

Legislative Analysis



ALLOW PUBLIC MEETINGS OF THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY (MSDHA) TO BE CONDUCTED ELECTRONICALLY

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Analysis available at
<http://www.legislature.mi.gov>

House Bill 5096 (H-3) as reported from committee

Sponsor: Rep. Diana Farrington

Committee: Financial Services

Revised 1-4-22

SUMMARY:

House Bill 5096 would amend the Open Meetings Act to allow the Michigan State Housing Development Authority (MSHDA) to hold its public meetings electronically from March 31, 2021, through December 31, 2026.

The act generally requires all meetings of a public body to be open to the public and held in a place available to the public, and all decisions of a public body must be made at a meeting open to the public. The act defines “public body” as any of the following:

- A state or local legislative or governing body, including a board, commission, committee, subcommittee, authority, or council, that is empowered by state constitution, statute, charter, ordinance, resolution, or rule to exercise governmental or proprietary authority or perform a governmental or proprietary function.
- A lessee of a body described above that is performing an essential public purpose and function under the lease agreement.
- The board of a nonprofit corporation formed by a city under section 40 of the Home Rule City Act.

Except for an agricultural commodity group, which can hold a meeting electronically (in whole or in part) for any reason,¹ the act allows meetings of a public body to be held electronically or with remote participation only to accommodate the absence of one of its members due to military duty, and then only that member may participate remotely.

The bill would amend the above provisions to allow, beginning March 31, 2021, through December 31, 2026, MSHDA to hold its public meetings electronically for any reason.

The bill is reciprocally tie-barred to House Bill 4950, which means that neither bill could take effect unless both bills were enacted.

(House Bill 4950 would amend the State Housing Development Authority Act to amend provisions relating to the scope of participation of the designated resident member of MSHDA and the exercise of the authority’s budgeting, procurement, and related functions.)

MCL 15.263a

¹ See <https://www.legislature.mi.gov/documents/2021-2022/billanalysis/House/pdf/2021-HLA-4603-FA690029.pdf>

FISCAL IMPACT:

House Bill 5096 would result in marginal cost savings to the extent that electronic meetings were held and MSHDA was not required to compensate board members for necessary expenses and travel incurred in the discharge of the board member's duties.

POSITIONS:

A representative of the Michigan State Housing Development Authority testified in support of the bill. (10-6-21)

The following entities indicated support for the bill (10-6-21):

- Grand Rapids Chamber of Commerce
- Habitat for Humanity Michigan

The Michigan Realtors Association indicated a neutral position on the bill. (10-6-21)

Legislative Analyst: E. Best
Fiscal Analyst: Ben Gielczyk

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.