

## **MICHIGAN ECONOMIC AND SOCIAL OPPORTUNITY ACT OF 1981**

### **Act 230 of 1981**

AN ACT to create a bureau of community services and a commission on economic and social opportunity within a state department to reduce the causes, conditions, and effects of poverty and promote social and economic opportunities that foster self-sufficiency for low income persons; to provide for the designation of community action agencies; and to prescribe the powers and duties of the department, the bureau, the commission, and the community action agencies.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982;—Am. 2003, Act 123, Imd. Eff. July 29, 2003.

*The People of the State of Michigan enact:*

#### **400.1101 Short title.**

Sec. 1. This act shall be known and may be cited as the “Michigan economic and social opportunity act of 1981”.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982.

**Compiler's note:** For transfer of authority, powers, duties, functions, and responsibilities established under the Michigan economic and social opportunity act and transferred by Executive Order 1993-4 from the department of labor to the Michigan jobs commission and continued by Executive Order 1994-26 within the Michigan jobs commission to the department of social services, see E.R.O. No. 1995-1, compiled at MCL 408.49 of the Michigan Compiled Laws.

#### **400.1102 Meanings of words and phrases.**

Sec. 2. For purposes of this act, the words and phrases defined in sections 3 and 4 have the meanings ascribed to them in those sections.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982.

#### **400.1103 Definitions; B to D.**

Sec. 3. (1) “Bureau” means the bureau of community action and economic opportunity created in section 5.

(2) “Chief elected official” means a chairperson of a county board of commissioners, a county executive, a city mayor, a township supervisor, a village president, or his or her designee.

(3) “Commission” means the commission on community action and economic opportunity created in section 6.

(4) “Community action agency” means an agency designated pursuant to section 8.

(5) “Community social and economic programs” means those programs provided under section 675 of the community services block grant act, subtitle B or title VI of the omnibus budget reconciliation act of 1981, Public Law 97-35, 42 U.S.C. 9904.

(6) “Department” means the family independence agency or another department or agency designated by the governor to receive and distribute community services block grant funds under the community services block grant act, subtitle B of title VI of the omnibus budget reconciliation act of 1981, Public Law 97-35, 42 U.S.C. 9901 to 9924.

(7) “Director” means the director of the department.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982;—Am. 2003, Act 123, Imd. Eff. July 29, 2003.

#### **400.1104 Definitions; E to S.**

Sec. 4. (1) “Executive director” means the chief administrator of the bureau.

(2) “Low income person” means a person who is a member of a household that has a gross annual income that is equal to or less than the poverty standard for the same size household.

(3) “Poverty standard” means the federal poverty guidelines published annually in the federal register by the United States department of health and human services under its authority to revise the poverty line under section 673(2) of subtitle B of title VI of the omnibus budget reconciliation act of 1981, Public Law 97-35, 42 U.S.C. 9902.

(4) “Service area” means the geographical area served by a community action agency.

(5) “State program budget” means state funds, federal block grants, and federal categorical grants that the legislature appropriates annually for community social and economic programs.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982;—Am. 2003, Act 123, Imd. Eff. July 29, 2003.

#### **400.1105 Bureau of community action; creation; appointment of executive director; powers and duties of bureau.**

Sec. 5. The bureau of community action and economic opportunity is created within the department. The

director shall appoint an executive director who is a member of the state classified service or the state career executive service, as established and approved by the civil service commission. Under the supervision of the department, the bureau shall serve as a statewide advocate for social and economic opportunities for low income persons and shall do all of the following:

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

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

(c) Receive and expend funds for any purpose authorized by this act.

(d) Provide assistance to units of local government for the purpose of establishing and operating a community action agency.

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

(f) Provide technical assistance to community action agencies to improve program planning, program development, administration, and the mobilization of public and private resources. In implementing this subdivision, the department shall contract, when warranted by geographical and other factors or when warranted to meet the requirements of section 15, with public agencies, nonprofit private agencies, or nonprofit organizations.

(g) Enter into necessary contracts with community action agencies for the purpose of coordinating community social and economic programs and other programs and services designated by the bureau and for which funding is appropriated by the legislature.

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

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

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

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

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

(m) Administer the weatherization assistance program created pursuant to 10 C.F.R. part 440. The bureau shall administer the weatherization assistance program in a manner that provides that public agencies, nonprofit private agencies, and nonprofit organizations are eligible and shall have the opportunity for funding for each portion of a program that a community action agency may undertake.

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

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982;—Am. 2003, Act 123, Imd. Eff. July 29, 2003.

**400.1106 Commission on community action and economic opportunity; creation; appointment, qualifications, and terms of members; chairperson; executive secretary; vacancies; per diem compensation; reimbursement of expenses; quorum; commission action; meetings.**

Sec. 6. (1) A commission on community action and economic opportunity is created within the department. The commission shall provide an opportunity for low income persons to actively participate in the development of policies and programs to reduce poverty.

(2) The commission shall consist of 6 to 15 members appointed by the governor by and with the advice and consent of the senate. The commission shall be comprised of equal numbers of elected public officials, private sector members, and low income individuals or as nearly equal in number as possible. At least 1/3 of the commission members shall be community action agency representatives as either staff or board members. The governor shall designate the chairperson of the commission. The chairperson shall serve at the will of the governor. The executive director or designee of the commission shall serve as executive secretary to the commission.

(3) The term of office of each member shall be 3 years. Vacancies on the commission shall be filled in the same manner as the original appointment for the remainder of the unexpired term.

(4) A member of the commission may receive per diem compensation and reimbursement of actual and necessary expenses while acting as an official representative of the commission. The per diem compensation of the commission and the schedule for reimbursement of expenses shall be established annually by the legislature.

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

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982;—Am. 2003, Act 123, Imd. Eff. July 29, 2003.

**Compiler's note:** For transfer of powers and duties of commission on community action and economic opportunity to the new commission on community action and economic opportunity, and abolishment of former commission on community action and economic opportunity, see E.R.O. No. 2014-4, compiled at MCL 400.1081.

#### **400.1107 Duties of commission.**

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

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

(b) Convene public meetings to provide low income and other persons the opportunity to comment upon public policies and programs to reduce poverty.

(c) Advise the executive director concerning the designation or rescission of a designation of a community action agency.

(d) Review and comment upon the annual program budget request before its submittal to the governor and the legislature pursuant to section 10.

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

(f) Advise the director and the governor at least annually concerning the performance of the bureau in fulfilling its requirements as prescribed by this act.

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

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

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

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

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

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982;—Am. 2003, Act 123, Imd. Eff. July 29, 2003.

**Compiler's note:** For transfer of powers and duties of commission on community action and economic opportunity to the new commission on community action and economic opportunity, and abolishment of former commission on community action and economic opportunity, see E.R.O. No. 2014-4, compiled at MCL 400.1081.

#### **400.1108 Designating or rescinding designation of community action agency; procedures; continuation of community action agency designated by community services administration; rescission of designation.**

Sec. 8. (1) Except as required to meet the requirements of section 15, the executive director shall designate community action agencies to fulfill the requirements of this act in the service areas governed by 1 or more units of local government. A community action agency designated by the executive director may be 1 of the following:

(a) A public office or agency of a unit of local government that is designated as a community action agency by the chief elected official of that unit of government.

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

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

(d) A public or private nonprofit agency designated by 1 or more native American tribal governments that have been established pursuant to state or federal law.

(2) Before designating or rescinding the designation of a community action agency, the executive director shall do all of the following:

(a) Consult with the director.

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

(c) Hold at least 1 public meeting in the service area to provide low income and other citizens living within the service area the opportunity to review and comment upon the strengths and weaknesses of the existing or proposed community action agency.

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

(3) Notwithstanding subsections (1) and (2), each community action agency that has been designated by the community services administration pursuant to the economic opportunity act of 1964, Public Law 88-452, 78 Stat. 508, and that is in operation on the effective date of the 2003 amendatory act that amended this section shall continue as a community action agency.

(4) The executive director may rescind the designation of a community action agency for cause. In implementing this subsection, the executive director shall follow the procedures set forth in subsection (2) and the procedures set forth in the community services block grant act, subtitle B of the omnibus budget reconciliation act of 1981, Public Law 97-35, 42 U.S.C. 9901 to 9924.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982;—Am. 2003, Act 123, Imd. Eff. July 29, 2003.

#### **400.1109 Community action agency; duties; permissible activities.**

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

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

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

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

(d) Providing activities designed to assist low income participants, including the elderly poor, to secure and retain meaningful employment; to attain an adequate education; to make better use of available income; to obtain and maintain adequate housing and a suitable living environment; to obtain emergency assistance through loans or grants to meet immediate and urgent individual and family needs, including the need for health services, nutritious food, housing, and employment-related assistance; to remove obstacles and solve problems which block the achievement of self-sufficiency; to achieve greater participation in the affairs of the community; and to make more effective use of other programs related to the purposes of this section.

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

(f) Providing and establishing linkages between governmental and other social services programs to assure the effective delivery of services to low income individuals.

(g) To encourage the use of entities in the private sector of the community in efforts to reduce poverty.

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

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

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

(k) Entering into contracts with federal, state, and local public and private agencies and organizations as



necessary to carry out the purposes of this act.

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

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

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

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

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982;—Am. 2003, Act 123, Imd. Eff. July 29, 2003.

#### **400.1110 Distribution of funds.**

Sec. 10. Distribution of funds to community action agencies shall meet federal requirements.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982;—Am. 2003, Act 123, Imd. Eff. July 29, 2003.

#### **400.1111 Community action agency; establishment of governing board of directors; membership; term limits.**

Sec. 11. (1) A community action agency shall establish a governing board of directors that consists of the following:

(a) One-third are elected public officials. An elected public official may act through his or her representative.

(b) One-third of the members are low income, elderly, or consumers with disabilities.

(c) One-third of the members represent the private sector, including representatives of business and industry, agriculture, labor, and religious and civic organizations.

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

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982;—Am. 1998, Act 76, Imd. Eff. May 4, 1998;—Am. 2003, Act 123, Imd. Eff. July 29, 2003;—Am. 2006, Act 80, Imd. Eff. Mar. 24, 2006.

#### **400.1112 Repealed. 2003, Act 123, Imd. Eff. July 29, 2003.**

**Compiler's note:** The repealed section pertained to establishment of board of directors for community action agency.

#### **400.1113 Interagency agreements; purpose; renewal.**

Sec. 13. The bureau shall develop interagency agreements with agencies of other departments providing services to low income persons. The agreements shall specify methods of interagency planning and coordination of services. The agreements shall be renewed annually.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982.

#### **400.1114 Conducting business at public meeting; notice; availability of writings to public.**

Sec. 14. (1) The business which the commission, a community action agency board of directors, or a community action agency advisory board may perform shall be conducted at a public meeting held in compliance with Act No. 267 of the Public Acts of 1976, as amended, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the meeting shall be given in the manner required by Act No. 267 of the Public Acts of 1976, as amended.

(2) A writing prepared, owned, used, in the possession of, or retained by the commission, the bureau, the department, or a community action agency created pursuant to this act in the performance of an official function shall be made available to the public in compliance with Act No. 442 of the Public Acts of 1976, as amended, being sections 15.231 to 15.246 of the Michigan Compiled Laws.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982.

#### **400.1115 Existing agencies and organizations performing services described in act; eligibility to receive funds; continuation of services.**

Sec. 15. A public agency, nonprofit private agency, or nonprofit organization in existence and performing 1 or more of the services described in this act for which federal or state funds were expended, if eligible to receive the funds, shall receive those funds to enable the public agency, nonprofit private agency, or nonprofit organization to continue to perform those services.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982.

#### **400.1116 Rules.**

Sec. 16. The department shall promulgate rules to implement this act pursuant to the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.315 of the Michigan Compiled Laws. The department shall consult with and receive the advice of the commission before promulgating a rule under this act.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982.

#### **400.1117 Effectiveness report.**

Sec. 17. Before January 1, 1986, the department shall submit to the senate and house committees that have the responsibility for labor matters a report covering the effectiveness of the bureau, the commission, and the community action agencies in reducing poverty and promoting social and economic opportunities for low income persons under this act.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982.

#### **400.1118 Appropriation of funds from general fund not required; condition.**

Sec. 18. The legislature shall not be required to appropriate funds from the general fund for the continued performance of the provisions of this act, if federal funding for coordinating community social and economic programs and other programs and services as designated by the bureau and funded by the community development block grant is eliminated.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982.

#### **400.1119 Proposed use and distribution of funds provided under omnibus budget reconciliation act of 1981; public hearings; approval or disapproval of bureau plan.**

Sec. 19. The legislature shall conduct public hearings on the proposed use and distribution of funds to be provided pursuant to section 675 of the omnibus budget reconciliation act of 1981, 42 U.S.C. 9902, and shall approve or disapprove by concurrent resolution adopted by a majority of the members elected and serving in each house the bureau's plan for distribution of funds.

**History:** 1981, Act 230, Imd. Eff. Jan. 12, 1982.

#### **400.1120 Repealed. 2003, Act 123, Imd. Eff. July 29, 2003.**

**Compiler's note:** The repealed section pertained to effective date of act.