



michigan municipal league

21st Century Communities Legislative Proposal

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These proposed reform priorities for 2011-2012 will save money for our communities as well as address several issues that may come up that would have costly implications. MML Reform Priorities:

PA 312 of 1969

- PA 312 requires binding arbitration when a contract impasse is reached between a local unit of government and a public safety union.
- Amending PA 312 to include a definition of a community's ability to pay and also to require ability to pay the top issue for an arbitrator to consider would help curb the cost of decisions.

Urban Cooperation Act (UCA) and Intergovernmental Transfers and Responsibilities Act

- When local units of government get together to create an authority for sharing services (waste disposal, recreation, public safety, etc.), these Acts contain a provision that says no employee's compensation may be harmed as a result of merger of units.
- As a practical result, employees get bumped up to the highest level and there isn't a true renegotiation of contracts. This creates a disincentive for sharing services.
- Deleting the "no employee may be harmed" provision would encourage sharing of services.

Online Public Notices

- Moving to online public notices. Communities are required by law to post legal notices in newspapers. Posting notices online when it makes sense reduces local government costs.

One-Time Tax Collection

- Currently local communities levy taxes in July and December.
- Switching to one-time tax collection could save local governments an estimated \$60 million per year according to the Department of Treasury in 2010.

Two-Inch Rule

- If a defect in a sidewalk is less than two inches, there is a rebuttable inference that the community maintained the sidewalk properly.
- This rule was reversed by the Michigan Supreme Court in the spring of 2010. The court asked the Legislature to clarify its intent with regard to the rule.
- Reversal of the two-inch rule increases liability to communities and increases costs so it is imperative to reinstate it through legislation.

Corrections Work Crews

- The Michigan Department of Corrections (MDOC) has operated a program that allows local units of government to hire prisoner work crews to perform work in communities at a significantly lower rate than they would pay other workers. This program has saved hundreds of thousands of dollars for local units of government. The program was eliminated in 2010 as a result of budget cuts.
- Reinstating the prisoner work crew program (even at a higher cost to local units) would result in services being provided at a much more cost-effective rate.