

**SUBSTITUTE FOR  
HOUSE BILL NO. 5031**

A bill to amend 1966 PA 346, entitled  
"State housing development authority act of 1966,"  
by amending section 21 (MCL 125.1421), as amended by 2000 PA 257.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 21. (1) There is created a public body corporate and  
2 politic to be known as the "Michigan state housing development  
3 authority". The authority shall consist of 3 heads of principal  
4 departments of the executive branch of the state government and 4  
5 persons appointed by the governor with the advice and consent of  
6 the senate. Excluding the 3 heads of principal departments of the  
7 executive branch of state government and the designated resident  
8 member described in subsection (2), not more than 2 of the ~~persons~~  
9 **individuals** appointed shall be members of the same political party.

1 Upon completion of each term, ~~a person~~**an individual** shall be  
2 appointed for a term of 4 years, except that a vacancy ~~shall~~**must**  
3 be filled for the unexpired term. A member of the authority shall  
4 not receive compensation for services but is entitled to the  
5 necessary expenses, including traveling expenses, incurred in the  
6 discharge of the member's duties. Each member shall hold office  
7 until a successor has been appointed and has qualified. A  
8 certificate of appointment or reappointment of a member ~~shall~~**must**  
9 be filed with the authority and this certificate ~~shall be~~**is**  
10 conclusive evidence of the proper appointment of that member.

11 (2) If federal law requires designation of a resident member  
12 on the authority, the number of gubernatorially appointed members,  
13 in addition to the 3 heads of principal departments, increases from  
14 4 to 5. One of the 5 gubernatorially appointed members shall be the  
15 designated resident member. The resident member shall meet both of  
16 the following requirements:

17 (a) The ~~person~~**individual** is an individual **that is** directly  
18 assisted by a federal housing program administered through the  
19 authority. As used in this subdivision, "directly assisted" means  
20 residing in ~~federally-supported~~**federally supported** public housing  
21 or receiving section 8 tenant-based assistance. Directly assisted  
22 does not include a state-financed housing assistance program,  
23 section 8 project-based assistance, or section 8 new construction  
24 assistance.

25 (b) The ~~person~~**individual** is an eligible resident. As used in  
26 this subdivision, "eligible resident" means ~~a person~~**an individual**  
27 whose name appears on the lease of the assisted housing **and** who is  
28 18 years of age or older.

29 (3) ~~A person~~**An individual** who no longer meets either

1 requirement of subsection (2)(a) or (b) is removed from the  
2 authority for cause upon the appointment of another ~~person as~~  
3 **individual to** the resident member position.

4 (4) The powers of the authority ~~shall be~~ **are** vested in the  
5 members in office. A majority of the members of the authority  
6 constitutes a quorum for the purpose of conducting the authority's  
7 business, for exercising the authority's powers, and for other  
8 purposes, notwithstanding the existence of any vacancies. Action  
9 may be taken by the authority upon a vote of a majority of the  
10 members present, unless the bylaws of the authority require a  
11 larger number. ~~, except that to the extent required by federal law,~~  
12 ~~the resident member shall only take part in, vote on, and exercise~~  
13 ~~the powers of the authority concerning decisions related to the~~  
14 ~~administration, operation, and management of federal public housing~~  
15 ~~programs and section 8 tenant based assistance programs.~~ The  
16 resident member shall not take part in, vote on, or exercise the  
17 powers of the authority in a matter that uniquely applies to the  
18 resident member and is not generally applicable to all residents.  
19 In the absence of fraud, a determination of the authority with  
20 respect to findings of fact made by the authority acting within the  
21 scope of its powers is conclusive, except with respect to the  
22 approval of the municipal finance commission or its successor  
23 agency as required by law.

24 (5) Meetings of the members of the authority may be held  
25 anywhere in this state. The business that the authority may perform  
26 ~~shall must~~ be conducted at a public meeting of the authority held  
27 in compliance with the open meetings act, 1976 PA 267, MCL 15.261  
28 to 15.275. Public notice of the time, date, and place of the  
29 meeting ~~shall must~~ be given in the manner required by the open

1 meetings act, 1976 PA 267, MCL 15.261 to 15.275.

2 (6) The authority shall elect a chairperson and vice-  
3 chairperson. The authority shall employ an executive director,  
4 legal and technical experts, and other officers, agents, and  
5 employees, permanent and temporary, as the authority requires, and  
6 shall determine their qualifications, duties, and compensation. The  
7 authority may delegate to 1 or more agents or employees those  
8 powers or duties as the authority considers proper.

9 (7) The authority shall be within the department of ~~consumer~~  
10 ~~and industry services~~ **labor and economic opportunity** and shall  
11 exercise the authority's prescribed statutory powers, duties, and  
12 functions independently of the head of that department. However,  
13 the budgeting, procurement, and related functions of the authority  
14 ~~shall~~ **must** be performed under the direction and supervision of the  
15 director of ~~consumer and industry services~~ **the department of labor**  
16 **and economic opportunity**.

17 (8) As used in this section, "section 8" means section 8 of  
18 the United States housing act of 1937, ~~chapter 896, 88 Stat. 662,~~  
19 ~~42 U.S.C. USC~~ 1437f.