

EXECUTIVE REORGANIZATION ORDER

E.R.O. No. 2009-36

209.131 Creation of new state tax commission within department of treasury; transfer of powers and duties of old state tax commission and state assessor's board to new state tax commission; abolishment of old state tax commission and state assessor's board.

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

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 of state government or in the assignment of functions among its units that the Governor considers necessary for efficient administration;

WHEREAS, there is a continuing need to reorganize functions amongst state departments to ensure efficient administration and effectiveness of government;

WHEREAS, reorganization of the State Tax Commission and the State Assessor's Board will lead to more effective implementation of tax policy, greater administrative efficiencies, and reductions in expenditures;

NOW, THEREFORE, I, Jennifer M. Granholm, Governor of the State of Michigan, by virtue of the power and authority vested in the Governor by the Michigan Constitution of 1963 and Michigan law, order the following:

I. DEFINITIONS

As used in this Order:

A. "Department of Treasury" or "Department" means the principal department of state government created under Section 75 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.175.

B. "New State Tax Commission" or "Commission" means the new State Tax Commission established by this Order.

C. "Old State Tax Commission" means the State Tax Commission in existence on the date of this Order as created under the 1927 PA 360, MCL 209.101 to 209.107, transferred by Type I transfer to the Department of Treasury, by Executive Organization Act of 1965, 1965 PA 380, MCL 16.184 and modified by Executive Order 2006-21, MCL 209.91.

D. "State Assessor's Board" means the State Assessor's Board created under Sections 10c and 10d of 1893 PA 206, MCL 211.10c and MCL 211.10d.

E. "State Budget Director" means the Director of the State Budget Office created under Section 321 of the Management and Budget Act, 1984 PA 431, MCL 18.1321.

II. CREATION OF THE NEW STATE TAX COMMISSION

A. The new State Tax Commission is created within the Department of Treasury.

B. The Commission shall consist of 3 members, not more than 2 of whom shall be members of the same political party. Members shall be appointed by the Governor subject to disapproval under Section 6 of Article V of the Michigan Constitution of 1963.

C. All of the members shall have at least 5 years experience in government or the private sector, dealing with matters relating to state or local taxes. Not less than 1 of the members shall be a certified assessor holding a level III certificate or greater as granted by the State Assessor's Board or its successor. The Governor shall designate 1 of the members as Chairperson of the Commission.

D. Of the members of the Commission initially appointed by the Governor under Section II.B, 1 member shall be appointed for a term expiring on December 27, 2012, and 2 members shall be appointed for a term expiring on December 27, 2013. After the initial appointments under this paragraph, members of the Commission shall be appointed for a term of 4 years.

E. A member of the Commission shall continue to serve until a successor is appointed and qualified. A vacancy on the Commission occurring other than by expiration of a term shall be filled by the Governor in the same manner as the original appointment for the balance of the unexpired term.

III. OPERATIONS OF THE COMMISSION

A. The Commission shall exercise its prescribed statutory powers, duties and functions of rule-making, licensing and registration including the promulgation of rules, rates, regulations and standards, and adjudication independently of the State Treasurer.

B. The Commission shall be staffed and assisted by personnel from the Department, subject to available funding. All budgeting, procurement, and related management functions of the Commission shall be performed under the direction and supervision of the State Treasurer.

C. The Commission shall adopt procedures consistent with Michigan law and this Order governing its organization and operations.

D. A majority of the members of the Commission serving constitutes a quorum for the transaction of the Commission's business. The Commission shall act by a majority vote of its serving members.

E. The Commission shall meet at the call of the Chairperson and as may be provided in procedures adopted by the Commission.

F. The Commission may establish advisory workgroups composed of representatives of entities participating in Commission activities or other members of the public as deemed necessary by the Commission to assist the Commission in performing its duties and responsibilities. The Commission may adopt, reject, or modify any recommendations proposed by an advisory workgroup.

G. The Commission may, as appropriate, make inquiries, studies, investigations, hold hearings, and receive comments from the public. The Commission may also consult with outside experts in order to perform its duties, including, but not limited to, experts in the private sector, organized labor, government agencies, and at institutions of higher education.

H. The Chairperson and the Commissioners shall receive an annual salary. The Chairperson and the Commissioners shall not engage in outside employment or other business activity that conflicts with their duties as Commissioners.

I. Members of the Commission may receive reimbursement for necessary travel and expenses consistent with relevant statutes and the rules and procedures of the Civil Service Commission and the Department of Management and Budget, subject to available funding.

J. The Commission may hire or retain contractors, sub-contractors, advisors, consultants, and agents, and may make and enter into contracts necessary or incidental to the exercise of the powers of the Commission and the performance of its duties as the State Treasurer deems advisable and necessary, in accordance with this Order, the relevant statutes, and the rules and procedures of the Civil Service Commission and the Department of Management and Budget.

K. The Commission may accept donations of labor, services, or other things of value from any public or private agency or person.

L. Members of the Commission shall refer all legal, legislative, and media contacts to the Department.

IV. TRANSFER OF FUNCTIONS AND ABOLITION OF THE OLD STATE

TAX COMMISSION

A. All of the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the old State Tax Commission are transferred to the new State Tax Commission. The authority, powers, duties, and functions transferred under this Order to the new State Tax Commission, include, but are not limited to, the authority, powers, duties, and functions of the old State Tax Commission under any of the following:

1. 1978 PA 472, MCL 4.411 to 4.431.
2. Section 86 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.186.
3. 1975 PA 197, MCL 125.1651 to 125.1681.
4. Water Resource Improvement Tax Increment Finance Authority Act, 2008 PA 94, MCL 125.1771 to 125.1794.
5. The Tax Increment Finance Authority Act, 1980 PA 450, MCL 125.1801 to 125.1830.
6. The Local Development Financing Act, 1986 PA 281, MCL 125.2151 to 2174.
7. Brownfield Redevelopment Financing Act, 1996 PA 381, MCL 125.2651 to 125.2672.
8. Obsolete Property Rehabilitation Act, 2000 PA 146, MCL 125.2781 to 125.2797.
9. Historical Neighborhood Tax Increment Finance Authority Act, 2004 PA 530, MCL 125.2841 to 125.2866.
10. Corridor Improvement Authority Act, 2005 PA 280, MCL 125.2871 to 125.2899.
11. Neighborhood Improvement Authority Act, 2007 PA 61, MCL 125.2911 to 125.2932.
12. Section 2 of 1977 PA 289, MCL 141.952.
13. Section 4 of 1929 PA 48, MCL 205.304.
14. Section 13 of 1929 PA 48, MCL 205.313.
15. Section 8 of 1963 PA 68, MCL 207.278.
16. Section 4 of 1966 PA 134, MCL 207.504.
17. 1974 PA 198, MCL 207.551 to 207.572.

18. 1976 PA 438, MCL 207.601 to 207.615.
 19. Commercial Redevelopment Act, 1978 PA 255, MCL 207.651 to 207.668.
 20. Neighborhood Enterprise Zone Act, 1992 PA 147, MCL 207.771 to 207.787.
 21. 1911 PA 44, MCL 209.1 to 209.9.
 22. The General Property Tax Act, 1893 PA 206, MCL 211.1 to 211.157.
 23. Section 1a of 1953 PA 189, MCL 211.181a.
 24. Property Tax Limitation Act, 1933 PA 62, MCL 211.201 to 211.217a.
 25. Section 5 of the Tax Reverted Clean Title Act, 2003 PA 260, MCL 211.1025.
 26. Part 21 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.2101 to MCL 324.2162.
 27. Part 37 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.3701 to MCL 324.3708.
 28. Part 59, of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.5901 to MCL 324.5908.
 29. Section 30511 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.30511.
 30. Part 361, of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.36101 to 324.36117.
 31. Section 35307 of the Natural Resources and Environmental Protection Act, 1994 PA 451, MCL 324.35307.
 32. Section 121 of the State School Aid Act of 1979, 1979 PA 94, MCL 388.1721.
 33. Section 271 of the Railroad Code of 1993, 1993 PA 354, MCL 462.271.
 34. Section 23 of the Nonprofit Street Railway Act, 1867 PA 35, MCL 472.23.
 35. Section 109 of the Land Division Act, 1967 PA 288, MCL 560.109.
 36. Executive Order 2006-21.
- B. After the effective date of this Order, any statutory and other references to the old State Tax Commission shall be deemed references to the new State Tax Commission.
- C. The old State Tax Commission is abolished.

V. TRANSFER OF FUNCTIONS AND ABOLITION OF THE STATE

ASSESSOR'S BOARD

- A. All of the authority, powers, duties, functions, responsibilities, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of the State Assessor's Board are transferred to the new State Tax Commission provided for under Section II of this Order.
- B. After the effective date of this Order, any statutory and other references to the State Assessor's Board shall be deemed references to the new State Tax Commission.
- C. The State Assessor's Board is abolished.

VI. IMPLEMENTATION OF TRANSFER

- A. The State Treasurer shall provide executive direction and supervision for the implementation of the transfer under this Order and shall make internal organization changes as necessary to effectuate the transfers.
- B. The authority, powers, duties, functions, and responsibilities transferred to the Commission under this Order shall be administered in such ways as to promote efficient administration.
- C. All records, property, grants, and unexpended balances of appropriations, allocations, and other funds used, held, employed, available, or to be made available for the activities, powers, duties, functions, and responsibilities transferred under this Order are transferred to the Commission.
- D. 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 necessary for the implementation of this Order.

VII. MISCELLANEOUS

- A. All departments, committees, Commissioners, or officers of this state, or of any political subdivision of this state, shall give to the Commission or to any member or representative of the Commission, any necessary assistance required by the Commission or any member or representative of the Commission, in the performance of the duties of the Commission so far as is compatible with its, his, or her duties. Free access shall also be given to any books, records, or documents in its, his, or her custody, relating to matters within the scope of inquiry, study, or review of the Commission.
- B. All rules, orders, bulletins, determinations, manuals, letters, certifications, contracts, agreements, and any other actions of the old State Tax Commission or the State Assessor's Board relating to the transfers under this Order lawfully adopted prior to the effective date of this Order shall continue to be in full force and effect until revised, amended, repealed, or rescinded by the new State Tax Commission.
- C. This Order shall not abate any suit, action, or other proceeding lawfully commenced by, against, or before any

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

In fulfillment of the requirements under Section 2 of Article V of the Michigan Constitution of 1963, the provisions of this Order are effective on December 28, 2009 at 12:01 a.m.

History: 2009, E.R.O. No. 2009-36, Eff. Dec. 28, 2009