



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5258 (Substitute H-1 as passed by the House)

Sponsor: Representative Bill Caul

House Committee: Family and Children Services

Senate Committee: Families and Human Services

Date Completed: 3-6-06

CONTENT

The bill would amend the Michigan Economic and Social Opportunity Act to specify that a community action agency could establish term limits for members of its board, and that an administrative rule establishing such term limits would be void.

The Act requires a community action agency to establish a board of directors as follows: One third of the members must be elected public officials; one third must be low income, elderly, or consumers with disabilities; and one third must represent the private sector, including representatives of business and industry, agriculture, labor, and religious and civic organizations.

Under the bill, a community action agency could establish term limits in the agency's bylaws for members of its board of directors. An administrative rule that purported to establish term limits for a member of a community action agency board of directors would be void.

MCL 400.1111

BACKGROUND

Under the Act, community action agencies are created to serve as a primary advocate for the reduction of the causes, conditions, and effects of poverty, and must provide social and economic opportunities that foster self-sufficiency for low-income individuals. Either a public office or agency, or a nonprofit private agency, may be designated as a community action agency. Authorized activities for a community action agency include providing information on the nature and extent of poverty within the agency's service area; developing and administering programs to reduce poverty in the service area; assisting participants to secure and retain meaningful employment, attain an adequate education, and obtain adequate housing; and providing emergency supplies, food, and services to counteract starvation and malnutrition among the poor. Agencies may cooperate with members of the private sector in efforts to reduce poverty, and may mobilize Federal, State, and local public and private financial resources for that purpose.

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Constance Cole

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.