

# SENATE BILL No. 1368

November 27, 2012, Introduced by Senators CASWELL, COLBECK, PROOS, EMMONS, NOFS, JANSEN, ROBERTSON and PAPPAGEORGE and referred to the Committee on Local Government and Elections.

A bill to amend 1967 (Ex Sess) PA 7, entitled  
"Urban cooperation act of 1967,"  
by amending section 2 (MCL 124.502), as amended by 2002 PA 439, and  
by adding sections 4a, 4b, 4c, 7a, 9a, 9b, 10a, 10b, and 10c.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 2. As used in this act:

2       (a) "Interlocal agreement" means an agreement entered into  
3       under this act.

4       (b) "Local governmental unit" means a county, city, village,  
5       township, or charter township. **A LOCAL GOVERNMENTAL UNIT DOES NOT**  
6       **INCLUDE AN ENTITY CREATED THROUGH AN INTERLOCAL AGREEMENT UNDER**  
7       **THIS ACT.**

8       (c) "Province" means a province of Canada.

1 (d) "Property" means any real or personal property, as  
2 described in section 34c of the general property tax act, 1893 PA  
3 206, MCL 211.34c.

4 (e) "Public agency" means a political subdivision of this  
5 state or of another state of the United States or of Canada,  
6 including, but not limited to, a state government; **A STATE AGENCY;**  
7 a county, city, village, township, charter township, school  
8 district, single or multipurpose special district, or single or  
9 multipurpose public authority; a provincial government,  
10 metropolitan government, borough, or other political subdivision of  
11 Canada; an agency of the United States government; or a similar  
12 entity of any other states of the United States and of Canada. **A**  
13 **PUBLIC AGENCY DOES NOT INCLUDE AN ENTITY CREATED BY AN INTERLOCAL**  
14 **AGREEMENT UNDER THIS ACT.** As used in this subdivision, agency of  
15 the United States government includes an Indian tribe recognized by  
16 the federal government before 2000 that exercises governmental  
17 authority over land within this state, except that this act or any  
18 intergovernmental agreement entered into under this act shall not  
19 authorize the approval of a class III gaming compact negotiated  
20 under the Indian gaming regulatory act, Public Law 100-497, 102  
21 Stat. 2467.

22 (f) "State" means a state of the United States.

23 (G) **"STATE AGENCY" MEANS AND INCLUDES ALL BRANCHES,**  
24 **DEPARTMENTS, OFFICES, BOARDS, COMMISSIONS, AUTHORITIES, OR OTHER**  
25 **AGENCIES OF THIS STATE.**

26 **SEC. 4A. BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT**  
27 **THAT ADDED THIS SECTION, IF 1 OF THE PUBLIC AGENCIES THAT IS A**

1 PARTY TO THE INTERLOCAL AGREEMENT IS THIS STATE OR A STATE AGENCY,  
2 ALL OF THE FOLLOWING APPLY:

3 (A) THE DURATION OF THE INTERLOCAL AGREEMENT ENTERED INTO  
4 UNDER THIS ACT SHALL NOT EXCEED 20 YEARS.

5 (B) THE INTERLOCAL AGREEMENT SHALL NOT BE RENEWED. THIS  
6 SUBDIVISION DOES NOT PREVENT THE PARTIES FROM ENTERING INTO A NEW  
7 INTERLOCAL AGREEMENT UNDER THIS ACT.

8 (C) THE INTERLOCAL AGREEMENT SHALL CONTAIN A PROVISION  
9 REQUIRING THE PUBLIC AGENCIES THAT ARE PARTIES TO THE INTERLOCAL  
10 AGREEMENT TO COOPERATE WITH ANY AUDIT OR INVESTIGATION CONDUCTED BY  
11 THE AUDITOR GENERAL.

12 SEC. 4B. BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT  
13 THAT ADDED THIS SECTION, IF 1 OF THE PUBLIC AGENCIES THAT IS A  
14 PARTY TO THE INTERLOCAL AGREEMENT IS A STATE AGENCY, EACH PUBLIC  
15 AGENCY THAT IS A PARTY TO THE INTERLOCAL AGREEMENT AND AN ENTITY  
16 CREATED BY THE INTERLOCAL AGREEMENT SHALL COOPERATE WITH BOTH OF  
17 THE FOLLOWING:

18 (A) THE CHAIRS OF THE STANDING COMMITTEES OF THE SENATE AND  
19 HOUSE OF REPRESENTATIVES THAT HAVE SUBJECT MATTER JURISDICTION OVER  
20 THAT STATE AGENCY.

21 (B) THE CHAIRS OF THE SENATE AND HOUSE APPROPRIATIONS  
22 SUBCOMMITTEES THAT HAVE SUBJECT MATTER JURISDICTION OVER THAT STATE  
23 AGENCY.

24 SEC. 4C. BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT  
25 THAT ADDED THIS SECTION, IF 1 OF THE PUBLIC AGENCIES THAT IS A  
26 PARTY TO THE INTERLOCAL AGREEMENT IS A STATE AGENCY, AN ENTITY  
27 CREATED BY THE INTERLOCAL AGREEMENT SHALL NOT ENTER INTO A SEPARATE

1 INTERLOCAL AGREEMENT WITH ANOTHER STATE AGENCY UNDER THIS ACT.

2 SEC. 7A. (1) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY  
3 ACT THAT ADDED THIS SECTION, IF 1 OF THE PUBLIC AGENCIES THAT IS A  
4 PARTY TO THE INTERLOCAL AGREEMENT IS A STATE AGENCY, AN ENTITY  
5 CREATED BY THE INTERLOCAL AGREEMENT SHALL MAINTAIN A PUBLIC  
6 INTERNET WEBSITE AND SHALL ANNUALLY POST ALL OF THE FOLLOWING ON  
7 THAT PUBLIC INTERNET WEBSITE:

8 (A) REVENUE SOURCES OF THE ENTITY.

9 (B) EXPENDITURES OF THE ENTITY.

10 (C) ADMINISTRATIVE COSTS OF THE ENTITY.

11 (D) ANY OTHER FINANCIAL INFORMATION OF THE ENTITY.

12 (E) A COPY OF THE INTERLOCAL AGREEMENT.

13 (2) THE SECRETARY OF STATE SHALL MAKE AVAILABLE ON AN INTERNET  
14 WEBSITE MAINTAINED BY THE SECRETARY OF STATE THE LINKS TO EACH  
15 PUBLIC INTERNET WEBSITE MAINTAINED BY AN ENTITY CREATED BY AN  
16 INTERLOCAL AGREEMENT.

17 SEC. 9A. BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT  
18 THAT ADDED THIS SECTION, IF 1 OF THE PUBLIC AGENCIES THAT IS A  
19 PARTY TO THE INTERLOCAL AGREEMENT IS THIS STATE OR A STATE AGENCY  
20 OF THIS STATE, BEFORE SUBMITTING THE INTERLOCAL AGREEMENT TO THE  
21 GOVERNOR FOR REVIEW AS REQUIRED UNDER SECTION 9B, THE PUBLIC  
22 AGENCIES THAT ARE PARTIES TO THE INTERLOCAL AGREEMENT SHALL CONDUCT  
23 2 PUBLIC HEARINGS. THE PUBLIC HEARINGS HELD UNDER THIS SECTION ARE  
24 SUBJECT TO THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO  
25 15.275. NOTICE OF THE PUBLIC HEARINGS SHALL BE PROVIDED BY EACH  
26 PUBLIC AGENCY THAT IS A PARTY TO THE INTERLOCAL AGREEMENT AS  
27 PROVIDED IN THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO

1 15.275.

2 SEC. 9B. (1) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY  
3 ACT THAT ADDED THIS SECTION, IF 1 OF THE PUBLIC AGENCIES THAT IS A  
4 PARTY TO THE INTERLOCAL AGREEMENT IS THIS STATE OR A STATE AGENCY  
5 OF THIS STATE, BEFORE IT TAKES EFFECT, THE INTERLOCAL AGREEMENT  
6 SHALL BE SUBMITTED TO THE GOVERNOR WHO SHALL DETERMINE WHETHER THE  
7 INTERLOCAL AGREEMENT IS IN PROPER FORM AND COMPATIBLE WITH THE LAWS  
8 OF THIS STATE.

9 (2) WITHIN 5 BUSINESS DAYS OF AN INTERLOCAL AGREEMENT'S BEING  
10 SUBMITTED TO THE GOVERNOR UNDER THIS SECTION, THE GOVERNOR SHALL  
11 NOTIFY EACH OF THE FOLLOWING IN WRITING, WHICH NOTICE INCLUDES A  
12 COPY OF THE INTERLOCAL AGREEMENT, THAT THE INTERLOCAL AGREEMENT WAS  
13 SUBMITTED FOR REVIEW:

14 (A) THE SENATE MAJORITY LEADER.

15 (B) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

16 (C) THE CHAIRS OF THE SENATE AND HOUSE APPROPRIATIONS  
17 SUBCOMMITTEES THAT HAVE SUBJECT MATTER JURISDICTION OVER THAT STATE  
18 AGENCY.

19 (D) THE CHAIRS OF THE STANDING COMMITTEES OF THE SENATE AND  
20 HOUSE OF REPRESENTATIVES THAT HAVE SUBJECT MATTER JURISDICTION OVER  
21 THAT STATE AGENCY.

22 (3) UPON SUBMITTING THE INTERLOCAL AGREEMENT TO THE GOVERNOR  
23 FOR REVIEW UNDER THIS SECTION, EACH PUBLIC AGENCY THAT IS A PARTY  
24 TO THE INTERLOCAL AGREEMENT SHALL POST A COPY OF THE INTERLOCAL  
25 AGREEMENT ON ITS PUBLIC INTERNET WEBSITE.

26 (4) NOT LESS THAN 20 BUSINESS DAYS OR MORE THAN 90 CALENDAR  
27 DAYS AFTER AN INTERLOCAL AGREEMENT IS SUBMITTED TO THE GOVERNOR

1 UNDER THIS SECTION, THE GOVERNOR SHALL APPROVE THE INTERLOCAL  
2 AGREEMENT SUBMITTED TO HIM OR HER UNLESS THE GOVERNOR FINDS THAT  
3 THE AGREEMENT DOES NOT MEET THE CONDITIONS SET FORTH IN THIS ACT OR  
4 IS NOT COMPATIBLE WITH THE LAWS OF THIS STATE. IF THE GOVERNOR SO  
5 FINDS, THE GOVERNOR SHALL DETAIL IN WRITING ADDRESSED TO THE PUBLIC  
6 AGENCIES CONCERNED THE SPECIFIC REASONS THE PROPOSED INTERLOCAL  
7 AGREEMENT FAILS TO MEET THE REQUIREMENTS OF LAW. IN ADDITION, THE  
8 GOVERNOR SHALL NOTIFY EACH OF THE FOLLOWING THAT THE PROPOSED  
9 INTERLOCAL AGREEMENT SUBMITTED TO THE GOVERNOR UNDER THIS SECTION  
10 FAILS TO MEET THE REQUIREMENTS OF LAW:

11 (A) THE SENATE MAJORITY LEADER.

12 (B) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

13 (C) THE CHAIRS OF THE SENATE AND HOUSE APPROPRIATIONS  
14 SUBCOMMITTEES THAT HAVE SUBJECT MATTER JURISDICTION OVER THAT STATE  
15 AGENCY.

16 (D) THE CHAIRS OF THE STANDING COMMITTEES OF THE SENATE AND  
17 HOUSE OF REPRESENTATIVES THAT HAVE SUBJECT MATTER JURISDICTION OVER  
18 THAT STATE AGENCY.

19 (5) THE PUBLIC AGENCIES CONCERNED SHALL HAVE 60 DAYS TO  
20 RESUBMIT THE REVISED INTERLOCAL AGREEMENT TO THE GOVERNOR AS  
21 PROVIDED UNDER THIS SECTION. BEFORE RESUBMITTING THE REVISED  
22 INTERLOCAL AGREEMENT TO THE GOVERNOR, THE PUBLIC AGENCIES THAT ARE  
23 PARTIES TO THE INTERLOCAL AGREEMENT SHALL CONDUCT AN ADDITIONAL 2  
24 PUBLIC HEARINGS AS PROVIDED UNDER SECTION 9A REGARDING THE CHANGES  
25 MADE TO THE INTERLOCAL AGREEMENT. THE GOVERNOR SHALL APPROVE OR  
26 DISAPPROVE THE REVISED INTERLOCAL AGREEMENT NOT LESS THAN 20  
27 BUSINESS DAYS OR MORE THAN 90 CALENDAR DAYS AFTER THE REVISED

1 INTERLOCAL AGREEMENT IS SUBMITTED.

2 SEC. 10A. BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY  
3 ACT THAT ADDED THIS SECTION, IF 1 OF THE PUBLIC AGENCIES THAT IS A  
4 PARTY TO THE INTERLOCAL AGREEMENT IS THIS STATE OR A STATE AGENCY  
5 OF THIS STATE, BEFORE IT TAKES EFFECT, THE INTERLOCAL AGREEMENT  
6 SHALL BE SIGNED BY THE GOVERNOR.

7 SEC. 10B. AN INTERLOCAL AGREEMENT SIGNED BY THE GOVERNOR UNDER  
8 SECTION 10A SHALL BE TRANSMITTED TO THE SECRETARY OF STATE FOR  
9 FILING WITH THE OFFICE OF THE GREAT SEAL.

10 SEC. 10C. THE SECRETARY OF STATE SHALL MAKE AVAILABLE ON AN  
11 INTERNET WEBSITE MAINTAINED BY THE SECRETARY OF STATE A COPY OF  
12 EACH INTERLOCAL AGREEMENT SIGNED BY THE GOVERNOR UNDER SECTION 10A.