

**INTERGOVERNMENTAL TRANSFERS OF FUNCTIONS AND RESPONSIBILITIES**  
**Act 8 of 1967 (Ex. Sess.)**

AN ACT to provide for intergovernmental transfers of functions and responsibilities.

**History:** 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968.

*The People of the State of Michigan enact:*

**124.531 Definitions.**

Sec. 1. As used in this act:

(a) "Governing body" means the board, council or body in which the legislative powers of a political subdivision are vested.

(b) "Political subdivision" means a city, village, other incorporated political subdivision, county, school district, community college, intermediate school district, township, charter township, special district or authority.

**History:** 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968.

**124.532 Authority to contract for transfer of functions or responsibilities.**

Sec. 2. Two or more political subdivisions are authorized to enter into a contract with each other providing for the transfer of functions or responsibilities to one another or any combination thereof upon the consent of each political subdivision involved.

**History:** 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968.

**124.533 Valid contracts; conditions.**

Sec. 3. To enter into a valid contract:

(a) The contract shall be approved by concurrent resolution of the governing body of each political subdivision.

(b) The terms of the contract shall be entered in the journal or minutes of proceedings of the governing body of each political subdivision.

(c) A copy of the contract shall be filed with the secretary of state prior to its effective date.

**History:** 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968.

**124.534 Contents of contracts.**

Sec. 4. A contract shall include:

(a) A description of the functions or responsibilities to be transferred.

(b) The effective date of the contract.

(c) The term of operation under the contract.

(d) The manner in which the affected employees, if any, of the participating political subdivisions shall be transferred, reassigned or otherwise treated subject to the following:

(i) Such employees as are necessary for the operation thereof shall be transferred to and appointed as employees subject to all rights and benefits. These employees shall be given seniority credits and sick leave, vacation, insurance and pension credits in accordance with the records or labor agreements from the acquired system. Members and beneficiaries of any pension or retirement system or other benefits established by the acquired system shall continue to have rights, privileges, benefits, obligations and status with respect to such established system. The political subdivision to which the functions or responsibilities have been transferred shall assume the obligations of any system acquired by it with regard to wages, salaries, hours, working conditions, sick leave, health and welfare and pension or retirement provisions for employees. If the employees of an acquired system were not guaranteed sick leave, health and welfare and pension or retirement pay based on seniority, the political subdivision shall not be required to provide these benefits retroactively.

(ii) No employee who is transferred to a position with the political subdivision shall by reason of such transfer be placed in any worse position with respect to workmen's compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance or any other benefits that he enjoyed as an employee of such acquired system.

(e) The manner in which any real property, facilities, equipment or other personal property required in the execution of the contract shall be transferred, sold or otherwise disposed of between the contracting parties.

(f) The method of financing to be used and the amount to be paid by each of the participating units in relation to the undertaking involved.

(g) Other legal, financial and administrative arrangements necessary to effectuate the undertaking.

**History:** 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968.

**124.535 Joint board or commission; establishment; duty; membership.**

Sec. 5. A joint board or commission may be established by the political subdivisions involved to supervise the execution of a contract. An officer or employee of the state or a political subdivision or agency thereof, except a member of the legislature, may serve on or with any joint board or commission created by the contract and shall not be required to relinquish his office or employment by reason of such service.

**History:** 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968.

**124.536 Amendment or termination of contract.**

Sec. 6. A contract may be amended by agreement of the parties thereto in the same manner as the original contract was made. A contract may be terminated by joint action of all parties, or by an individual party not less than 1 year after its notice thereof in writing to all other parties.

**History:** 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968.