

Act No. 439
Public Acts of 2002
Approved by the Governor
June 12, 2002
Filed with the Secretary of State
June 13, 2002
EFFECTIVE DATE: June 13, 2002

**STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2002**

Introduced by Senator McManus

ENROLLED SENATE BILL No. 112

AN ACT to amend 1967 (Ex Sess) PA 7, entitled "An act to provide for interlocal public agency agreements; to provide standards for those agreements and for the filing and status of those agreements; to permit the allocation of certain taxes or money received from tax increment financing plans as revenues; to permit tax sharing; to provide for the imposition of certain surcharges; to provide for additional approval for those agreements; and to prescribe penalties and provide remedies," by amending sections 2, 3, 4, 10, and 12 (MCL 124.502, 124.503, 124.504, 124.510, and 124.512), section 2 as amended by 1995 PA 108 and section 10 as amended by 1985 PA 10.

The People of the State of Michigan enact:

Sec. 2. As used in this act:

- (a) "Interlocal agreement" means an agreement entered into under this act.
- (b) "Local governmental unit" means a county, city, village, township, or charter township.
- (c) "Province" means a province of Canada.
- (d) "Property" means any real or personal property, as described in section 34c of the general property tax act, 1893 PA 206, MCL 211.34c.
- (e) "Public agency" means a political subdivision of this state or of another state of the United States or of Canada, including, but not limited to, a state government; a county, city, village, township, charter township, school district, single or multipurpose special district, or single or multipurpose public authority; a provincial government, metropolitan government, borough, or other political subdivision of Canada; an agency of the United States government; or a similar entity of any other states of the United States and of Canada. As used in this subdivision, agency of the United States government includes an Indian tribe recognized by the federal government before 2000 that exercises governmental authority over land within this state, except that this act or any intergovernmental agreement entered into under this act shall not authorize the approval of a class III gaming compact negotiated under the Indian gaming regulatory act, Public Law 100-497, 102 Stat. 2467.
- (f) "State" means a state of the United States.

Sec. 3. If any provision of this act conflicts with any other statute of this state providing for the authorization or performance of joint or cooperative agreements or undertakings between public agencies of this state or between public agencies of this state and public agencies of other states or of Canada, the provisions of the other statute shall control.

Sec. 4. A public agency of this state may exercise jointly with any other public agency of this state, with a public agency of any other state of the United States, with a public agency of Canada, or with any public agency of the United States government any power, privilege, or authority that the agencies share in common and that each might exercise separately.

Sec. 10. (1) If funds of this state are to be allocated to carry out, in whole or in part, an agreement under this act or if this state, an agency of the United States government, any other state or political subdivision of any other state, or Canada or a political subdivision of Canada is a party to an agreement under this act, an interlocal agreement, prior to and as a condition precedent to its effectiveness, shall be submitted to the governor who shall determine whether the agreement is in proper form and compatible with the laws of this state.

(2) For the purposes of this section, funds of this state do not include grants, gifts, bequests, or assistance funds given to a public agency that is a party to an interlocal agreement if the purpose of that agreement is to administer those grants, gifts, bequests, or assistance funds according to their terms or to combine the proceeds of the parties' grants, gifts, bequests, or assistance funds for investment purposes.

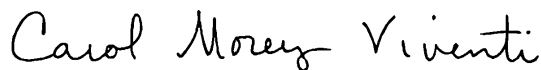
(3) The governor shall approve an agreement submitted to him or her unless the governor finds that the agreement does not meet the conditions set forth in this act or is not compatible with the laws of this state. If the governor so finds, the governor shall detail in writing addressed to the governing bodies of the public agencies concerned within 90 days the specific respects in which the proposed interlocal agreement fails to meet the requirements of law. The governing bodies of the public agencies concerned shall have 60 days to resubmit the revised interlocal agreement to the governor, who shall approve or disapprove the agreement within 90 days.

(4) Prior to its effectiveness, an interlocal agreement shall be filed with the county clerk of each county where a party to the agreement is located and with the secretary of state.

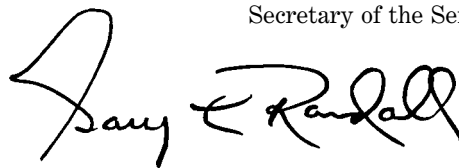
Sec. 12. (1) A public agency entering into an interlocal agreement may appropriate funds and may sell, lease, give, or otherwise supply any party designated to operate the joint or cooperative undertaking any personnel, services, facilities, property, franchises, or funds for the undertaking that may be within its legal power to furnish.

(2) A public agency entering into an interlocal agreement may receive grants-in-aid or other assistance funds from the United States government, this state, or Canada for use in carrying out the purposes of the interlocal agreement.

This act is ordered to take immediate effect.



Secretary of the Senate.



Clerk of the House of Representatives.

Approved _____

Governor.