

**SUBSTITUTE FOR  
HOUSE BILL NO. 4357**

A bill to amend 1979 PA 94, entitled  
"The state school aid act of 1979,"  
by amending section 164h (MCL 388.1764h), as amended by 2018 PA  
265.

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

1           Sec. 164h. (1) Beginning October 1, 2017, a district or  
2 intermediate district shall not enter into a collective bargaining  
3 agreement that does ~~any~~ **either** of the following:  
4           (a) Establishes racial or religious preferences for employees.  
5           ~~(b) Automatically deducts union dues from employee~~  
6 ~~compensation.~~  
7           **(b)** ~~(e)~~ Is in conflict with any state or federal law regarding  
8 district or intermediate district transparency.

1       ~~(d) Includes a method of compensation that does not comply~~  
2 ~~with section 1250 of the revised school code, MCL 380.1250. This~~  
3 ~~subdivision shall not be construed to affect the operation of~~  
4 ~~section 15(3)(e) of 1947 PA 336, MCL 423.215, the operation of~~  
5 ~~section 1231 of the revised school code, MCL 380.1231, or the~~  
6 ~~requirement to confer in good faith with respect to wages under~~  
7 ~~section 15(1) of 1947 PA 336, MCL 423.215.~~

8       (2) A district or intermediate district that enters into a  
9 collective bargaining agreement in violation of subsection (1)  
10 shall forfeit an amount equal to 5% of the funds due to the  
11 district or intermediate district under this article.

12       Enacting section 1. This amendatory act does not take effect  
13 unless House Bill No. 4356 of the 102nd Legislature is enacted into  
14 law.