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BILL ANALYSIS

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Senate Bill 1131 (as introduced 5-17-12)
Sponsor: Senator Tupac A. Hunter
Committee: Economic Development

Date Completed: 6-7-12

CONTENT

The bill would amend the Land Bank Fast Track Act to provide for the dissolution and replacement of the board of Wayne County's land bank fast track authority. The bill also specifies requirements that would pertain to the county authority and its staff.

The Act allows a land bank fast track authority to enter into an intergovernmental agreement with the Michigan Economic Development Corporation (MEDC) for the joint exercise of powers and duties under the Act. An authority also may enter into an intergovernmental agreement with the Michigan State Housing Development Authority (MSHDA) for the joint exercise of powers and duties under the Act. A county, city, qualified city, township, or village may enter into an intergovernmental agreement with the State Land Bank Fast Track Authority providing for the transfer to the Authority of tax-reverted property held by the local unit for purposes of the Act.

A county foreclosing governmental unit may enter into an intergovernmental agreement with the State Authority providing for the exercise of the powers, duties, functions, and responsibilities of an authority under the Act and for the creation of a county authority to exercise those functions. If a county authority is created, the county treasurer is a member of the authority board.

The bill specifies that, if a county authority were created in a county with a population of at least 1.5 million, the governing authority board of that county authority would be dissolved and would have to be replaced with a new governing authority board 30 days after the dissolution. (Wayne County is the only Michigan county with a population of at least 1.5 million.) The replacement board would have to consist of seven members as follows:

-- The county treasurer, as chairperson of the authority board.
-- Two individuals appointed by the county treasurer.
-- Two individuals appointed by the county board of commissioners.
-- Two individuals appointed by the county executive, if that county had an elected executive, or by the board of commissioners if that county did not have an elected executive.

A county authority created under the Act after the bill's effective date would have to comply with the following:

-- The executive director and every other employee of the county authority could not spend any funds without the approval of the authority board.
-- The county authority would have to have written guidelines for any program it operated and make the guidelines available to the public on the authority's internet website.
-- The county authority would have to create and maintain an internet website and post all competitive bids it solicited and copies of all contracts it entered into.
-- The executive director of the county authority would have to submit performance objectives to the authority board at least twice annually.

The board would have to review the performance objectives at a meeting of the authority board and evaluate whether the objectives had been achieved.

MCL 124.773 Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have an unknown, and likely negligible, impact on local unit expenditure. Any impact would depend on how the actions, decisions, and/or costs of operating a local authority were changed by the bill.

The bill would have no impact on State revenue or expenditure.

Fiscal Analyst: David Zin

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.