

**SENATE FISCAL AGENCY  
 MEMORANDUM**

**DATE:** October 27, 2022  
**TO:** Members of the Michigan Senate  
**FROM:** Michael Siracuse, Senior Fiscal Analyst  
**RE:** Executive Order 2022-10

**Executive Order 2022-10**

On September 7, 2022, Governor Whitmer issued Executive Order (E.O.) 2022-10, which would create the Statewide Housing Partnership (Partnership) within the Michigan State Housing Development Authority (MSHDA). The Partnership will act as an advisory body to the Governor and make recommendations to implement the goals of the recently released Statewide Housing Plan.

The creation of the Partnership, an advisory body, does not constitute a structural change within the executive branch that requires the force of law; it is not subject to legislative disapproval.

**Creating the Partnership**

The Partnership will include the following individuals or their designees:

- the Director of MSHDA,
- the Director of the Department of Health and Human Services,
- the Chair of the State Landbank Authority,
- the Chair of the Michigan Strategic Fund,
- the Director of the Department of Agriculture,
- and 18 other individuals who represent various aspects of the housing industry.

All appointments will be made by the Governor's office. Members will serve without compensation but will be reimbursed for travel expenses.

**Charge to the Partnership**

The Partnership is charged with advising the Governor's office to develop a strategy to implement the Statewide Housing Plan. The Partnership is also authorized to monitor the MSHDA steps taken to implement the Statewide Housing Plan, establish regional consortiums to address implementation of the Plan, and to propose communications and marketing strategies for the work of the Partnership.

The Partnership must dissolve by September 6, 2024, or at a time directed by the Governor.

**Operations of the Partnership**

The following applies to the Partnership:

- The Michigan State Housing Development Authority must provide personnel to staff the Partnership.
- Members that fail to attend half of the scheduled meetings will be deemed to have vacated their appointment.
- The Partnership is subject to the Freedom of Information Act, 1976, PA 442.
- The Partnership must meet quarterly at the call of the Chairperson, the Director of the Authority or the Director's designee.
- The Partnership may establish workgroups to assist it in the performance of its duties.
- The Partnership may make inquiries, studies, and investigations. It may hold hearings, receive comments from the public, and consult with experts.
- The Partnership may accept donations of labor, services, and other things of value in the performance of its duties.
- The Partnership must refer legal, legislative, and media communications to the Authority.

State agencies are required to provide assistance and share data with the Partnership upon request and consistent with applicable law.

Unrelated to the creation of the Partnership, E.O. 2022-10 amends a previous E.O., 2022-5, to add four members to the Michigan Parent's Council, currently housed within the Department of Education.

### **Types of Transfers**

Article V, Section 2 of the State Constitution authorizes the Governor to organize the Executive branch of government by Executive Order. Three types of reorganizations are identified in the Executive Organization Act:

**Type I Transfer.** Under a Type I transfer, an existing department, board, commission, or agency is transferred intact to another principal department. The entity is administered under the supervision of the new principal department; however, the prescribed statutory powers, duties, and functions are exercised by the entity as a relatively autonomous entity.

**Type II Transfer.** Under a Type II transfer, all of the statutory authority, powers, duties, and functions, as well as records, personnel, property, unspent balances of appropriations and other funds associated with an entity, and the entity itself, are transferred to and placed under the authority of the principal department.

**Type III Transfer.** A Type III transfer abolishes an existing entity. The statutory authority, powers, duties, functions, records, personnel, and funding are not abolished, but are transferred to a principal department."

The creation of the Partnership within MSHDA as an advisory body does not involve a Type I, II, or III transfer and is, therefore, not subject to legislative disapproval.

### **Fiscal Impact**

The Michigan State Housing Development Authority will incur the costs for staff and support provided to the Partnership. The Members of the Partnership will serve without compensation; however, they will be reimbursed for travel expenses. Typical annual costs to support advisory

bodies can range from \$10,000 to \$200,000, depending on travel costs and staff demands. So long as existing resources at MSHDA can absorb the costs associated with the Partnership, an additional appropriation would not be necessary.

### **Summary**

Executive Order 2022-10 took effect upon issuance, September 7, 2022, and is not subject to legislative disapproval. The order creates an advisory body, the Statewide Housing Partnership, within the Michigan State Housing Development Authority. The Partnership is charged with implementing the recommendations found in MSHDA's recently released Statewide Housing Plan.

If you have any questions on E.O. 2022-10, please do not hesitate to contact me.

/jw

c: Kathryn Summers, Director  
Josh Sefton, Associate Director