123.1273 Board of directors; appointment; expiration of term; qualifications; certification to be signed by board member; report by attorney general; failure of board member to make required certification.

Sec. 13. (1) An authority created under this act shall be directed and governed by a board of directors consisting of 5 members appointed as provided in this section.

(2) The board shall be appointed as follows:

(a) Two members who are residents of the local government appointed by the chief executive officer of the local government for a term of service of 3 years, except that for the first appointments to the board, 1 of the members shall be appointed for a term of service of 4 years. If the chief executive officer of the local government fails to make an appointment to the board of directors within 42 days after the authority is created or fails to fill a vacancy on the authority within 70 days of the vacancy occurring, then the governing body of the local government has the power to make the appointment.

(b) Two members who are residents of the local government appointed by the governing body of the local government for a term of service of 3 years, except that for the first appointments to the board, 1 of the members shall be appointed for a term of service of 4 years. If the governing body of the local government fails to make an appointment to the board of directors within 42 days after the authority is created or fails to fill a vacancy on the authority within 70 days of the vacancy occurring, then the chief executive officer of the local government has the power to make the appointment.

(c) One member who is a resident of the local government appointed by the governing body of the local government, from a list of 3 names provided by the chief executive officer of the local government, for a term of service of 3 years.

(3) Notwithstanding any other provision of this act, the term of a member appointed to the board of directors under subsection (2) shall expire upon expiration of the term of the chief executive officer or the governing body of the local government.

(4) At least 1 board member appointed to an authority board shall be a professional engineer licensed under article 20 of the occupational code, 1980 PA 299, MCL 339.2001 to 339.2014.

(5) At least 1 board member appointed to an authority board shall be a certified public accountant who is licensed as a certified public accountant under article 7 of the occupational code, 1980 PA 299, MCL 339.720 to 339.736, or shall qualify as a financial expert as that term is defined by rule by the United States securities and exchange commission pursuant to section 407 of the Sarbanes-Oxley act of 2002, Public Law 107-204.

(6) At least 1 board member appointed to an authority board shall be an attorney licensed to practice in this state.

(7) At the time of his or her appointment to a board of directors, and no later than January 31 of each year, a board member of an authority board shall make a certification, signed under penalty of perjury, to the attorney general that states all of the following:

(a) Except as otherwise provided in this subdivision, he or she is not currently employed by or receiving a pension or any other form of income from any entity that has sought or received a contract with the authority. For purposes of this subdivision, income does not include stock dividends from or the sale of stock of publicly traded shares constituting less than 0.1% ownership in the entity.

(b) Except as otherwise provided in this subdivision, he or she does not own an interest in any entity that has sought or received a contract with the authority. For purposes of this subdivision, own does not include the ownership in the form of publicly traded shares constituting less than 0.1% ownership in the entity.

(c) He or she does not serve as an officer, director, or in a similar decision-making role in any entity that has sought or received a contract with the authority or that has a financial interest contrary to the authority in connection with any financing of the authority.

(8) A person shall not begin service as a board member until he or she completes and files the certification with the attorney general as required under this section.

(9) The attorney general shall publish a report no later than the last day of February of each year stating whether each member of an authority's board has filed the required certification and whether the certification was complete. The report shall be made available to the public on the office of attorney general's website as soon as practicable. If a report indicates that a board member has failed to make the required certification, a copy of the report shall be sent to the chief executive officer of each local government that authorized the incorporation of the authority and to the board member who failed to make the required certification. The local government shall provide the last known address for that board member to the attorney general upon request.
(10) If the required certification is not filed by a board member by the third day of March following the publication of the report by the attorney general, the term of office for that board member who fails to make the required certification under this section shall automatically terminate on the last day of March following the publication of the report by the attorney general.