

Introduction

In December, 1999, the Michigan legislature passed the so-called Residency Act which restricts public employers from requiring that certain employees reside within certain geographic boundaries as a condition of employment or promotion. The Act is designated as 1999 PA 212.

Analysis and Application

The Act affects future collective bargaining agreements and affects the ability of municipalities to determine, for financial reasons or otherwise, whether or not certain employees may more effectively serve their communities as residents. The Act significantly impacts those public employers who previously negotiated higher salaries, wages, etc. in exchange for a residency requirement for their employees.

The act became effective March 10, 2000.

Key Provisions:

- The act applies to **public employers**, i.e. counties, townships, villages, cities, authorities, school districts or other political subdivisions, including any entity created jointly by two or more public employers.
- The act **does not apply** to volunteer or paid on-call firefighters, elected officials or unpaid appointed officials.
- The act prohibits a public employer from requiring a person to live within a specified geographic area or distance or travel time from the boundary of the public employer subject to the following exceptions:
 1. A public employer **may** require that the person live no greater than 20 miles from the nearest boundary of the city, village, etc.
 2. If such a requirement is made, it does not apply to a married person whose spouse also works for a public employer with a restriction that, if not for the act, would require him or her to reside a distance of less than 20 miles from the nearest boundary of his or her employer. It should be noted that there has been considerable confusion regarding the "marriage exemption."
- The act does not require special action, either by way of ordinance or resolution, by a public employer.
- The act applies only to employment contracts entered into, renewed, or renegotiated **after** March 10, 2000.