

SUBSTITUTE FOR
HOUSE BILL NO. 4246

A bill to amend 1967 (Ex Sess) PA 8, entitled
"An act to provide for intergovernmental transfers of functions and
responsibilities,"
by amending section 4 (MCL 124.534).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 4. A contract shall include:
- 2 (a) A description of the functions or responsibilities to be
- 3 transferred.
- 4 (b) The effective date of the contract.
- 5 (c) The term of operation under the contract.
- 6 (d) The manner in which the affected employees, if any, of the
- 7 participating political subdivisions shall be transferred,
- 8 reassigned, or otherwise treated subject to the following:
- 9 (i) Such employees as are necessary for the operation thereof

1 shall be transferred to and appointed as employees subject to all
2 rights and benefits. These employees shall be given seniority
3 credits and sick leave, vacation, insurance, and pension credits in
4 accordance with the records or labor agreements from the acquired
5 system. Members and beneficiaries of any pension or retirement
6 system or other benefits established by the acquired system shall
7 continue to have rights, privileges, benefits, obligations, and
8 status with respect to ~~such~~**THE** established system. The political
9 subdivision to which the functions or responsibilities have been
10 transferred shall assume the obligations of any system acquired by
11 it with regard to wages, salaries, hours, working conditions, sick
12 leave, health and welfare, and pension or retirement provisions for
13 employees. If the employees of an acquired system were not
14 guaranteed sick leave, health and welfare, and pension or
15 retirement pay based on seniority, the political subdivision shall
16 not be required to provide these benefits retroactively.

17 (ii) No employee who is transferred to a position with the
18 political subdivision shall by reason of ~~such~~**THAT** transfer be
19 placed in any worse position with respect to workmen's
20 compensation, pension, seniority, wages, sick leave, vacation,
21 health and welfare insurance, or any other benefits that he **OR SHE**
22 enjoyed as an employee of ~~such~~**THE** acquired system.

23 **(iii) NOTHING IN THIS ACT REQUIRES THAT THE EMPLOYER PAY TO**
24 **EMPLOYEES THE HIGHEST WAGES AND BENEFITS PREVIOUSLY PAID TO ANY OF**
25 **THE EMPLOYEES OR THEIR PREEXISTING BARGAINING UNITS.**

26 (e) The manner in which any real property, facilities,
27 equipment, or other personal property required in the execution of

1 the contract shall be transferred, sold, or otherwise disposed of
2 between the contracting parties.

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

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

8 Enacting section 1. This amendatory act does not take effect
9 unless House Bill No. 4266 of the 94th Legislature is enacted into
10 law.