## SENATE BILL No. 906

May 26, 1988, Introduced by Senators DILLINGHAM, CRUCE, SHINKLE, GEAKE, BINSFELD, CHERRY, DI NELLO, EHLERS, CROPSEY, BARCIA, KELLY, SEDERBURG, POLLACK, IRWIN, CONROY and CARL and referred to the Committee on Human Resources and Senior Citizens.

A bill to create an office of housing within the department of commerce; to create a housing commission; to prescribe the powers and duties of the office of housing, the director of the office of housing, and the housing commission; and to provide for the promulgation of rules.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 1. This act shall be known and may be cited as the
- 2 "housing commission act".
- 3 Sec. 2. As used in this act:
- 4 (a) "Commission" means the housing commission created in
- 5 section 3.
- 6 (b) "Department" means the department of commerce.
- 7 (c) "Director" means the director of housing appointed in

8 section 5.

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- 1 (d) "Office" means the office of housing created in 2 section 5.
- 3 Sec. 3. (1) A housing commission is created within the
- 4 executive office of the governor. The commission shall consist
- 5 of 7 members. All members shall be appointed by the governor
- 6 with the advice and consent of the senate and of the 7 members, 5
- 7 shall be appointed as follows:
- 8 (a) Three members shall be appointed from a list of candi-
- 9 dates provided by the senate majority leader.
- (b) Two members shall be appointed from a list of candidates
- 11 provided by the speaker of the house of representatives.
- 12 (2) Members of the commission shall serve for terms of 3
- 13 years, except of the members originally appointed, 4 shall serve
- 14 for 3 years and 3 shall serve for 2 years.
- (3) The commission annually shall elect a chairperson from
- 16 its appointed members.
- 17 (4) A vacancy on the commission shall be filled in the same
- 18 manner as the original appointment.
- (5) A member of the commission may be removed from office by
- 20 the governor in accordance with section 10 of article V of the
- 21 state constitution of 1963. Each appointed member of the commis-
- 22 sion shall be entitled to per diem compensation as established
- 23 annually by the legislature and to actual and necessary traveling
- 24 and other expenses incurred in the performance of official duties
- 25 in accordance with standard travel regulations of the department
- 26 of management and budget.

- 1 (6) The commission shall hold regularly scheduled meetings.
- 2 Special meetings may be held at the call of the chairperson or 4
- 3 members of the commission. Written notice of a special meeting
- 4 shall be mailed to each member not less than 10 days before the
- 5 date of the special meeting.
- 6 (7) Four members of the commission shall constitute a quorum
- 7 for the transaction of business.
- 8 (8) The business which the commission performs shall be con-
- 9 ducted at a public meeting of the commission held in compliance
- 10 with the open meetings act, Act No. 267 of the Public Acts of
- 11 1976, being sections 15.261 to 15.275 of the Michigan Compiled
- 12 Laws. Public notice of the time, date, and place of the meeting
- 13 shall be given in the manner required by Act No. 267 of the
- 14 Public Acts of 1976.
- (9) A writing prepared, owned, used, in the possession of,
- 16 or retained by the commission in the performance of an official
- 17 function shall be made available to the public in compliance with
- 18 the freedom of information act, Act No. 442 of the Public Acts of
- 19 1976, being sections 15.231 to 15.246 of the Michigan Compiled
- 20 Laws.
- 21 Sec. 4. (1) The commission shall do all of the following:
- 22 (a) Advise the governor, the legislature, and the office of
- 23 housing concerning the coordination and administration of state
- 24 housing programs.
- (b) Make recommendations to the governor and the legislature
- 26 regarding changes in federal and state housing programs,
- 27 statutes, and policies.

- (c) Participate in preparing, approving, and reviewing the state housing plan required under section 6(j).
- 3 (d) Review and approve grants to be made from state, feder-
- 4 al, or other funds administered by the office.
- 5 (e) Review and advise the governor and the legislature on
- 6 the state's policies concerning housing.
- 7 (f) Participate in the development of and approve the state-
- 8 ments and reports required in section 6(j).
- 9 (g) Convene public meetings or hearings to identify and dis-
- 10 cuss issues or concerns relating to housing.
- 11 (h) Establish additional specialized advisory committees, as
- 12 needed, which shall be under the direction of the commission.
- (i) Provide adequate and effective opportunities for inter-
- 14 ested persons and advocates to express their views on housing
- 15 policy development and housing program implementation.
- (j) Establish policies pertaining to implementation of fed-
- 17 eral and state statutes involving funds administered by the
- 18 office.
- 19 (2) The commission may make and enter into contracts and
- 20 agreements necessary or incidental to the performance of its
- 21 duties and the execution of its powers under this act, subject to
- 22 all of the following limitations:
- 23 (a) A commission member shall not participate in the selec-
- 24 tion, award, administration, or approval of a contract or grant
- 25 if, to his or her knowledge, any of the following persons or
- 26 organizations has a financial interest in that contract:

- 1 (i) A commission member.
- 2 (ii) A member of a commission member's immediate family.
- 3 (iii) A commission member's partner.
- 4 (iv) An organization in which any of the persons listed in
- 5 subparagraphs (i) to (iii) is an officer, director, or employee.
- (v) A person or organization with whom any of the persons
- 7 listed in subparagraphs (i) to (iii) is negotiating or has any
- 8 arrangement concerning prospective employment.
- 9 (b) A commission member shall make known a potential con-
- 10 flict of interest under subdivision (a) before a vote regarding a
- 11 contract or before a vote regarding approval of a grant by the
- 12 office.
- (c) A commission member shall abstain from discussing a rel-
- 14 evant motion, making a recommendation, or voting in regard to a
- 15 contract, grant, or policy if his or her personal or business
- 16 interest is involved as described in subdivision (a).
- 17 Sec. 5. (1) The office of housing is created within the
- 18 department of commerce. The office shall exercise its powers and
- 19 functions, including the functions of budgeting and procurement
- 20 and management-related functions, as an autonomous entity, inde-
- 21 pendent of the director of the department.
- 22 (2) The governor shall appoint a director of the office with
- 23 the advice and consent of the senate. The director shall be
- 24 exempt from the state classified civil service. The director
- 25 shall receive compensation as provided by the legislature. The
- 26 director shall serve as a special assistant to the governor on

- 1 the problems of housing in the state. The director or a designee
- 2 of the director shall serve as office liaison to the commission.
- 3 Sec. 6. The office of housing shall do all of the
- 4 following:
- 5 (a) Function as the single state agency within this state to
- 6 supervise and administer the state housing plan required by sub-
- 7 division (j).
- 8 (b) Be primarily responsible for the coordination of all
- 9 state activities related to housing.
- (c) Cooperate with agencies of the state and federal govern-
- 11 ment and receive funds for any purpose related to housing.
- (d) Make necessary contracts incidental to the performance
- 13 of its duties and the execution of its policies.
- (e) Provide technical assistance to state and local agencies
- 15 for the purposes of planning, program development, administra-
- 16 tion, and evaluation; and encourage, promote, and aid in the cre-
- 17 ation of safe, affordable, quality housing.
- (f) Establish an educational and public information program
- 19 to foster public understanding of housing problems; provide
- 20 information on housing programs available to assist persons in
- 21 this state; and encourage the development of private and public
- 22 community programs to improve the qualify of housing in this
- 23 state.
- 24 (q) Evaluate the effect of federal and state statutes on
- 25 housing and recommend to the governor and the legislature appro-
- 26 priate changes.

- (h) Evaluate, in cooperation with appropriate state
- 2 departments and agencies, the effectiveness of public and private
- 3 policies which affect housing in the state and which are funded
- 4 by federal, state, local, and private resources.
- 5 (i) Make recommendations to the governor and the legislature
- 6 on budget and grant requests for housing programs.
- 7 (j) Develop a comprehensive annual state housing plan with
- 8 yearly updates regarding the housing priority needs of this
- 9 state, as well as recommendations for future action. The office
- 10 shall prepare an annual report to be submitted to the governor
- 11 and the legislature by January 31 of each year. The annual
- 12 report shall detail the progress of the office and the commission
- 13 in implementing the annual state housing plan.
- (k) Establish an appeals procedure, subject to approval by
- 15 the commission, the applicability of which shall not be limited
- 16 to denials of funding.
- (1) Serve as a clearinghouse for the collection and distri-
- 18 bution of information on housing.
- (m) Establish demonstration housing programs in selected
- 20 communities in the state. The programs shall be established to
- 21 demonstrate and test the effectiveness of the programs, to stimu-
- 22 late continued support for the programs, and to create new hous-
- 23 ing services, using federal, state, local, or private funds and
- 24 resources.
- 25 (n) Pursue and receive on behalf of the state any grant or
- 26 gift made for the purpose of improving housing in the state, and
- 27 accept any grant or gift so that the title passes to the state.

- 1 All grants and gifts shall be deposited with the state treasurer
- 2 and used for the purposes set forth in the grant or the gift if
- 3 the purposes are within the powers conferred on the office and
- 4 the use is approved by the legislature. If the use is not
- 5 approved, the grant or gift shall revert to the donor, or the
- 6 donor's administrator or assigns.
- 7 Sec. 7. The office, in consultation with the commission,
- 8 may promulgate rules to implement this act pursuant to the admin-
- 9 istrative procedures act of 1969, Act No. 306 of the Public Acts
- 10 of 1969, being sections 24.201 to 24.328 of the Michigan Compiled
- 11 Laws.