

**SUBSTITUTE FOR  
HOUSE BILL NO. 4354**

A bill to amend 1947 PA 336, entitled

"An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; to require certain provisions in collective bargaining agreements; to prescribe means of enforcement and penalties for the violation of the provisions of this act; and to make appropriations,"

by amending section 15 (MCL 423.215), as amended by 2023 PA 9.

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

1           Sec. 15. (1) A public employer shall bargain collectively with  
2 the representatives of its employees as described in section 11 and  
3 may make and enter into collective bargaining agreements with those  
4 representatives. Except as otherwise provided in this section, for  
5 the purposes of this section, to bargain collectively is to perform

1 the mutual obligation of the employer and the representative of the  
2 employees to meet at reasonable times and confer in good faith with  
3 respect to wages, hours, and other terms and conditions of  
4 employment, or to negotiate an agreement, or any question arising  
5 under the agreement, and to execute a written contract, ordinance,  
6 or resolution incorporating any agreement reached if requested by  
7 either party, but this obligation does not compel either party to  
8 agree to a proposal or make a concession.

9 (2) A public school employer has the responsibility,  
10 authority, and right to manage and direct on behalf of the public  
11 the operations and activities of the public schools under its  
12 control.

13 (3) Collective bargaining between a public school employer and  
14 a bargaining representative of its employees must not include any  
15 of the following subjects:

16 (a) Who is or will be the policyholder of an employee group  
17 insurance benefit. This subdivision does not affect the duty to  
18 bargain with respect to types and levels of benefits and coverages  
19 for employee group insurance. A change or proposed change in a type  
20 or to a level of benefit, policy specification, or coverage for  
21 employee group insurance must be bargained by the public school  
22 employer and the bargaining representative before the change takes  
23 effect.

24 (b) Establishment of the starting day for the school year and  
25 of the amount of pupil contact time required to receive full state  
26 school aid under section 1284 of the revised school code, 1976 PA  
27 451, MCL 380.1284, and under section 101 of the state school aid  
28 act of 1979, 1979 PA 94, MCL 388.1701.

29 (c) The composition of school improvement committees

1 established under section 1277 of the revised school code, 1976 PA  
2 451, MCL 380.1277.

3 (d) The decision of whether or not to provide or allow  
4 interdistrict or intradistrict open enrollment opportunity in a  
5 school district or the selection of grade levels or schools in  
6 which to allow an open enrollment opportunity.

7 (e) The decision of whether or not to act as an authorizing  
8 body to grant a contract to organize and operate 1 or more public  
9 school academies under the revised school code, 1976 PA 451, MCL  
10 380.1 to 380.1852.

11 (f) The decision of whether or not to contract with a third  
12 party for 1 or more noninstructional support services; or the  
13 procedures for obtaining the contract for noninstructional support  
14 services other than bidding described in this subdivision; or the  
15 identity of the third party; or the impact of the contract for  
16 noninstructional support services on individual employees or the  
17 bargaining unit. However, this subdivision applies only if the  
18 bargaining unit that is providing the noninstructional support  
19 services is given an opportunity to bid on the contract for the  
20 noninstructional support services on an equal basis as other  
21 bidders.

22 (g) The use of volunteers in providing services at its  
23 schools.

24 (h) Decisions concerning use and staffing of experimental or  
25 pilot programs and decisions concerning use of technology to  
26 deliver educational programs and services and staffing to provide  
27 that technology, or the impact of those decisions on individual  
28 employees or the bargaining unit.

29 (i) Any compensation or additional work assignment intended to

1 reimburse an employee for or allow an employee to recover any  
2 monetary penalty imposed under this act.

3 ~~(j) Any decision made by the public school employer regarding~~  
4 ~~teacher placement, or the impact of that decision on an individual~~  
5 ~~employee or the bargaining unit.~~

6 ~~(k) Decisions about the development, content, standards,~~  
7 ~~procedures, adoption, and implementation of the public school~~  
8 ~~employer's policies regarding personnel decisions when conducting a~~  
9 ~~staffing or program reduction or any other personnel determination~~  
10 ~~resulting in the elimination of a position, when conducting a~~  
11 ~~recall from a staffing or program reduction or any other personnel~~  
12 ~~determination resulting in the elimination of a position, or in~~  
13 ~~hiring after a staffing or program reduction or any other personnel~~  
14 ~~determination resulting in the elimination of a position, as~~  
15 ~~provided under section 1248 of the revised school code, 1976 PA~~  
16 ~~451, MCL 380.1248, any decision made by the public school employer~~  
17 ~~pursuant to those policies, or the impact of those decisions on an~~  
18 ~~individual employee or the bargaining unit.~~

19 ~~(l) Decisions about the development, content, standards,~~  
20 ~~procedures, adoption, and implementation of a public school~~  
21 ~~employer's performance evaluation system adopted under section 1249~~  
22 ~~of the revised school code, 1976 PA 451, MCL 380.1249, or under~~  
23 ~~1937 (Ex Sess) PA 4, MCL 38.71 to 38.191, decisions concerning the~~  
24 ~~content of a performance evaluation of an employee under those~~  
25 ~~provisions of law, or the impact of those decisions on an~~  
26 ~~individual employee or the bargaining unit.~~

27 ~~(m) For public employees whose employment is regulated by 1937~~  
28 ~~(Ex Sess) PA 4, MCL 38.71 to 38.191, decisions about the~~  
29 ~~development, content, standards, procedures, adoption, and~~

1 ~~implementation of a policy regarding discharge or discipline of an~~  
2 ~~employee, decisions concerning the discharge or discipline of an~~  
3 ~~individual employee, or the impact of those decisions on an~~  
4 ~~individual employee or the bargaining unit. For public employees~~  
5 ~~whose employment is regulated by 1937 (Ex Sess) PA 4, MCL 38.71 to~~  
6 ~~38.191, a public school employer shall not adopt, implement, or~~  
7 ~~maintain a policy for discharge or discipline of an employee that~~  
8 ~~includes a standard for discharge or discipline that is different~~  
9 ~~than the arbitrary and capricious standard provided under section 1~~  
10 ~~of article IV of 1937 (Ex Sess) PA 4, MCL 38.101.~~

11 ~~(n) Decisions about the format, timing, or number of classroom~~  
12 ~~observations conducted for the purposes of section 3a of article II~~  
13 ~~of 1937 (Ex Sess) PA 4, MCL 38.83a, decisions concerning the~~  
14 ~~classroom observation of an individual employee, or the impact of~~  
15 ~~those decisions on an individual employee or the bargaining unit.~~

16 ~~(o) Decisions about the development, content, standards,~~  
17 ~~procedures, adoption, and implementation of the method of~~  
18 ~~compensation required under section 1250 of the revised school~~  
19 ~~code, 1976 PA 451, MCL 380.1250, decisions about how an employee~~  
20 ~~performance evaluation is used to determine performance-based~~  
21 ~~compensation under section 1250 of the revised school code, 1976 PA~~  
22 ~~451, MCL 380.1250, decisions concerning the performance based~~  
23 ~~compensation of an individual employee, or the impact of those~~  
24 ~~decisions on an individual employee or the bargaining unit.~~

25 ~~(p) Decisions about the development, format, content, and~~  
26 ~~procedures of the notification to parents and legal guardians~~  
27 ~~required under section 1249a of the revised school code, 1976 PA~~  
28 ~~451, MCL 380.1249a.~~

29 (4) Except as otherwise provided in subsection (3) (f), the

1 matters described in subsection (3) are prohibited subjects of  
2 bargaining between a public school employer and a bargaining  
3 representative of its employees, and, for the purposes of this act,  
4 are within the sole authority of the public school employer to  
5 decide.

6 (5) Each collective bargaining agreement entered into between  
7 a public employer and public employees under this act on or after  
8 March 28, 2013 must include a provision that allows an emergency  
9 manager appointed under the local financial stability and choice  
10 act, 2012 PA 436, MCL 141.1541 to 141.1575, to reject, modify, or  
11 terminate the collective bargaining agreement as provided in the  
12 local financial stability and choice act, 2012 PA 436, MCL 141.1541  
13 to 141.1575. Provisions required by this subsection are prohibited  
14 subjects of bargaining under this act.

15 (6) Collective bargaining agreements under this act may be  
16 rejected, modified, or terminated pursuant to the local financial  
17 stability and choice act, 2012 PA 436, MCL 141.1541 to 141.1575.  
18 This act does not confer a right to bargain that would infringe on  
19 the exercise of powers under the local financial stability and  
20 choice act, 2012 PA 436, MCL 141.1541 to 141.1575.

21 (7) A unit of local government that enters into a consent  
22 agreement under the local financial stability and choice act, 2012  
23 PA 436, MCL 141.1541 to 141.1575, is not subject to subsection (1)  
24 for the term of the consent agreement, as provided in the local  
25 financial stability and choice act, 2012 PA 436, MCL 141.1541 to  
26 141.1575.

27 (8) If the charter of a city, village, or township with a  
28 population of 500,000 or more requires and specifies the method of  
29 selection of a retirant member of the municipality's fire

1 department, police department, or fire and police department  
2 pension or retirement board, the inclusion of the retirant member  
3 on the board and the method of selection of that retirant member  
4 are prohibited subjects of collective bargaining, and any provision  
5 in a collective bargaining agreement that purports to modify that  
6 charter requirement is void and of no effect.

7 ~~(9) The following are prohibited subjects of bargaining and~~  
8 ~~are at the sole discretion of the public employer:~~

9 ~~(a) A decision as to whether or not the public employer will~~  
10 ~~enter into an intergovernmental agreement to consolidate 1 or more~~  
11 ~~functions or services, to jointly perform 1 or more functions or~~  
12 ~~services, or to otherwise collaborate regarding 1 or more functions~~  
13 ~~or services.~~

14 ~~(b) The procedures for obtaining a contract for the transfer~~  
15 ~~of functions or responsibilities under an agreement described in~~  
16 ~~subdivision (a).~~

17 ~~(c) The identities of any other parties to an agreement~~  
18 ~~described in subdivision (a).~~

19 ~~(10) Subsection (9) does not relieve a public employer of any~~  
20 ~~duty established by law to collectively bargain with its employees~~  
21 ~~as to the effect of a contract described in subsection (9)(a) on~~  
22 ~~its employees.~~

23 **(9)** ~~(11)~~ An agreement with a collective bargaining unit must  
24 not require a public employer to pay the costs of an independent  
25 examiner verification described in section 10(4).