



**Senate Fiscal Agency**  
P. O. Box 30036  
Lansing, Michigan 48909-7536

BILL ANALYSIS



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Senate Bill 605 (Substitute S-2 as reported)  
Sponsor: Senator Dale W. Zorn  
Committee: Local Government

**CONTENT**

The bill would amend Public Act 317 of 1968, which governs contracts between public servants and public entities, to raise the maximum population of a city, village, township, or county, from less than 25,000 to less than 40,000, in which a public servant may serve as an emergency medical personnel or firefighter, and a governing body may limit a public servant from performing other additional services for the local unit of government.

The bill also would allow a public servant to serve as a fire chief, police officer, chief of police, or public safety officer in units of government that met the population criteria, if he or she did not negotiate collective bargaining agreements with the municipality on behalf of the firefighters, fire chiefs, police officers, chiefs of police, or public safety officers.

MCL 15.323a

Legislative Analyst: Drew Krogulecki

**FISCAL IMPACT**

Adding to the types of emergency services-related positions that may be held by public servants, and extending to larger local governments the option for public servants to serve in those positions, either paid or unpaid, would have an indeterminate fiscal impact on local government. The fiscal impact would depend on local decisions by currently and newly eligible local units of government to exercise the authority provided by the bill and the amount of compensation, if any, set by the local government compared to the amount that would be paid to a person who was not a public servant who performed the applicable function. The table below shows counts of local governments by population size. Currently, there are 1,725 local governments with a population under 25,000 that are eligible for the employment exception for public servants. Under the bill, an additional 49 local units would become eligible for the employment exception based on 2010 population counts. The 82 largest local governments in the State would not be eligible for the employment exception under either current law or the bill. The bill would have no fiscal impact on State government.

<b>Counts of Local Governments by Population Size and Type</b>				
	<b>Under 25,000</b>	<b>25,000 to 39,999</b>	<b>40,000 or More</b>	<b>Total</b>
<b>Counties</b>	27	15	41	83
<b>Cities</b>	235	16	29	280
<b>Villages</b>	253	0	0	253
<b>Townships</b>	1,210	18	12	1,240
<b>Total Local Units</b>	1,725	49	82	1,856

Source: 2010 U.S. Decennial Census and Senate Fiscal Agency

Date Completed: 11-1-17

Fiscal Analyst: Elizabeth Pratt