



**Grand Valley Metro Council
Legislative Committee**

Agenda

**March 10, 2010
8:30 a.m.**

GVMC Offices – 678 Front Ave. NW, Suite 200 - Grand Rapids, MI 49504

- 1. Call to Order**
- 2. Approval of Minutes from January 13, 2010 meeting**
- 3. Update from Lansing – on the phone with Bill Anderson, Michigan Townships Association**
 - a. State Budget**
 - b. Unfunded Mandates Relief**
 - c. Governmental reforms**
- 4. Issues Update**
 - a. Kent County Municipal Partnership Act**
 - b. State Transportation Funding**
 - c. Federal Transportation Funding**
- 5. Other Issues and comments by members**

**GRAND VALLEY METROPOLITAN COUNCIL
LEGISLATIVE COMMITTEE MEETING**

January 13, 2010

8:30 a.m.

GVMC Offices
678 Front Ave., Suite 200
Grand Rapids, MI 49504

MINUTES

1. Call To Order

Chair Rick Root called the meeting to order at 8:40 a.m.

2. Roll Call

Present:

Haris Alibasic	City of Grand Rapids
Alex Arends	Alpine Township
Bill Cousins	Cascade Township
Sam Bolt	City of Wyoming
Jim Buck	City of Grandville
Mike DeVries	Grand Rapids Township
Don Hilton	Gaines Township
Denny Hoemke	Algoma Township
Jim LaPeer	Cannon Township
Rick Root	City of Kentwood
Don Stypula	Grand Valley Metro Council
Keith Van Beek	Ottawa County

3. Minutes

**MOTION – To Approve the October 2009, Legislative Committee Minutes.
MOVE – Van Beek. SUPPORT – Bolt. MOTION CARRIED.**

4. Resolution on Michigan Legislative Commission Recommendations on Statutory Mandates

Don Stypula distributed and reviewed a draft resolution in support of the recommendations of the Michigan Legislative Commission on Statutory Mandates.

The recommendations include:

- The enactment of legislation and state court rules that would mitigate the impact of unfunded mandates imposed on local units of government in the future.
- The adoption of legislative procedures that will prevent new unfunded mandates from being imposed on local units of government.
- Amendments to legislative rules and the Michigan Administrative Procedures Act to require the preparation of a “fiscal note” within both the legislative and administrative rules processes to estimate the enhanced cost to local government from proposed bills and administrative rules and prevent legislation and administrative rules from taking effect until the state provides the funding to implement the changes.
- Institutionalize the role of the special master within the Court of Appeals to ensure adjudication of Headlee challenges within six months and enact legislation placing the burden of proof on the state to demonstrate that a statute or administrative rule would not impose additional cost or that it had provided the funding to pay for those costs.

MOTION – To Move the Resolution of Support of the Michigan Legislative Commission on Statutory Mandates to the Executive Committee. The Executive Director May Modify the Resolution as he Deems Needed to Coordinate with Other Organizations. MOTION – Homan. SUPPORT – Hoemke. MOTION CARRIED.

The impact and usefulness of a resolution was questioned vs. person-to-person meetings with legislators. It was determined that a resolution developed valuable talking points and was useful in educating legislative staff, the public and elected officials. However, it was also stressed that a resolution should be accompanied by person-to-person visits with legislators. Don Stypula stated that if passed by the GVMC Board, he would not only send to legislators, but also meet with them, do a

news release and contact media representatives. As news reports are printed, he will also bring those to legislators.

Also, as a matter of general practice, whenever a communication, resolution, etc. is sent to a legislature, it should include a request for response.

It was also determined that candidates for legislature are most attentive to local government issues before they are elected and are looking for endorsements. Candidates should be questioned and asked for responses on issues as they meet with local officials and during candidate forums.

Keith Van Beek indicated that this issue would be counties' & MAC's number one issue.

It was stated that interested organizations such as MTA, MML, MAC, SEMCOG, KISD etc. should work together on the issue. In legislative issues in general, these organizations need to remember that they share more like positions than not. The Executive Director should check on creating a joint resolution.

The resolution should be used as the Executive Director, as well as members, and local elected officials talk with legislators.

5. Issues Update

Don Stypula reported the Governor is going to introduce her budget in the second week of February. There is a huge gap between revenues and expenditures. Little is left of the federal stimulus money. There are no details on what might be affected, however probably not 312.

The Municipal Partnership Act was a good first draft. By reference it addresses other acts to be changed. It may be tie-barred to separate pieces of legislation which change each of those individual acts.

There is a push on in the legislature to move forward on transportation funding. They are looking at an increase in the gasoline sales tax of 3 cents 2010, 3 cents 2011, and 3 cents 2012. It is not anticipated to be taken up until December.

The second federal stimulus will fund roads and bridges and is moving forward in the Senate.

Bills to ban texting while in a moving vehicle are being introduced in the Michigan Senate.

Haris Alibasic reported taxation reform legislation is being introduced. This is something to be watched.

6. Other

Mike DeVries noted it would be helpful for the committee to define our process to make it more effective. Correspondence with legislators should include a request for a response back.

7. Adjourn – 9:45 a.m.

DRAFT 2

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
8 vested.



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

2 (i) A qualified county.

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

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

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

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

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

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

24 Sec. 4. A contract to form a joint endeavor pursuant to this
25 act may provide for:

26 (a) The purpose of the joint endeavor with reference to the
27 functions, services, powers, or privileges to be performed or



1 exercised and the methods by which the purpose will be accomplished
2 or the manner in which the joint endeavor will be exercised or
3 performed.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 endeavor. The joint endeavor may levy the tax only if a majority of
2 the electors served by the joint endeavor voting on the tax approve
3 the tax.

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

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

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

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

22 Sec. 12. (1) The local governments that are parties to a
23 contract entered into pursuant to this act have the responsibility,
24 authority, and right to manage and direct on behalf of the public
25 the functions or services performed or exercised in connection with
26 the contract. Collective bargaining between a local government and
27 a bargaining representative of its employees shall not include any



1 of the following:

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

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

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

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

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

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

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

20 (a) Senate Bill No.____ or House Bill No.____ (request no.
21 05484'09 a).

22 (b) Senate Bill No.____ or House Bill No.____ (request no.
23 05484'09 b).



DRAFT 1

A bill to amend 1954 PA 116, entitled
"Michigan election law,"
(MCL 168.1 to 168.992) by adding section 976a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **SEC. 976A. THE PROVISIONS OF THIS CHAPTER ARE SUBJECT TO THE**
2 **MUNICIPAL PARTNERSHIP ACT.**

3 Enacting section 1. This amendatory act does not take effect
4 unless Senate Bill No.____ or House Bill No.____ (request no.
5 05484'09) of the 95th Legislature is enacted into law.



DRAFT 1

A bill to amend 1947 PA 336, entitled

"An act to prohibit strikes by certain public employees; to provide review from disciplinary action with respect thereto; to provide for the mediation of grievances and the holding of elections; to declare and protect the rights and privileges of public employees; and to prescribe means of enforcement and penalties for the violation of the provisions of this act,"

(MCL 423.201 to 423.217) by adding section 1a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 **SEC. 1A. THE PROVISIONS OF THIS ACT ARE SUBJECT TO THE**
2 **MUNICIPAL PARTNERSHIP ACT.**

3 Enacting section 1. This amendatory act does not take effect
4 unless Senate Bill No.____ or House Bill No.____ (request no.
5 05484'09) of the 95th Legislature is enacted into law.



MUNICIPAL PARTNERSHIP ACT

ISSUES SUMMARY

February 15, 2010

The proposed Municipal Partnership Act ("MPA") results from efforts to improve local government services and operations while making them more efficient and less costly. It would better enable local governments to implement calls from our legislators and governor, as well as many others, for increased regionalization and consolidation of municipal operations.

It is needed because some state statutes and local charter provisions impede or even preclude such relationships. The MPA removes those impediments by authorizing local government joint endeavors regardless of other provisions. However, the MPA is limited in scope so it will provide a "laboratory" for proving the efficacy and vitality of such relationships. It would apply only to Kent County communities and would sunset, ensuring an opportunity for reevaluation before expanding its applicability throughout the state or extending its duration.

Every local government has cut jobs, reduced compensation, shortened work hours and/or taken other steps to reduce costs in the face of rapidly deflating local tax, revenue sharing and other funding. The resulting impacts on both services and the families of local governmental workers are huge. Public concerns about cuts in, for example, snow-plowing, parks and public safety operations are also significant. Local municipal employee unions are understandably concerned about their members.

Local government leaders in Kent County believe they can collaboratively and cooperatively address these challenges and concerns in ways that will make the best of the present economic and fiscal situation and what might follow. Doing so is unlikely to restore services, employment, compensation and benefits to levels existing prior to this crisis. However, local leaders fervently believe it can improve on what will otherwise result during FY 2010-2014 when revenues further erode. Kent County governments have an extraordinary history of cooperative arrangements that has been well documented and even highlighted by a recent Citizens Research Council report.

The MPA would authorize Kent County municipalities to engage in the consolidation and regionalization of services without regard to certain structural impediments that usually preclude such efforts. Local government leaders believe that Kent County municipalities can demonstrate the efficacy of their efforts, not only in providing services, but also in addressing employee concerns. The innovation driven through the partnerships created under the MPA will help demonstrate the path forward for Michigan.

The proposed MPA:

1. Allows one or more local governments to contract with one another or with a state or tribal agency to provide one or more local government services or operations.
2. Includes a list of issues any such contract should address.
3. Allows, but does not require, the local governments to form a separate authority for providing such services or operations.
4. Allows the levy of up to 5 mills for any such service providing it is approved by majority of any electors who would be subject to that tax.
5. Provides that the powers granted under it would be unimpeded by conflicting state laws or local charter provisions.
6. Provides that any contract pursuant to the MPA would not be subject to any referendum and could not be the basis for any recall.
7. Provides that MPA contracts and related issues are prohibited subjects of bargaining. It does not eliminate collective bargaining or employee rights under existing contracts.
8. Provides that no new contracts can be made after December 31, 2014, when the Act sunsets.
9. Applies only to Kent County municipalities.