

SENATE BILL No. 550

May 25, 2007, Introduced by Senators GARCIA, CROPSEY, JELINEK, KUIPERS and BISHOP and referred to the Committee on Local, Urban and State Affairs.

A bill to amend 1967 (Ex Sess) PA 8, entitled
"An act to provide for intergovernmental transfers of functions and responsibilities,"
by amending section 4 (MCL 124.534).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 4. A contract shall include:
- 2 (a) A description of the functions or responsibilities to be
- 3 transferred.
- 4 (b) The effective date of the contract.
- 5 (c) The term of operation under the contract.
- 6 (d) The manner in which the affected employees, if any, of the
- 7 participating political subdivisions shall be transferred,
- 8 reassigned, or otherwise treated. ~~subject to the following:~~

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

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

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

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

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