MUNICIPAL PARTNERSHIP ACT
Act 258 of 2011

AN ACT 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.

History: 2011, Act 258, Imd. Eff. Dec. 14, 2011.

The People of the State of Michigan enact:

124.111 Short title.

Sec. 1. This act shall be known and may be cited as the "municipal partnership act".

History: 2011, Act 258, Imd. Eff. Dec. 14, 2011.

124.112 Definitions.

Sec. 2. As used in this act:

(a) "Authority" means an authority formed by contract pursuant to this act.

(b) "Governing body" means the board, council, commission, or body in which the policy-making powers of the local government are vested.

(c) "Local government" means a county, city, village, or township.

(d) "Public agency" means a single- or multi-purpose public body corporate formed pursuant to a law other than this act or an Indian tribe recognized by the federal government before the year 2000 that exercises governmental authority over land within this state. Public agency does not include this state or a department, division, or agency of this state.

History: 2011, Act 258, Imd. Eff. Dec. 14, 2011.

124.113 Contract to form joint endeavor.

Sec. 3. (1) Two or more local governments or 1 or more local governments and a public agency are authorized to enter into a contract with each other to form a joint endeavor to perform or exercise any function, service, power, or privilege that the local government or public agency could each exercise separately.

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

History: 2011, Act 258, Imd. Eff. Dec. 14, 2011.

124.114 Contract to form joint endeavor; provisions.

Sec. 4. (1) A contract to form a joint endeavor under this act shall include all of the following:

(a) The purpose of the joint endeavor with reference to the functions, services, powers, or privileges to be performed or exercised and the methods by which the purpose will be accomplished or the manner in which the joint endeavor will be exercised or performed.

(b) The duration of the contract, any method by which it may be terminated by any participating local government or public agency before the stated date of termination, and any method by which a participating local government or public agency may withdraw from participation in the joint endeavor.

(c) If an authority is created by the contract, the precise organization, composition, and nature of that authority and its board with the functions, duties, obligations, powers, and privileges given to that authority and board.

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

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

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

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

(h) Unless a local government participating in the joint endeavor already provides a service, including, but not limited to, emergency medical services regulated under part 209 of the public health code, 1978 PA 368, MCL 333.20901 to 333.20979, the joint endeavor shall solicit competitive bids for those services that the joint endeavor intends to provide. The joint endeavor shall disclose to the public all competitive bids obtained for

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those services the joint endeavor provides.

(2) A contract to form a joint endeavor under this act may provide for 1 or more of the following:

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

(b) The operation, maintenance, repair, replacement, construction, and improvement of personal or real property.

(c) The entity or entities that will function as the employer or employers of personnel and staff needed for the joint endeavor.

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

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

(f) The methods of addressing and resolving disputes among the parties to the contract.

(g) Any other matters agreed upon by the parties to the contract.

History: 2011, Act 258, Imd. Eff. Dec. 14, 2011.

124.115 Contract; administration; execution.

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

History: 2011, Act 258, Imd. Eff. Dec. 14, 2011.

124.116 Tax revenues; use.

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

History: 2011, Act 258, Imd. Eff. Dec. 14, 2011.

124.117 Tax levy; limitation; resolution; ballot; millage; vote; approval; collection.

Sec. 7. (1) Subject to subsection (3), the joint endeavor may levy a tax of not more than 5 mills on all taxable property in the areas served by the joint endeavor for the purpose of providing revenue to the joint endeavor.

(2) A proposal for a tax shall not be placed on the ballot unless the proposal is adopted by a resolution of the governing body of each local government participating in the joint endeavor.

(3) If a joint endeavor levies a millage under this section, each year the joint endeavor shall, as necessary, decrease the number of mills the joint endeavor levies to ensure that, with respect to each participating local government in the joint endeavor, the number of mills levied by a participating local government plus the number of mills levied by the joint endeavor will not exceed the maximum number of mills that the participating local government is constitutionally and statutorily authorized to levy under each of the following:

(a) Section 6 of article IX of the state constitution of 1963.

(b) The property tax limitation act, 1933 PA 62, MCL 211.201 to 211.217a.

(c) Section 14(1)(m) of 1966 PA 293, MCL 45.514.

(d) Section 3(g) of the home rule city act, 1909 PA 279, MCL 117.3.

(e) Section 27(2) of the charter township act, 1947 PA 359, MCL 42.27.

(f) Section 26(1)(i) of the home rule village act, 1909 PA 278, MCL 78.26.

(g) Section 1(2) of chapter IX of the general law village act, 1895 PA 3, MCL 69.1.

(h) Any other applicable millage limit enacted after the effective date of this act.

(4) If only a portion of a local government is located in the service area of a joint endeavor, as described in the contract for the joint endeavor, only those electors residing in that portion of the local government located in the service area of the joint endeavor are eligible to vote on the ballot proposal for a tax and that tax shall only be levied against the property within that service area.

(5) The proposal for a tax under this act may be submitted to a vote of the electors served by the joint endeavor only at an even year general November election.

(6) A ballot proposal for a tax shall comply with the requirements of section 24f of the general property tax act, 1893 PA 206, MCL 211.24f. In addition, the ballot shall state the manner in which the tax levy will result in any reduction of taxes levied by each local government participating in the joint endeavor.

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(7) The joint endeavor may levy a new tax or the increase of an existing tax only if a majority of the electors in each local government served by the joint endeavor voting on the tax approve the tax. The joint endeavor may levy the renewal of an existing tax only if a majority of the electors served by the joint endeavor voting on the renewal of the existing tax approve the tax.

(8) A tax authorized to be levied by a joint endeavor under this act shall be levied and collected at the same time and in the same manner as provided by the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

History: 2011, Act 258, Imd. Eff. Dec. 14, 2011.

124.118 Additional contracts.

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

History: 2011, Act 258, Imd. Eff. Dec. 14, 2011.

124.119 Conflicting provisions or local ordinances; effect.

Sec. 9. Except as otherwise provided in this section, if any provision of this act conflicts with any local charter provision or any local ordinance, the provisions of this act shall control. The authority to enter into a contract pursuant to this act shall not be affected by any condition or limitation that may be imposed by any local charter provision or local ordinance. However, this act shall not affect any rights of any party under 1947 PA 336, MCL 423.201 to 423.217, except as specifically provided in section 12. In addition, this act does not modify the provisions of 1969 PA 312, MCL 423.231 to 423.247.

History: 2011, Act 258, Imd. Eff. Dec. 14, 2011.

124.120 Contract not subject to referendum.

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

History: 2011, Act 258, Imd. Eff. Dec. 14, 2011.

124.121 Joint endeavor subject to MCL 141.421 to 141.440a.

Sec. 11. A joint endeavor formed under this act is subject to the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.

History: 2011, Act 258, Imd. Eff. Dec. 14, 2011.

124.122 Collective bargaining.

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

(2) The following are prohibited subjects of collective bargaining between a local government and a bargaining representative of its employees:

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

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

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

(3) Except as otherwise provided in this section, the contents or language of a contract for a joint endeavor under this act shall be a permissive subject of collective bargaining between a local government and a bargaining representative of its employees. If a local government and a bargaining representative of its employees engage in collective bargaining before the contract for a joint endeavor is approved as provided in section 3(2) and that local government and that bargaining representative reach an agreement on issues that would obligate an entity that will function as an employer in the joint endeavor, then the contract for that joint endeavor shall include those obligations.

(4) Nothing in this act creates an employment relationship between the existing employees of a local government or a public agency and the proposed joint endeavor.

(5) Nothing in this act relieves a local government of the duty, to the extent a duty exists under applicable law, to collectively bargain with its employees over the effect of the joint endeavor on its employees.

History: 2011, Act 258, Imd. Eff. Dec. 14, 2011.

124.123 Construction of infrastructure related to international border crossing not authorized.

Sec. 13. Nothing in this act authorizes or shall be construed to authorize the construction of any tunnel,

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bridge, or other infrastructure that is part of or related to an international border crossing.

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