

BUREAU OF COMMUNITY ACTION AND ECONOMIC OPPORTUNITY ACT

Act 202 of 2024

AN ACT 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.

History: 2024, Act 202, Eff. Apr. 2, 2025

The People of the State of Michigan enact:

400.1121 Short title.

Sec. 1.

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

History: 2024, Act 202, Eff. Apr. 2, 2025

400.1123 Definitions; B to D.

Sec. 3.

As used in this act:

- (a) "Bureau" means the bureau of community action and economic opportunity created in section 5.
- (b) "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 the chief elected official's designee.
- (c) "Commission" means the commission on community action and economic opportunity created in section 6.
- (d) "Community action agency" means an agency designated according to section 8.
- (e) "Community social and economic program" means a program provided under section 675 of the community services block grant act, 42 USC 9904.
- (f) "Department" means the department or agency designated by the governor to receive and distribute community services block grant funds under 42 USC 9901 to 9924.
- (g) "Director" means the director of the department designated by the governor under subdivision (f).

History: 2024, Act 202, Eff. Apr. 2, 2025

400.1124 Definitions; E to S.

Sec. 4.

As used in this act:

- (a) "Executive director" means the chief administrator of the bureau.
- (b) "Federal poverty guidelines" 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 42 USC 9902.
- (c) "Low-income individual" means an individual who is a member of a household that has a gross annual income that is equal to or less than the federal poverty guidelines for the same size household.
- (d) "Service area" means the geographical area served by a community action agency.
- (e) "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: 2024, Act 202, Eff. Apr. 2, 2025

400.1125 Bureau of community action and economic opportunity; creation; appointment of executive director; powers and duties of the 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 individuals and must 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 under this act.
- (d) Provide assistance 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 mobilizing public and private resources. In implementing this subdivision, the department must contract, when warranted by geographical and other factors, with public agencies, nonprofit private agencies, or nonprofit organizations.
- (g) Enter into necessary contracts with community action agencies to coordinate 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 individuals; the effectiveness of existing state or federal policies and programs; and recommended actions to improve economic and social opportunities for low-income individuals.
- (m) Administer the weatherization assistance program created according to 10 CFR 440. The bureau must administer the weatherization assistance program in a manner that provides that public agencies, nonprofit private agencies, and nonprofit organizations are eligible and 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: 2024, Act 202, Eff. Apr. 2, 2025

400.1126 Commission on community action and economic opportunity; creation; appointment; terms of members; compensation; quorum; meetings.

Sec. 6.

(1) A commission on community action and economic opportunity is created within the department. The commission must provide an opportunity for low-income individuals to actively participate in developing 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 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 must be community action agency representatives as either staff or board members. The executive director of the Michigan Community Action Agency Association, or its successor organization, must be included as a nonvoting member of the commission. 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 is 3 years. A vacancy on the commission must 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 incurred in serving.

(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 must meet not less than 4 times a year. A meeting of the commission may be held anywhere within this state.

History: 2024, Act 202, Eff. Apr. 2, 2025

400.1127 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 must 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 individuals the opportunity to comment on public policies and programs to reduce poverty.

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

(d) Review and comment on the annual program budget request before its submittal to the governor and the legislature according 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) Provide a written report to 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 annual 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 individuals and the effectiveness of existing state and federal policies and programs, and recommend actions to improve economic and social opportunities for low-income individuals.

History: 2024, Act 202, Eff. Apr. 2, 2025

400.1128 Designating or rescinding community action agencies; procedures.

Sec. 8.

(1) Subject to subsection (2), the executive director, in consultation with the commission, 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 under state or federal law.

(2) Before the executive director designates or rescinds 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 in this state and each city, village, or township with a population of not less than 100,000 within the existing or proposed service area.

(c) Conduct not less than 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 of proposed community action agency.

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

(3) Subject to the requirements of subsection (2) and the procedures 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 USC 9901 to 9924, the executive director may rescind a designation of a community action agency for cause.

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

History: 2024, Act 202, Eff. Apr. 2, 2025

400.1129 Community action agency; duties; permissive activities.

Sec. 9.

A community action agency shall serve as a primary advocate for reducing the causes, conditions, and effects of poverty and must provide social and economic opportunities that foster self-sufficiency for low-income individuals. 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 that block the achievement of self-sufficiency; to achieve greater participation in community affairs; and to make more effective use of other programs related to the purposes of this section.
- (e) Providing, on an emergency basis, 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 ensure the effective delivery of services to low-income individuals.
- (g) Encouraging 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 individuals.
- (j) Increasing interagency coordination and cooperation in serving low-income individuals. If possible, community action agencies must 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 must 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 individuals, physically and developmentally disabled individuals, 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 provisions of this act.

History: 2024, Act 202, Eff. Apr. 2, 2025

400.1130 Distribution of funds.

Sec. 10.

Distribution of funds to community action agencies must meet federal requirements.

History: 2024, Act 202, Eff. Apr. 2, 2025

400.1131 Establishment of tripartite governing board of directors; membership; term limits.

Sec. 11.

(1) A community action agency must establish a tripartite governing board of directors that consists of the following:

(a) One third of the members of the board are elected public officials, holding office on the date of selection, or their representatives, except that if the number of the elected officials reasonably available and willing to serve on the board is less than 1/3 of the membership of the board, membership on the board of appointive public officials or their representatives may be counted in meeting the 1/3 requirement.

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

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

(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: 2024, Act 202, Eff. Apr. 2, 2025

400.1132 Rules.

Sec. 12.

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

History: 2024, Act 202, Eff. Apr. 2, 2025