

# SENATE BILL No. 1144

February 23, 2010, Introduced by Senators JANSEN, HARDIMAN, GILBERT and VAN WOERKOM  
and referred to the Committee on Reforms and Restructuring.

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

1 vested.

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

3 (i) A qualified county.

4 (ii) A city, village, or township located in a qualified  
5 county.

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

11 (e) "Qualified county" means a county with a population of  
12 570,000 or more and less than 650,000.

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

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

22 (3) A local government or public agency shall not enter into a  
23 contract to form a joint endeavor under this act after December 31,  
24 2014.

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

27 (a) The purpose of the joint endeavor with reference to the

1 functions, services, powers, or privileges to be performed or  
2 exercised and the methods by which the purpose will be accomplished  
3 or the manner in which the joint endeavor will be exercised or  
4 performed.

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

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

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

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

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

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

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

27 (i) The operation, maintenance, repair, replacement,

1 construction, and improvement of personal or real property.

2 (j) The manner of employing, contracting for, engaging,  
3 compensating, transferring, or discharging necessary personnel and  
4 staffing.

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

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

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

13 (n) Any other matters agreed upon by the parties to the  
14 contract.

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

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

26 Sec. 7. The joint endeavor may levy a tax of not more than 5  
27 mills on all taxable property in the areas served by the joint

1 endeavor for the purpose of providing revenue to the joint  
2 endeavor. The joint endeavor may levy the tax only if a majority of  
3 the electors served by the joint endeavor voting on the tax approve  
4 the tax.

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

9       Sec. 9. If any provision of this act conflicts with any other  
10 statute of this state, any promulgated rule of any agency of this  
11 state, any local charter provision, or any local ordinance, the  
12 provisions of this statute shall control. The authority to enter  
13 into a contract pursuant to this act shall not be affected by any  
14 condition or limitation that may be imposed by any other state  
15 statute or in any state rule, local charter provision, or local  
16 ordinance.

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

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

23       Sec. 12. (1) The local governments that are parties to a  
24 contract entered into pursuant to this act have the responsibility,  
25 authority, and right to manage and direct on behalf of the public  
26 the functions or services performed or exercised in connection with  
27 the contract. Collective bargaining between a local government and

1 a bargaining representative of its employees shall not include any  
2 of the following:

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

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

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

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

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

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

18 Enacting section 1. This act does not take effect unless all  
19 of the following bills of the 95th Legislature are enacted into  
20 law:

21 (a) Senate Bill No. 1146.

22  
23 (b) Senate Bill No. 1145.