer, in consultation with the Director of the Department of Technology, Management, and Budget, and the Executive Director of the State Building Authority, shall identify the positions to be

transferred under this Section.

#### **IV. MISCELLANEOUS**

A. 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 lawfully commenced suit, action, or other proceeding may be maintained by, against, or before the appropriate successor of any entity affected by this Order.

B. All rules, orders, contracts, plans, and agreements relating to the functions transferred to the Michigan State Housing Development Authority and to the Department of Treasury by this Order lawfully adopted prior to the effective date of this Order shall continue to be effective until revised, amended, or rescinded.

C. 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 as necessary for the implementation of this Order.

D. The invalidity of any portion of this Order shall not affect the validity of the remainder of the Order, which may be given effect without any invalid portion. Any portion of this Order found invalid by a court or other entity with proper jurisdiction shall be severable from the remaining portions of the Order.

In fulfillment of the requirements of Section 2 of Article V of the Michigan Constitution of 1963, the provisions of this Order shall be effective 60 days after the filing of this Order.

**History:** 2013, E.R.O. No. 2013-3, Eff. July 20, 2013.

**Compiler's note:** Executive Reorganization Order No. 2013-3 was promulgated May 20, 2013 as Executive Order No. 2013-8, Eff. July 20, 2013.

The citation in Part IC should evidently read MCL 125.1421.