

# HOUSE BILL No. 5719

June 2, 2016, Introduced by Rep. Kosowski and referred to the Committee on Appropriations.

A bill to amend 1971 PA 140, entitled  
"Glenn Steil state revenue sharing act of 1971,"  
(MCL 141.901 to 141.921) by adding section 915.

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

1           SEC. 915. (1) FOR STATE FISCAL YEARS BEGINNING ON AND AFTER  
2 THE 2016-2017 STATE FISCAL YEAR, THE DEPARTMENT OF TREASURY SHALL  
3 IMPLEMENT AN INCENTIVE PROGRAM AND THE DEPARTMENT OF TREASURY SHALL  
4 USE THE PROGRAM TO DISTRIBUTE ADDITIONAL REVENUE SHARING PAYMENTS  
5 TO CITIES, VILLAGES, TOWNSHIPS, AND COUNTIES AS PROVIDED UNDER  
6 SUBSECTION (2).

7           (2) TO THE EXTENT THAT A CITY, VILLAGE, TOWNSHIP, OR COUNTY  
8 RECEIVED A PAYMENT UNDER SECTION 952 OR 955, OR BOTH, OF ARTICLE

1 VIII OF 2015 PA 84, THAT CITY, VILLAGE, TOWNSHIP, OR COUNTY MAY  
2 QUALIFY FOR AN ADDITIONAL PAYMENT OF UP TO AN AMOUNT EQUAL TO 20%  
3 OF THE PAYMENT THAT CITY, VILLAGE, TOWNSHIP, OR COUNTY RECEIVED IN  
4 THE IMMEDIATELY PRECEDING STATE FISCAL YEAR. A CITY, VILLAGE,  
5 TOWNSHIP, OR COUNTY IS ELIGIBLE FOR AN INCREASED PAYMENT UNDER 1 OR  
6 MORE OF THE FOLLOWING CATEGORIES AT THE FOLLOWING RATES AS FOLLOWS:

7 (A) CATEGORY 1, CONSOLIDATION OF SERVICES, 8.0% BONUS,  
8 REQUIRES EACH ELIGIBLE CITY, VILLAGE, TOWNSHIP, OR COUNTY TO  
9 CERTIFY THAT IT HAS ENTERED INTO A PLAN SINCE JANUARY 1, 2012 WITH  
10 1 OR MORE PROPOSALS TO INCREASE ITS EXISTING LEVEL OF COOPERATION,  
11 COLLABORATION, AND CONSOLIDATION, EITHER WITHIN THE JURISDICTION OR  
12 WITH OTHER JURISDICTIONS. A PLAN SHALL INCLUDE A LISTING OF ANY  
13 PREVIOUS SERVICES CONSOLIDATED WITH THE COST SAVINGS REALIZED FROM  
14 EACH CONSOLIDATION AND AN ESTIMATE OF THE POTENTIAL SAVINGS FOR ANY  
15 NEW SERVICE CONSOLIDATIONS BEING PLANNED. A PLAN SHALL BE MADE  
16 READILY AVAILABLE TO THE PUBLIC. EACH CITY, VILLAGE, TOWNSHIP, AND  
17 COUNTY APPLYING FOR A PAYMENT UNDER THIS SUBDIVISION SHALL SUBMIT A  
18 COPY OF THE COOPERATION, COLLABORATION, AND CONSOLIDATION PLAN TO  
19 THE DEPARTMENT OF TREASURY.

20 (B) CATEGORY 2, WORKFORCE REDUCTION, 4.0% BONUS, REQUIRES EACH  
21 CITY, VILLAGE, TOWNSHIP, OR COUNTY THAT HAS ENTERED A PLAN AS  
22 PROVIDED UNDER SUBDIVISION (A) TO PROVIDE DOCUMENTATION TO THE  
23 DEPARTMENT VERIFYING THAT PURSUANT TO THE PLAN THE CITY, VILLAGE,  
24 TOWNSHIP, OR COUNTY HAS REDUCED ITS WORKFORCE BY AT LEAST 5.0% OR 3  
25 EMPLOYEES, WHICHEVER IS MORE, SINCE JANUARY 1, 2012.

26 (C) CATEGORY 3, BUDGET REDUCTION, 4.0% BONUS, REQUIRES EACH  
27 ELIGIBLE CITY, VILLAGE, TOWNSHIP, OR COUNTY TO CERTIFY THAT SINCE

1 JANUARY 1, 2012 THAT CITY, VILLAGE, TOWNSHIP, OR COUNTY HAS REDUCED  
2 ITS OVERALL BUDGET BY AT LEAST 5.0%.

3 (D) CATEGORY 4, BALANCED BUDGET, 4.0%, REQUIRES EACH ELIGIBLE  
4 CITY, VILLAGE, TOWNSHIP, OR COUNTY TO CERTIFY THAT SINCE JANUARY 1,  
5 2012 THAT CITY, VILLAGE, TOWNSHIP, OR COUNTY HAS MAINTAINED A  
6 BALANCED BUDGET FOR 2 CONSECUTIVE YEARS.

7 (3) PAYMENTS UNDER THIS SECTION ARE SUBJECT TO THE FOLLOWING  
8 CONDITIONS:

9 (A) IN ORDER FOR A CITY, VILLAGE, TOWNSHIP, OR COUNTY TO  
10 QUALIFY FOR A CATEGORY UNDER SUBSECTION (2), THE CITY, VILLAGE,  
11 TOWNSHIP, OR COUNTY SHALL MEET EVERY CRITERIA FOR THAT CATEGORY  
12 INCLUDING A CERTIFICATION TO THE DEPARTMENT THAT IT HAS MET THE  
13 REQUIRED CRITERIA FOR THAT CATEGORY AND SUBMISSION OF THE REQUIRED  
14 COOPERATION, COLLABORATION, AND CONSOLIDATION PLAN AND OTHER  
15 REQUIRED DOCUMENTATION AS REQUIRED BY SUBSECTION (2). A DEPARTMENT  
16 OF TREASURY REVIEW OF THE PLAN IS NOT REQUIRED IN ORDER FOR A CITY,  
17 VILLAGE, TOWNSHIP, OR COUNTY TO RECEIVE A PAYMENT UNDER SUBSECTION  
18 (2). THE DEPARTMENT SHALL DEVELOP A CERTIFICATION PROCESS AND  
19 METHOD FOR CITIES, VILLAGES, TOWNSHIPS, AND COUNTIES TO FOLLOW.

20 (B) FOR EACH CATEGORY THAT A CITY, VILLAGE, TOWNSHIP, OR  
21 COUNTY QUALIFIES FOR IN SUBSECTION (2), THE CITY, VILLAGE,  
22 TOWNSHIP, OR COUNTY SHALL RECEIVE ITS POTENTIAL INCENTIVE PROGRAM  
23 PAYMENT AMOUNT AS CALCULATED IN ACCORDANCE WITH SUBSECTION (2).

24 (C) IF A CITY, VILLAGE, TOWNSHIP, OR COUNTY DOES NOT PROVIDE  
25 THE REQUIRED CERTIFICATION OR FAILS TO SUBMIT THE REQUIRED  
26 COOPERATION, COLLABORATION, AND CONSOLIDATION PLAN OR OTHER  
27 VERIFYING DOCUMENTATION BY THE FIRST DAY OF A PAYMENT MONTH, THE

1 CITY, VILLAGE, TOWNSHIP, OR COUNTY SHALL FORFEIT THE PAYMENT IN  
2 THAT PAYMENT MONTH FOR THE UNCERTIFIED CATEGORY IN SUBSECTION (2).

3 (D) ANY CITY, VILLAGE, TOWNSHIP, OR COUNTY THAT FALSIFIES  
4 CERTIFICATION DOCUMENTS SHALL FORFEIT ANY FUTURE INCENTIVE PROGRAM  
5 PAYMENTS AND SHALL REPAY THIS STATE ALL INCENTIVE PROGRAM PAYMENTS  
6 IT HAS RECEIVED.

7 (E) PAYMENTS UNDER THIS SECTION SHALL BE DISTRIBUTED ON THE  
8 LAST BUSINESS DAY OF OCTOBER, DECEMBER, FEBRUARY, APRIL, JUNE, AND  
9 AUGUST.

10 (4) EXCEPT AS OTHERWISE PROVIDED UNDER SECTIONS 17A AND 21, A  
11 CITY, VILLAGE, TOWNSHIP, OR COUNTY THAT QUALIFIES FOR AN INCREASED  
12 PAYMENT UNDER THIS SECTION SHALL CONTINUE TO RECEIVE THAT INCREASED  
13 PAYMENT UNDER THIS SECTION EACH STATE FISCAL YEAR AND ADDITIONAL  
14 VERIFICATION IS NOT REQUIRED TO QUALIFY FOR PAYMENTS IN SUBSEQUENT  
15 FISCAL YEARS.