

HOUSE BILL NO. 5523

February 22, 2024, Introduced by Reps. Glanville, O'Neal, Morse, Koleszar, Tyrone Carter, Martus, Conlin, Puri, Scott, Hood, Paiz, Rheingans, McKinney, Arbit, Snyder, MacDonell, Skaggs, Brabec and Coffia and referred to the Committee on Economic Development and Small Business.

A bill to create the bureau of community services and the commission on economic and social opportunity; to reduce the causes, conditions, and effects of poverty; to promote social and economic opportunities that foster self-sufficiency for low-income individuals; to provide for the designation of community action agencies; to prescribe the powers and duties of certain state departments, the bureau, the commission, and community action agencies; and to require the promulgation of rules.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act may be cited as the "bureau of community
2 action and economic opportunity act".

3 Sec. 3. As used in this act:

4 (a) "Bureau" means the bureau of community action and economic
5 opportunity created in section 5.

6 (b) "Chief elected official" means a chairperson of a county
7 board of commissioners, a county executive, a city mayor, a
8 township supervisor, a village president, or the chief elected
9 official's designee.

10 (c) "Commission" means the commission on community action and
11 economic opportunity created in section 6.

12 (d) "Community action agency" means an agency designated
13 according to section 8.

14 (e) "Community social and economic program" means a program
15 provided under section 675 of the community services block grant
16 act, 42 USC 9904.

17 (f) "Department" means the department or agency designated by
18 the governor to receive and distribute community services block
19 grant funds under 42 USC 9901 to 9924.

20 (g) "Director" means the director of the department designated
21 by the governor under subdivision (f).

22 Sec. 4. As used in this act:

23 (a) "Executive director" means the chief administrator of the
24 bureau.

25 (b) "Federal poverty guidelines" means the federal poverty
26 guidelines published annually in the Federal Register by the United
27 States Department of Health and Human Services under its authority
28 to revise the poverty line under 42 USC 9902.

29 (c) "Low-income individual" means an individual who is a

1 member of a household that has a gross annual income that is equal
2 to or less than the federal poverty guidelines for the same size
3 household.

4 (d) "Service area" means the geographical area served by a
5 community action agency.

6 (e) "State program budget" means state funds, federal block
7 grants, and federal categorical grants that the legislature
8 appropriates annually for community social and economic programs.

9 Sec. 5. The bureau of community action and economic
10 opportunity is created within the department. The director shall
11 appoint an executive director who is a member of the state
12 classified service or the state career executive service, as
13 established and approved by the civil service commission. Under the
14 supervision of the department, the bureau shall serve as a
15 statewide advocate for social and economic opportunities for low-
16 income individuals and must do all of the following:

17 (a) Coordinate state activities designed to reduce poverty and
18 implement community social and economic programs.

19 (b) Cooperate with agencies of the state and federal
20 government and other public agencies, nonprofit private agencies,
21 and nonprofit organizations in reducing poverty and implementing
22 community social and economic programs.

23 (c) Receive and expend funds for any purpose authorized under
24 this act.

25 (d) Provide assistance for the purpose of establishing and
26 operating a community action agency.

27 (e) Designate community action agencies pursuant to section 8.

28 (f) Provide technical assistance to community action agencies
29 to improve program planning, program development, administration,

1 and mobilizing public and private resources. In implementing this
2 subdivision, the department must contract, when warranted by
3 geographical and other factors, with public agencies, nonprofit
4 private agencies, or nonprofit organizations.

5 (g) Enter into necessary contracts with community action
6 agencies to coordinate community social and economic programs and
7 other programs and services designated by the bureau and for which
8 funding is appropriated by the legislature.

9 (h) Contract with public agencies, nonprofit private agencies,
10 or nonprofit organizations for demonstration programs and other
11 services necessary to implement this act.

12 (i) Conduct performance assessments of the activities and
13 programs of community action agencies.

14 (j) Establish, in cooperation with community action agencies,
15 an educational and public information program designed to increase
16 public awareness regarding the nature and extent of poverty in this
17 state and regarding existing community social and economic
18 programs.

19 (k) Evaluate state statutes and programs relevant to the
20 reduction of poverty and recommend appropriate changes to the
21 governor and the legislature.

22 (l) Submit reports to the governor, the legislature, the state
23 congressional delegation, and other appropriate federal officials
24 regarding the needs, problems, opportunities, and contributions of
25 low-income individuals; the effectiveness of existing state or
26 federal policies and programs; and recommended actions to improve
27 economic and social opportunities for low-income individuals.

28 (m) Administer the weatherization assistance program created
29 according to 10 CFR 440. The bureau must administer the

1 weatherization assistance program in a manner that provides that
2 public agencies, nonprofit private agencies, and nonprofit
3 organizations are eligible and have the opportunity for funding for
4 each portion of a program that a community action agency may
5 undertake.

6 (n) Serve as an advocate within the executive branch to remove
7 administrative barriers to self-sufficiency services and to seek
8 additional resources for antipoverty strategies.

9 Sec. 6. (1) A commission on community action and economic
10 opportunity is created within the department. The commission must
11 provide an opportunity for low-income individuals to actively
12 participate in developing policies and programs to reduce poverty.

13 (2) The commission shall consist of 6 to 15 members appointed
14 by the governor by and with the advice and consent of the senate.
15 The commission shall be comprised of elected public officials,
16 private sector members, and low-income individuals or as nearly
17 equal in number as possible. At least 1/3 of the commission members
18 must be community action agency representatives as either staff or
19 board members. The executive director of the Michigan Community
20 Action Agency Association, or its successor organization, must be
21 included as a nonvoting member of the commission. The governor
22 shall designate the chairperson of the commission. The chairperson
23 shall serve at the will of the governor. The executive director or
24 designee of the commission shall serve as executive secretary to
25 the commission.

26 (3) The term of office of each member is 3 years. A vacancy on
27 the commission must be filled in the same manner as the original
28 appointment for the remainder of the unexpired term.

29 (4) A member of the commission may receive per diem

1 compensation and reimbursement of actual and necessary expenses
2 incurred in serving.

3 (5) A majority of the commission constitutes a quorum. Except
4 as otherwise provided by rule, action may be taken by the
5 commission by vote of a majority of the members present at a
6 meeting. The commission must meet not less than 4 times a year. A
7 meeting of the commission may be held anywhere within this state.

8 Sec. 7. The commission shall serve as a statewide forum
9 concerning state policies and programs to reduce poverty and to
10 address the needs and concerns of low-income people in this state.
11 The commission must do all of the following:

12 (a) Convene a state forum every 2 years that includes
13 representatives from the public, private, nonprofit, and low-income
14 sectors to analyze poverty trends and make recommendations to
15 reduce poverty.

16 (b) Convene public meetings to provide low-income and other
17 individuals the opportunity to comment on public policies and
18 programs to reduce poverty.

19 (c) Advise the executive director about the designation or
20 recission of a designation of a community action agency.

21 (d) Review and comment on the annual program budget request
22 before its submittal to the governor and the legislature according
23 to section 10.

24 (e) Advise the governor, the legislature, the state
25 congressional delegation, and other appropriate federal officials
26 of the nature and extent of poverty in the state and make
27 recommendations concerning needed changes in state and federal
28 policies and programs.

29 (f) Provide a written report to the director and the governor

1 at least annually concerning the performance of the bureau in
2 fulfilling its requirements as prescribed by this act.

3 (g) Participate with the bureau to implement a public
4 education program designated to increase public awareness regarding
5 the nature and extent of poverty in this state.

6 (h) Receive annual reports from the bureau on strategies to
7 reduce poverty and make recommendations based on those reports to
8 the governor.

9 (i) In coordination with community action agencies and the
10 commission, establish an education and public information program
11 designed to increase public awareness regarding the nature and
12 extent of poverty in this state and regarding existing community
13 social and economic programs.

14 (j) Evaluate state statutes and programs relevant to the
15 reduction of poverty and recommend appropriate changes to the
16 governor and the legislature.

17 (k) Submit reports to the governor, the legislature, the
18 congressional delegation, and other appropriate federal officials
19 regarding the needs, problems, opportunities, and contributions of
20 low-income individuals and the effectiveness of existing state and
21 federal policies and programs, and recommend actions to improve
22 economic and social opportunities for low-income individuals.

23 Sec. 8. (1) Subject to subsection (2), the executive director,
24 in consultation with the commission, shall designate community
25 action agencies to fulfill the requirements of this act in the
26 service areas governed by 1 or more units of local government. A
27 community action agency designated by the executive director may be
28 1 of the following:

29 (a) A public office or agency of a unit of local government

1 that is designated as a community action agency by the chief
2 elected official of that unit of government.

3 (b) A public office or agency that is designated as a
4 community action agency by the chief elected officials of a
5 combination of 2 or more units of local government.

6 (c) A nonprofit private agency serving 1 or more units of
7 local government approved by the chief elected official of the unit
8 of local government that includes the service area, or if more than
9 1 unit of local government is included in the service area, by the
10 chief elected officials of the county or counties in which the
11 local governments are located and of at least 2/3 of the cities,
12 villages, and townships in the service area that have a population
13 of not less than 100,000.

14 (d) A public or private nonprofit agency designated by 1 or
15 more Native American tribal governments that have been established
16 under state or federal law.

17 (2) Before the executive director designates or rescinds the
18 designation of a community action agency, the executive director
19 shall do all of the following:

20 (a) Consult with the director.

21 (b) Consult with the chief elected official of each county in
22 this state and each city, village, or township with a population of
23 not less than 100,000 within the existing or proposed service area.

24 (c) Conduct not less than 1 public meeting in the service area
25 to provide low-income and other citizens living within the service
26 area the opportunity to review and comment upon the strengths and
27 weaknesses of the existing of proposed community action agency.

28 (d) Consult with and obtain the advice of the commission on
29 the proposed action.

1 (3) Subject to the requirements of subsection (2) and the
2 procedures under the community services block grant act, subtitle B
3 of title VI of the omnibus budget reconciliation act of 1981,
4 Public Law 97-35, 42 USC 9901 to 9924, the executive director may
5 rescind a designation of a community action agency for cause.

6 (4) Notwithstanding subsection (1), each community action
7 agency that has been designated by the community services
8 administration according to the economic opportunity act of 1964,
9 Public Law 88-452, and that is in operation on July 29, 2003, shall
10 continue as a community action agency.

11 Sec. 9. A community action agency shall serve as a primary
12 advocate for reducing the causes, conditions, and effects of
13 poverty and must provide social and economic opportunities that
14 foster self-sufficiency for low-income individuals. A community
15 action agency may engage in activities necessary to fulfill the
16 intent of this act, including, but not limited to, the following:

17 (a) Informing this state, units of local government, private
18 agencies and organizations, and citizens of the nature and extent
19 of poverty within the service area.

20 (b) Developing, administering, and operating community social
21 and economic programs to reduce poverty within the service area.

22 (c) Providing a range of services and activities having a
23 measurable and potentially major impact on causes of poverty in the
24 community or in the service areas of the community.

25 (d) Providing activities designed to assist low-income
26 participants, including the elderly poor, to secure and retain
27 meaningful employment; to attain an adequate education; to make
28 better use of available income; to obtain and maintain adequate
29 housing and a suitable living environment; to obtain emergency

1 assistance through loans or grants to meet immediate and urgent
2 individual and family needs, including the need for health
3 services, nutritious food, housing, and employment-related
4 assistance; to remove obstacles and solve problems that block the
5 achievement of self-sufficiency; to achieve greater participation
6 in community affairs; and to make more effective use of other
7 programs related to the purposes of this section.

8 (e) Providing, on an emergency basis, supplies and services,
9 nutritious food items, and related services necessary to counteract
10 conditions of starvation and malnutrition among the poor.

11 (f) Providing and establishing linkages between governmental
12 and other social services programs to ensure the effective delivery
13 of services to low-income individuals.

14 (g) Encouraging the use of entities in the private sector of
15 the community in efforts to reduce poverty.

16 (h) Conducting pilot and demonstration projects with
17 innovative approaches to reduce poverty, improve services, and
18 utilize resources.

19 (i) Providing and advocating for training and technical
20 assistance to public and private agencies, community groups, and
21 units of local government to better define human problems, to
22 improve services, and to facilitate citizen participation,
23 including that of low-income individuals.

24 (j) Increasing interagency coordination and cooperation in
25 serving low-income individuals. If possible, community action
26 agencies must enter into partnership and collaboration with other
27 organizations to meet economic self-sufficiency goals.

28 (k) Entering into contracts with federal, state, and local
29 public and private agencies and organizations as necessary to carry

1 out the purposes of this act.

2 (l) Mobilizing federal, state, and local public and private
3 financial resources and material and volunteer resources to reduce
4 poverty and increase social and economic opportunities.

5 (m) Mobilizing community involvement from private and
6 nonprofit sectors, including, but not limited to, businesses,
7 economic and job development organizations, nonprofit faith-based
8 communities, technical colleges and institutions of higher
9 education, and the public sector, including, but not limited to,
10 townships, cities, counties, and this state to address issues of
11 poverty. Community action agencies must coordinate with welfare-to-
12 work strategies and implement strategies that increase household
13 income and assets that lead to long-term economic self-sufficiency.

14 (n) Serving populations with barriers to self-sufficiency such
15 as individuals and families with low incomes, senior citizens,
16 young children, homeless individuals, physically and
17 developmentally disabled individuals, low-wage workers, and adults
18 without literacy skills or basic education or adequate skills
19 needed for the workplace.

20 (o) Engaging in any other activity necessary to fulfill the
21 provisions of this act.

22 Sec. 10. Distribution of funds to community action agencies
23 must meet federal requirements.

24 Sec. 11. (1) A community action agency must establish a
25 tripartite governing board of directors that consists of the
26 following:

27 (a) One third of the members of the board are elected public
28 officials, holding office on the date of selection, or their
29 representatives, except that if the number of the elected officials

1 reasonably available and willing to serve on the board is less than
2 1/3 of the membership of the board, membership on the board of
3 appointive public officials or their representatives may be counted
4 in meeting the 1/3 requirement.

5 (b) Not fewer than 1/3 of the members are individuals chosen
6 in accordance with democratic selection procedures adequate to
7 ensure that these members are representative of low-income
8 individuals and families in the communities served.

9 (c) The remainder of the members are officials or members of
10 business, industry, labor, religious, law enforcement, education,
11 or other major groups and interests in the communities served.

12 (2) A community action agency may establish term limits for
13 members of its board of directors in the community action agency's
14 bylaws. An administrative rule that purports to establish term
15 limits for a member of a community action agency board of directors
16 is void.

17 Sec. 12. The department, in consultation with the commission,
18 shall promulgate rules to implement this act under the
19 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
20 24.328.