Legislative Analysis



ELECTRONIC MEETINGS OF CERTAIN PUBLIC BODIES

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

House Bill 5427 as reported from committee

Sponsor: Rep. Gary Howell

Committee: Local Government and Municipal Finance

Complete to 1-4-22

Analysis available at http://www.legislature.mi.gov

SUMMARY:

House Bill 5427 would amend the Open Meetings Act to allow electronic meetings to be held by a public body responsible for the investment, administration, or management of a municipal public employee retirement system.

<u>The act</u> generally requires all meetings of a public body to be open to the public and held in a place available to the public, and all decisions of a public body must be made at a meeting open to the public. The act defines "public body" as any of the following:

- A state or local legislative or governing body, including a board, commission, committee, subcommittee, authority, or council, that is empowered by state constitution, statute, charter, ordinance, resolution, or rule to exercise governmental or proprietary authority or perform a governmental or proprietary function.
- A lessee of a body described above that is performing an essential public purpose and function under the lease agreement.
- The board of a nonprofit corporation formed by a city under section 40 of the Home Rule City Act.

Except for an agricultural commodity group, which can hold a meeting electronically (in whole or in part) for any reason, the act allows meetings of a public body to be held electronically or with remote participation only to accommodate the absence of one of its members due to military duty, and then only that member may participate remotely.

<u>The bill</u> would amend the above provisions to allow a public body responsible for the investment, administration, or management of a *municipal public employee retirement system* to hold a meeting electronically for any reason. However, this would not prohibit the public body from requiring in-person participation of its members at any meeting subject to the act.

Municipal public employee retirement system would mean a retirement system, trust, plan, or reserve fund that a local unit of government establishes, maintains, or participates in and that, by its express terms or as a result of surrounding circumstances, provides retirement pension benefits or retirement health benefits, or both. It would not include a retirement system established under the State Employees' Retirement Act, the Public School Employees Retirement Act, the Judges Retirement Act, the State Police Retirement Act, or the Michigan Legislative Retirement System Act.

MCL 15.263a

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¹ See https://www.legislature.mi.gov/documents/2021-2022/billanalysis/House/pdf/2021-HLA-4603-FA690029.pdf

BACKGROUND:

In addition to other requirements for meetings held under the act, meetings held electronically must be conducted in a way that allows for two-way communication so that members of the public body can hear one another, public participants can hear the members, and the members of the public body and other public participants can hear public participants during a public comment period. A public body can use technology to allow for typed comments to be submitted by public participants and read to or shared with the members of the public body and other public participants. A public body cannot require a person to register or provide his or her name or other information as a condition of participating in or attending an electronic meeting, except for mechanisms established and required by the public body that are necessary to allow the person to participate in a public comment period.

The public body must post advance notice of a meeting held electronically in a publicly accessible place on its website, if it has an active official internet presence, at least 18 hours before the meeting starts. The notice must include explanations of why the public body is meeting electronically and how members of the public can participate in the meeting, how members of the public can contact members of the public body, and how persons with disabilities can participate in the meeting. If there is an agenda for the meeting, it must be made available to the public at least two hours before the start of the meeting.

FISCAL IMPACT:

The bill could result in marginal costs savings for local units of government to the extent that convening meetings of public bodies responsible for maintaining a municipal public employee retirement system remotely would not require reimbursements to be paid to members for necessary travel expenses, if the members are eligible for travel reimbursements.

POSITIONS:

Representatives of the following entities testified in support of the bill (11-3-21):

- Michigan Association of Public Employee Retirement Systems
- Retired Detroit Police and Fire Fighters Association

The following entities indicated support for the bill (11-3-21):

- Board of Trustees of the General Retirement System of the City of Detroit
- Oakland County Employees' Retirement System
- City of Southfield Employee Retirement System
- Monroe County Retiree Health Care Board of Trustees
- Municipal Employees' Retirement System (MERS) of Michigan

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[■] This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.