INTERGOVERNMENTAL TRANSFERS OF FUNCTIONS AND RESPONSIBILITIES
Act 8 of 1967 (Ex. Sess.)

AN ACT to provide for intergovernmental transfers of functions and responsibilities.

History: 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968.

The People of the State of Michigan enact:

124.531 Definitions.

Sec. 1. As used in this act:

(a) "Governing body" means the board, council or body in which the legislative powers of a political subdivision are vested.

(b) "Political subdivision" means a city, village, other incorporated political subdivision, county, school district, community college, intermediate school district, township, charter township, special district or authority.

History: 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968.

124.532 Authority to contract for transfer of functions or responsibilities.

Sec. 2. Two or more political subdivisions are authorized to enter into a contract with each other providing for the transfer of functions or responsibilities to one another or any combination thereof upon the consent of each political subdivision involved.

History: 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968.

124.533 Valid contracts; conditions.

Sec. 3. To enter into a valid contract:

(a) The contract shall be approved by concurrent resolution of the governing body of each political subdivision.

(b) The terms of the contract shall be entered in the journal or minutes of proceedings of the governing body of each political subdivision.

(c) A copy of the contract shall be filed with the secretary of state prior to its effective date.

History: 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968.

124.534 Contents of contracts; provisions.

Sec. 4. (1) A contract shall include:

(a) A description of the functions or responsibilities to be transferred.

(b) The effective date of the contract.

(c) The term of operation under the contract.

(d) The political subdivision that will function as the employer of personnel and staff needed for the transfer of functions or responsibilities.

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

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

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

(2) The political subdivisions 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 to the extent provided in the contract.

(3) The contents or language of a contract for a transfer of functions or responsibilities under this act shall be a permissive subject of collective bargaining between a political subdivision and a bargaining representative of its employees. If a political subdivision and a bargaining representative of its employees engage in collective bargaining before the contract for a transfer of functions or responsibilities is approved and that political subdivision and that bargaining representative reach an agreement on issues that would obligate the political subdivision that will function as an employer in the joint system, the contract for that transfer of functions or responsibilities shall include those obligations.

(4) Nothing in this act creates an employment relationship between the existing employees of a political subdivision and the proposed joint system.

(5) A joint system is effective through its contract at least 180 days before the actual transfer of functions or responsibilities. Before the joint system's effective date, the political subdivisions that are parties to a

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contract shall affirm in writing to the joint system those employees who will be transferred to the joint system.

(6) If employees who are transferred to the joint system are represented by a labor organization, those employees are subject to their previous terms and conditions of employment until those terms and conditions of employment are modified in accordance with 1947 PA 336, MCL 423.201 to 423.217, or for 6 months after the transfer to the joint system, whichever is earlier. Negotiations on a collective bargaining agreement with a joint system shall begin no later than 180 days before the date the employees transfer to the joint system.

(7) Subject to subsection (8), a representative of the employees or group of employees in a political subdivision who previously represented or was entitled to represent the employees or group of employees in a political subdivision under 1947 PA 336, MCL 423.201 to 423.217, shall continue to represent the employees or group of employees after those employees or group of employees are transferred to the joint system.

(8) This section does not limit the rights of employees, under applicable law, to assert that a bargaining representative protected by subsection (7) is no longer their representative. The employees of the joint system are eligible as of the day the joint system becomes effective through its contract to choose their representative under 1947 PA 336, MCL 423.201 to 423.217. This subsection does not extend the time limits as provided in subsection (5).

(9) If multiple labor organizations assert the right to represent all or part of the joint system's workforce or where a substantial portion of the transferred employees were not previously represented, in the absence of a voluntary mutual agreement, at the request of any party or on the initiative of the Michigan employment relations commission, the Michigan employment relations commission shall conduct a representation election.

(10) In the absence of a voluntary mutual agreement, the joint system's workforce shall be merged by using a single seniority list for each of the same or similar classifications. The single seniority list shall be composed of all employees from each political subdivision employed or having recall rights on the date of transfer and shall be used for purposes that include, but are not limited to, initial assignments, layoffs, recalls, and job bidding. Disputes concerning the single seniority list or use of the single seniority list shall be heard by a single arbitrator appointed by the Michigan employment relations commission.

(11) Nothing in this section requires a political subdivision or a joint system to assume a collective bargaining agreement between another political subdivision and its employees.

History: 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968;—Am. 2011, Act 262, Imd. Eff. Dec. 14, 2011.

124.535 Joint board or commission; establishment; duty; membership.

Sec. 5. A joint board or commission may be established by the political subdivisions involved to supervise the execution of a contract. An officer or employee of the state or a political subdivision or agency thereof, except a member of the legislature, may serve on or with any joint board or commission created by the contract and shall not be required to relinquish his office or employment by reason of such service.

History: 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968.

124.536 Amendment or termination of contract.

Sec. 6. A contract may be amended by agreement of the parties thereto in the same manner as the original contract was made. A contract may be terminated by joint action of all parties, or by an individual party not less than 1 year after its notice thereof in writing to all other parties.

History: 1967, Ex. Sess., Act 8, Eff. Mar. 22, 1968.

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