

# SENATE BILL No. 8

January 19, 2011, Introduced by Senator JANSEN and referred to the Committee on Reforms, Restructuring and Reinventing.

A bill to provide for certain municipal joint endeavors; to provide standards for those municipal joint endeavors; to provide powers and duties of a municipal joint endeavor; to authorize the levy of a property tax by a municipal joint endeavor; and to provide for the powers and duties of certain government officials.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1. This act shall be known and may be cited as the  
2       "municipal partnership act".

3       Sec. 2. As used in this act:

4       (a) "Authority" means an authority formed by contract pursuant  
5       to this act.

6       (b) "Governing body" means the board, council, commission, or  
7       body in which the policy-making powers of the local government are  
8       vested.

9       (c) "Local government" means any of the following:

1 (i) A qualified county.

2 (ii) A city, village, or township located in a qualified  
3 county.

4 (d) "Public agency" means this state, any department or agency  
5 of this state, a single- or multi-purpose public body corporate  
6 formed pursuant to a law other than this act, or an Indian tribe  
7 recognized by the federal government before the year 2000 that  
8 exercises governmental authority over land within this state.

9 (e) "Qualified county" means a county with a population of  
10 570,000 or more and less than 650,000.

11 Sec. 3. (1) Subject to subsection (3), 2 or more local  
12 governments or 1 or more local governments and a public agency are  
13 authorized to enter into a contract with each other to form a joint  
14 endeavor to perform or exercise any function, service, power, or  
15 privilege that the local government or public agency could each  
16 exercise separately.

17 (2) A contract entered into pursuant to subsection (1) shall  
18 be approved by resolution of the governing body of each  
19 participating local government.

20 (3) A local government or public agency shall not enter into a  
21 contract to form a joint endeavor under this act after December 31,  
22 2014.

23 Sec. 4. A contract to form a joint endeavor pursuant to this  
24 act may provide for 1 or more of the following:

25 (a) The purpose of the joint endeavor with reference to the  
26 functions, services, powers, or privileges to be performed or  
27 exercised and the methods by which the purpose will be accomplished

1 or the manner in which the joint endeavor will be exercised or  
2 performed.

3 (b) The duration of the contract and the method by which it  
4 may be terminated by any participating local government or public  
5 agency before the stated date of termination.

6 (c) An authority, including the precise organization,  
7 composition, and nature of that authority and its board with the  
8 functions, duties, obligations, powers, and privileges given to  
9 that authority and board.

10 (d) If an authority is not created by the contract, the  
11 precise organization, composition, and nature of any separate legal  
12 or administrative entity created by the joint endeavor in the  
13 contract with the powers designated to that entity.

14 (e) The designation and selection of officers of an authority  
15 board or any legal or administrative entity created by the joint  
16 endeavor in the contract.

17 (f) The method of financing to be used and the amount to be  
18 paid by each participating local government or public agency in  
19 relation to the purpose of the joint endeavor involved.

20 (g) The method for submitting the question of a tax levy to  
21 the electors served by the joint endeavor.

22 (h) The acquisition of personal or real property by purchase,  
23 lease, or other method and the sale, lease, or disposal of personal  
24 or real property.

25 (i) The operation, maintenance, repair, replacement,  
26 construction, and improvement of personal or real property.

27 (j) The manner of employing, contracting for, engaging,

1 compensating, transferring, or discharging necessary personnel and  
2 staffing.

3 (k) The making and promulgating of necessary rules and  
4 regulations and the enforcement of those rules and regulations by  
5 or with the assistance of the parties to the contract.

6 (l) The manner of allocating risks and responding to any claims  
7 of liability that may result from the joint endeavor or being a  
8 party to the contract and for insuring against any such liability.

9 (m) The methods of addressing and resolving disputes among the  
10 parties to the contract.

11 (n) Any other matters agreed upon by the parties to the  
12 contract.

13 Sec. 5. A contract entered into under this act may provide for  
14 1 or more parties to the contract to administer or execute the  
15 contract or to exercise or perform some or all of the functions,  
16 services, powers, or privileges to be exercised or performed by the  
17 joint endeavor in the manner provided for by the contract.

18 Sec. 6. Notwithstanding any local charter or ordinance to the  
19 contrary, a party to a contract may use tax revenues that are  
20 dedicated to pay for the exercise or performance of any function,  
21 service, power, or privilege by that party individually to fund the  
22 exercise or performance of that function, service, power, or  
23 privilege under the contract.

24 Sec. 7. The joint endeavor may levy a tax of not more than 5  
25 mills on all taxable property in the areas served by the joint  
26 endeavor for the purpose of providing revenue to the joint  
27 endeavor. The joint endeavor may levy the tax only if a majority of

1 the electors served by the joint endeavor voting on the tax approve  
2 the tax.

3 Sec. 8. This act provides authorization to enter into  
4 contracts that is in addition to and may be exercised separately  
5 from any authorization to enter into contracts under any other  
6 statute of this state.

7 Sec. 9. Except as otherwise provided in this section, if any  
8 provision of this act conflicts with any other statute of this  
9 state, any promulgated rule of any agency of this state, any local  
10 charter provision, or any local ordinance, the provisions of this  
11 act shall control. The authority to enter into a contract pursuant  
12 to this act shall not be affected by any condition or limitation  
13 that may be imposed by any other state statute or in any state  
14 rule, local charter provision, or local ordinance. However, this  
15 act shall not affect any rights of any party under 1947 PA 336, MCL  
16 423.201 to 423.217, except as specifically provided in section 12.  
17 In addition, this act does not modify the provisions of 1969 PA  
18 312, MCL 423.231 to 423.247.

19 Sec. 10. A contract entered into pursuant to this act shall  
20 not be subject to referendum under any local charter provision or  
21 local ordinance.

22 Sec. 11. A contract entered into pursuant to this act may not  
23 be the basis for the recall of any elected official as provided  
24 under the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

25 Sec. 12. (1) The local governments that are parties to a  
26 contract entered into pursuant to this act have the responsibility,  
27 authority, and right to manage and direct on behalf of the public

1 the functions or services performed or exercised in connection with  
2 the contract. Collective bargaining between a local government and  
3 a bargaining representative of its employees shall not include any  
4 of the following:

5 (a) A decision as to whether or not the local government will  
6 enter into a contract for a joint endeavor pursuant to this act for  
7 or in connection with 1 or more functions or services.

8 (b) The procedures for obtaining the contract for a joint  
9 endeavor pursuant to this act.

10 (c) The identities of the other parties to the contract for a  
11 joint endeavor pursuant to this act.

12 (d) The contents or language of the contract for a joint  
13 endeavor pursuant to this act.

14 (e) The impact of the contract for a joint endeavor pursuant  
15 to this act on individual employees or the bargaining unit.

16 (2) The matters described in this section are prohibited  
17 subjects of bargaining between a local government and a bargaining  
18 representative of its employees and are within the sole discretion  
19 of the local government to decide.

20 Enacting section 1. This act does not take effect unless all  
21 of the following bills of the 96th Legislature are enacted into  
22 law:

23 (a) Senate Bill No. 10.

24  
25 (b) Senate Bill No. 9.