



michigan municipal league

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# Michigan Communities Score Several Victories in Lansing!

*Increase in Revenue Sharing and Bills on PERA, Health Care, Urban Cooperation, Are Victories for Michigan Communities*

**LANSING, Mich.** – Michigan communities will benefit greatly by several bills that moved through the legislative process last week, including [an amendment](#) to the Public Employment Relations Act (PERA), an [opt-out provision](#) to a health care reform bill and [increase funding](#) for revenue sharing. Also moving ahead is a [new redevelopment tool](#) to help downtowns and business districts with vacant or burned out properties.

These bills come on the heels of one of the [biggest victories](#) for Michigan communities—the passage of reforms to Public Act 312, dealing with binding arbitration for public safety workers. The bills were all before Lansing lawmakers last week and several of them either await a vote in the Senate or will now head to the governor for final passage. The Legislature is now on its summer schedule and is only scheduled to meet one day in July and one day in August before coming back for a full session schedule in September.

“It was a great week for Michigan communities,” said [Dan Gilmartin](#), Executive Director and CEO for the Michigan Municipal League. “These bills will benefit Michigan cities, villages and urban townships in a variety of ways, including financially, organizationally and in our communities’ ability to make decisions on the local level in the best interests of their citizens.”

At the beginning of the year, Gov. Rick Snyder asked the League for reform ideas that would help local communities reduce costs and improve public services, and the bills that passed in the Legislature last week would do that, said League President and Alpena Mayor [Carol Shafto](#).

“I’m so proud of the League’s Lansing staff and how they continue to fight on behalf of Michigan communities. Their work in Lansing is invaluable to League members. I also want to thank the legislators

for their hard work and votes to make Michigan better,” Shafto said. “While the financial struggles of our cities and state are far from over, these measures will certainly help us rebound and move forward.”

[Summer Minnick](#), director of state affairs for the League, said there are other bills in the works that help Michigan communities and the progress made so far illustrates how Michigan lawmakers understand the [importance of Michigan’s cities](#), villages and urban townships to the [state’s future and economic turnaround](#).

“This action shows that legislators recognize that communities are struggling and they are giving us the tools to ensure we can provide services efficiently,” Minnick said.

Here is a look at the League-supported bills that once signed into law by Gov. Rick Snyder will help Michigan communities:

- [PERA](#): The House passed [Senate Bill 493](#) that amends the Public Employment Relations Act (PERA). These changes are critical to encourage communities to cooperate and share services. The changes to PERA make the following subjects a prohibited subject of bargaining: the decision to consolidate or share services; the procedures for obtaining a contract to share services, and the identity of the parties who will share services. The bill does still require impact bargaining. The Senate will be convening on July 13, and the League hopes they will concur at that time to send the bill to the governor's desk.
- [Health care](#): Public employees in Michigan would have to pay a prescribed amount for their health insurance policies under the House-passed version of [Senate Bill 7](#). The bill would cap a public employer’s contribution at \$15,000 for family coverage and \$5,500 for an individual policy. Employers, which include state and local governments and K-12 districts, would have the option of choosing instead to do an 80/20 premium sharing plan. The victory for local units of government is that they may opt out entirely from either plan by a 2/3 vote of the local governing body. If the city has a strong mayor form of government, the mayor also must vote to opt out of the plan. The bill will go back to the Senate for concurrence on July 13.
- [Revenue sharing](#): The House and Senate passed [Senate Bill 138](#), which increases revenue sharing funds to local units of government by \$33 million. The League worked with the Snyder administration and the Legislature to ensure that this bill move as quickly as possible so that communities will not see cuts due to reductions expected from population declines. The added revenue sharing dollars result from better than expected sales tax collections. SB 138 is a supplemental appropriation that was necessary in order to get these dollars to local communities. Governor Snyder is expected to sign the bill.
- [Economic development tool](#): This legislation, [House Bill 4759](#), creates a new economic development tool for communities by allowing communities to use the Commercial Rehabilitation Act for vacant land in already-designated commercial areas. This law allows communities to freeze taxes of an existing property for 1 to 10 years, and now it can also be used on vacant land. [Click here](#) to view a League One-Pager Plus report explaining this law. The House and Senate have approved the bill and it has been sent to the governor for his signature.

*Michigan Municipal League advocates on behalf of its member communities in Lansing, Washington D.C., and the courts; provides educational opportunities for elected and appointed municipal officials; and assists municipal leaders in administering services to their communities through League programs and services.*

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