Final Minutes

Legislative Commission on Statutory Mandates Meeting
2:00 p.m. • Tuesday, May 27, 2008
Senate Appropriations Room ▪ State Capitol Building
100 N. Capitol Avenue • Lansing, Michigan

Members Present:
Robert Daddow, Chair
Amanda Van Dusen, Co-Chair
Ralph "Skip" Maccarone
Dennis Pollard
J. Dallas Winegarden, Jr.

Members Absent:
None

I. Call to Order
The Chair called the meeting to order at 2:00 p.m. and the clerk took the roll. A quorum was present.

II. Approval of the Agenda
The Chair asked for a motion to approve today's meeting agenda. **Mr. Winegarden moved, supported by Mr. Pollard, to approve the May 27, 2008 agenda. There was no further discussion. The agenda was unanimously approved.**

III. Approval of Minutes – April 9, 2008 Meeting
The Chair asked for a motion to approve the minutes of the last Legislative Commission on Statutory Mandates meeting. **Ms. Van Dusen moved, seconded by Mr. Winegarden, to approve the minutes of the April 9, 2008 meeting. There was no further discussion. The minutes were unanimously approved.**

IV. Reports by Associations
The Chair announced that the report from the Michigan School Business Officials may be presented at the next meeting. He then called on the following groups to provide testimony on their reports that are included to these minutes.

Michigan Association of Counties
Mr. Thomas Hickson, Jr., Director of Legislative Affairs, was present and provided an overview of the report of the top county state mandated services prepared by the Michigan Association of Counties. After the presentation, Mr. Hickson responded to questions from the Commissioners. **Mr. Winegarden moved, supported by Ms. Van Dusen, to receive and file the report from the Michigan Association of Counties. There was no objection and the motion was unanimously adopted.**

Michigan Municipal League
Ms. Summer Minnick, Director of State Affairs, was present and provided an overview of the report prepared by the Michigan Municipal League. Ms. Minnick along with David Worthams responded to questions from the Commissioners after the presentation. **Mr. Pollard moved, seconded by Mr. Winegarden, to receive and file the report from the Michigan Municipal League. There was no objection and the motion was unanimously adopted.**

Michigan Township Association
Mr. David Bertram, Legislative Liaison/Manager, was present and provided an overview of the report prepared by the Michigan Township Association. Mr. Bertram and Tom Frazier responded to questions from the Commissioners after the presentation. **Mr. Winegarden moved, supported by Mr. Pollard, to receive and file the report from the Michigan Township Association. There was no objection and the motion was unanimously adopted.**

Michigan Community College Association
Mr. Mike Hansen, President, was present and provided an overview of the report prepared by the Michigan Community College Association. Mr. Hansen responded to questions from the Commissioners after the presentation. **Ms. Van Dusen moved, supported by Mr. Winegarden, to receive and file the report from the Michigan Community College Association. There was no objection and the motion was unanimously adopted.**

County Road Association of Michigan
The Chair noted representatives from the County Road Association of Michigan could not be present at today's meeting and their report is included in today's meeting packet. **Mr. Maccarone moved, supported by Ms. Van Dusen, to receive and file the report from the County Road Association of Michigan. There was no objection and the motion was unanimously adopted.** Ms. Van Dusen observed that some of the items in the report might not be mandates and the Commission may need some more information. The Chair will extend an offer for representatives from the County Road Association of Michigan to come to the next Commission meeting and make a presentation if they so desire.

V. Status of Assistance of Citizens Research Council

The Chair called on Eric Lupher from the Citizens Research Council to provide an update on the progress of the survey of the policies and procedures used by other states. Mr. Lupher reported that they have hired an intern since the last LCSM meeting. They have identified literature that looks at provisions requiring state funding of local mandates, but it is dated. Mr. Lupher distributed a map identifying the states with provisions for state government to provide funding for mandates on local governments and noted they will begin to update the information.

VI. Correspondence from Ontonagon County

The Chair reported that a letter from Judith D. Roehm, Ontonagon County Clerk and Register of Deeds, has been received and can be found in the members' meeting packet. He asked for a motion to receive and file her letter.
Mr. Winegarden moved, supported by Ms. Van Dusen, to receive and file the correspondence dated January 24, 2008 from Mr. Judith D. Roehm of Ontonagon County Clerk receive the letter

VII. Public Comments

The Chair asked for public comment. There were none.

VIII. Next Meeting Date

A discussion of the date of the next meeting followed. The Chair announced that the next meeting will be held on **June 25, 2008**, at **2:00 p.m.** in Lansing. He noted that he will not be able to attend due to a conflict. The meeting location will be announced at a later date.

IX. Adjournment

Having no further business, Ms. Van Dusen moved, supported by Mr. Winegarden, to adjourn the meeting. Without objection, the motion was approved. The meeting was adjourned at 3:40 p.m.

(Approved at the June 25, 2008 LCSM meeting.)

LIST OF TOP COUNTY STATE MANDATED SERVICES

May, 2008

Contact: Tom Hickson, Director of Legislative Affairs
1-800-258-1152

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1. Court funding- In 2004, a study of county mandates (provided to the commission earlier) showed that in 27 counties alone, those surveyed reported a mandated expenditure on trial courts of over $183 million dollars. Court fee revenue and state funding (court equity funds) only provided just over half of the funding for this mandate (roughly $95 million), leaving a huge unfunded hole for counties. This service is mandated to be funded by counties as the court funding unit, with details prescribed in Supreme Court Administrative Order 1998—5. As a result of a combination of constitutional requirements and the Supreme Court Administrative Order, counties are the funding units for the state court system, funding most court activities, with the exception of Judge's salaries. Other examples of mandated expenses placed on counties include indigent defense, Friend of the Court expenditures, and JIS fees, a descriptions of the latter two are included below.

Below is the statutory reference for circuit court mandates on counties. Probate court mandates are located in MCL 600.837. District court funding mandates are located in MCL 600.8271.

600.591 Operation of circuit court; appropriation; employer; authority; collective bargaining; appointment, supervision, discipline, or dismissal of employees; transfer of employees; effect of existing collective bargaining agreement; control of employees; applicability of subsections (2) to (9) to third judicial circuit employees; chief judge as principal administrator; "county-paid employees of the circuit court" defined.

Sec. 591.

(1) The county board of commissioners in each county shall annually appropriate, by line-item or lump-sum budget, funds for the operation of the circuit court in that county. However, before a county board of commissioners may appropriate a lump-sum budget, the chief judge of the judicial circuit shall submit to the county board of commissioners a budget request in line-item form with appropriate detail. A court that receives a line-item budget shall not exceed a line-item appropriation or transfer funds between line items without the prior approval of the county board of commissioners. A court that receives a lump-sum budget shall not exceed that budget without the prior approval of the county board of commissioners.

(2) In a single-county circuit, the county is the employer of the county-paid employees of the circuit court in that county. In a multicounty circuit, the employer of the county-paid employees of the circuit court shall be as follows:

(a) As determined pursuant to a contract entered into by the counties within the circuit under Act No. 8 of the Public Acts of the Extra Session of 1967, being sections 124.531 to 124.536 of the Michigan Compiled Laws.

(b) If the counties within the circuit do not enter into an agreement described in subdivision (a), each county is the employer of the county-paid employees who serve in that county or who are designated by agreement of the counties within the circuit as being employed by that county.

(3) The employer of county-paid employees of the circuit court designated under subsection (2), in concurrence with the chief judge of the circuit court, has the following authority:

(a) To establish personnel policies and procedures, including, but not limited to, policies and procedures relating to compensation, fringe benefits, pensions, holidays, leave, work schedules, discipline, grievances, personnel records, probation, and hiring and termination practices.

(b) To make and enter into collective bargaining agreements with representatives of the county-paid employees of the circuit court in that county or in the counties covered by a contract entered into under subsection (2)(a).

(4) If the employer of the county-paid employees of the circuit court and the chief judge of the circuit court are not able to concur on the exercise of their authority as to any matter described in subsection (3)(a), that authority shall be exercised by either the employer or the chief judge as follows:

(a) The employer has the authority to establish policies and procedures relating to compensation, fringe benefits, pensions, holidays, and leave.

(b) The chief judge has authority to establish policies and procedures relating to work schedules, discipline, grievances, personnel records, probation, hiring and termination practices, and other personnel matters not included in subdivision (a).

(5) The employer of the county-paid employees of the circuit court designated under subsection (2) and the chief judge of the circuit court each may appoint an agent for collective bargaining conducted under subsections (3) and (4).

(6) The chief judge of the circuit court in the county may elect not to participate in the collective bargaining process for county-paid employees of the circuit court.

(7) Except as otherwise provided by law, the chief judge of the circuit court in each judicial circuit shall appoint, supervise, discipline, or dismiss the employees of the circuit court in that judicial circuit in accordance with personnel policies and procedures developed pursuant to subsection (3) or (4) and any applicable collective bargaining agreement. Compensation of the employees of the circuit court in each judicial circuit shall be paid by the county or counties comprising the judicial circuit.

(8) If the implementation of the 1996 amendatory act that amended this section requires a transfer of court employees or a change of employers, all employees of the former court employer shall be transferred to, and appointed as employees of, the appropriate employer designated under subsection (2) subject to all rights and benefits they held with the former court employer. An employee who is transferred shall not, by reason of the transfer, be placed in any worse position with respect to worker's compensation, pension, seniority, wages, sick leave, vacation, health and welfare insurance, or any other terms and conditions of employment that the employee enjoyed as an employee of the former court employer. The rights and benefits protected by this subsection may be altered by a future collective bargaining agreement or, for employees not covered by collective bargaining agreements, by benefit plans as established and adopted by the employer designated under subsection (2). An employee who is transferred shall not be made subject to any residency requirements by the employer designated under subsection (2).

(9) The employer designated under subsection (2) shall assume and be bound by any existing collective bargaining agreement held by the former court employer and, except where the existing collective bargaining agreement may otherwise permit, shall retain the employees covered by that collective bargaining agreement. A transfer of court employees shall not adversely affect any existing rights and obligations contained in the existing collective bargaining agreement.

(10) When performing services in a courtroom, employees of the circuit court are subject to the control of the judge holding court in the courtroom.

(11) Subsections (2) to (9) shall not apply to the employees serving in the circuit court in the third judicial circuit.

(12) The role of the chief judge under this section is that of the principal administrator of the officers and personnel of the court and is not that of a representative of a source of funding. The state is not a party to the contract. Except as otherwise provided by law, the state is not the employer of court officers or personnel and is not liable for claims arising out of the employment relationship of court officers or personnel or arising out of the conduct of court officers or personnel.

(13) As used in this section, "county-paid employees of the circuit court" means persons employed in the circuit court in a county who receive any compensation as a direct result of an annual budget appropriation approved by the county board of commissioners of that county, but does not include a judge of the circuit court.

2. Constitutional officers at the minimum staffing level-Counties are required to finance all county-wide constitutional and statutory offices, such as the sheriff (including a requirement for a jail), prosecutor, treasurer, clerk, register of deeds, drain commissioner (in most counties). Subsequent statutes and court cases require funding for not only these officers, but also staffing them at what is defined at minimum serviceable levels. Constitutional references for this requirement can be found at Article 7, Section 4.

Statutory references include MCL 280.28 (drain commissioner), MCL 45.41 (deputies of county officers in counties over 50,000), MCL 45.51 (deputies and employees of county officers in counties over 500,000), 45.381 (bond coverage for officers and employees of a county), MCL 48.43 (treasurer), MCL 49.159 (prosecuting attorney), 50.67 (county clerk), 49.73 (requires counties to employ and attorney to represent aforementioned officers), court cases also play a defining role here.

3. Operation and maintenance of a County Jail- State law requires counties to maintain a jail at our own expense. The statute is referenced below.

45.16 County courthouse, jail, offices, and other buildings; location, construction, maintenance, and expense thereof; examination of plan for jail.

Sec. 16.

Each organized county shall, at its own cost and expense, provide at the county seat thereof a suitable courthouse, and a suitable and sufficient jail and fireproof offices and all other necessary public buildings, and keep the same in good repair. However, and notwithstanding the provisions of section 11 of Act No. 156 of the Public Acts of 1851, as amended, being section 46.11 of the Compiled Laws of 1948, a jail may be located anywhere in the county. Before the plan of any jail which has been duly authorized to be built shall be determined or accepted, or contracted for, the plan shall be submitted to the department of corrections for its examination and opinion, and such department shall carefully examine and give the benefit of its study and experience in such matter to the counties submitting such plans and report its opinion to the county clerk of the county so submitting plans. No contract for the erection of any county jail shall be valid or binding, nor shall any money be paid out of the county treasury for the construction of a jail until such opinion has been filed with the county clerk of the county submitting such plans.

4. Youth Rehabilitation, Foster Care, and Juvenile Justice: Counties are required to pay 50% of the cost of youth rehabilitation, foster care, and juvenile justice**.**

803.305 Cost of public ward's care.

Sec. 5. (1) Except as provided in subsection (3), the county from which the public ward is committed is liable to the state for 50% of the cost of his or her care, but this amount may be reduced by the use of funds
from the annual original foster care grant of the state to the county, or otherwise, for any period in respect to which the department has made a finding that the county is unable to bear 50% of the cost of care. If the
department reduces a county's liability under this section, the director shall inform the respective chairpersons of the appropriations committees of the senate and house of representatives at least 14 days before granting the reduction. The county of residence of the public ward is liable to the state, rather than the county from which the youth was committed, if the juvenile division of the probate court or the family division of circuit court of the county of residence withheld consent to a transfer of proceedings under section 2 of chapter XIIA of 1939 PA 288, MCL 712A.2, as determined by the department. The finding that the county is unable to bear 50% of the expense shall be based on a study of the financial resources and necessary expenditures of the county made by the department.
(2) The department shall determine the cost of care on a per diem basis using the initial annual allotment of
appropriations for the current fiscal year exclusive of capital outlay and the projected occupancy figures upon which that allotment was based. That cost of care applies in determining required reimbursement to the state for care provided during the calendar year immediately following the beginning of the current fiscal year for which the state expenditures were allotted.
(3) A county that is a county juvenile agency is liable for the entire cost of a public ward's care while he or
she is committed to the county juvenile agency.

400.117c County treasurer as custodian of money; creation and maintenance of child care fund; deposits in fund; use of fund; separate account for fund; subaccounts; plan and budget for funding foster care services; records of juvenile justice services and expenditures; applicability of section to county juvenile agency.

Sec. 117c.

(1) The county treasurer is designated as the custodian of all money provided for the use of the county family independence agency, the family division of circuit court, and the agency designated by the county board of commissioners or, if a county has a county executive, chief administrative officer, or county manager, that individual to provide juvenile justice services. The county treasurer shall create and maintain a child care fund. The following money shall be deposited in the child care fund:

(a) All money raised by the county for the use of the county family independence agency for the foster care of children with respect to whom the family division of circuit court has not taken jurisdiction.

(b) Money for the foster care of children under the jurisdiction of the family division of circuit court raised by the county with the view of receiving supplementary funds for this purpose from the state government as provided in section 117a.

(c) All funds made available by the state government for foster care of children.

(d) All payments made in respect to support orders issued by the family division of circuit court for the reimbursement of government for expenditures made or to be made from the child care fund for the foster care of children.

(e) All prepayments and refunds for reimbursement of county family independence agencies for the foster care of children.

(f) All funds made available to the county for the foster care of children from any other source, except gifts that are conditioned on a different disposition or reimbursements of the general fund.

(g) Money for the foster care of children under the jurisdiction of the court of general criminal jurisdiction committed to a county facility or a court facility for juveniles in the county in which the court of general criminal jurisdiction is located.

(h) All payments made in respect to support orders issued by the court of general criminal jurisdiction for the reimbursement of government for expenditures made or to be made from the child care fund for the foster care of children.

(2) The child care fund shall be used for the costs of providing foster care for children under sections 18c and 117a and under the jurisdiction of the family division of circuit court or court of general criminal jurisdiction.

(3) The child care fund may be used to pay the county's share of the cost of maintaining children at the Michigan children's institute under 1935 PA 220, MCL 400.201 to 400.214, or public wards under the youth rehabilitation services act, 1974 PA 150, MCL 803.301 to 803.309.

(4) The account for the child care fund shall be maintained separate and apart from all other accounts of county funds. The fund shall be used exclusively for carrying out the purposes authorized by this act. The county board of commissioners shall distinguish in its appropriations for the child care fund the sums of money to be used by the family division of circuit court, the county family independence agency, and the agency designated by the county board of commissioners or the county executive to provide juvenile justice services. The county treasurer shall keep these segregated in proper subaccounts.

(5) A county annually shall develop and submit a plan and budget for the funding of foster care services to the office for approval. Funds shall not be distributed under section 117a except for reimbursement of expenditures made under an approved plan and budget. The office shall not approve plans and budget that exceed the amount appropriated by the legislature.

(6) A county shall make and preserve accurate records of its juvenile justice services and expenditures. Upon the department's request, the information contained in the records shall be available to the office.

(7) This section does not apply to a county that is a county juvenile agency.

History: Add. 1978, Act 87, Eff. Apr. 1, 1978 ;-- Am. 1980, Act 328, Imd. Eff. Dec. 19, 1980 ;-- Am. 1988, Act 75, Eff. Oct. 1, 1988 ;-- Am. 1988, Act 223, Eff. Apr. 1, 1989 ;-- Am. 1998, Act 516, Imd. Eff. Jan. 12, 1999
Compiler's Notes: Section 3 of Act 75 of 1988 provides: "This amendatory act shall take effect June 1, 1988." This section was amended by Act 178 of 1988 to read as follows: "This amendatory act shall take effect October 1, 1988."For transfer of powers and duties of the Office of Children and Youth Services as a single-purpose entity within the Department of Social Services to the Department of Social Services, see E.R.O. No. 1991-8, compiled at MCL 400.221 of the Michigan Compiled Laws.
Popular Name: Act 280

5. Friend of the Court: The general duties of the Friend of the Court are required by state law and are listed below. A major requirement of the FOC is to administer and enforce orders for child and spousal support, child custody and parenting time. The office of the FOC performs its duties under the direction and supervision of the Chief Circuit Judge (MCL 552.503(5)) FOC employees are employees of the court (MCL 552.527(1)) and the compensation of employees as well as office operating expenses are fixed by the Chief Circuit Judge as provided at MCL 600.591. Compensation and expenses are paid by the county from the general fund and the friend of the court fund created under MCL 600.2530. Counties receive approximately 66% reimbursement primarily through the state from the federal government for expenses relating to child support enforcement and case administration. The counties receive some state funding to offset a portion of the remaining 34% of child support duties expenses. A variety of fees assist the counties in providing for the expenses related to child custody and parenting time matters.

552.505 Duties of friend of the court; failure of party to attend scheduled meeting.

Sec. 5.

(1) Each office of the friend of the court has the following duties:

(a) To inform each party to the domestic relations matter that, unless 1 of the parties is required to participate in the title IV-D child support program, they may choose not to have the office of the friend of the court administer and enforce obligations that may be imposed in the domestic relations matter.

(b) To inform each party to the domestic relations matter that, unless 1 of the parties is required to participate in the title IV-D child support program, they may direct the office of the friend of the court to close the friend of the court case that was opened in their domestic relations matter.

(c) To provide an informational pamphlet, in accordance with the model pamphlet developed by the bureau, to each party to a domestic relations matter. The informational pamphlet shall explain the procedures of the court and the office; the duties of the office; the rights and responsibilities of the parties, including notification that each party to the dispute has the right to meet with the individual investigating the dispute before that individual makes a recommendation regarding the dispute; the availability of and procedures used in domestic relations mediation; the availability of human services in the community; the availability of joint custody as described in section 6a of the child custody act of 1970, 1970 PA 91, MCL 722.26a; and how to file a grievance regarding the office. The informational pamphlet shall be provided as soon as possible after the filing of a complaint or other initiating pleading. Upon request, a party shall receive an oral explanation of the informational pamphlet from the office.

(d) To make available to an individual form motions, responses, and orders for requesting the court to modify the individual's child support, custody, or parenting time order, or for responding to a motion for such a modification, without assistance of legal counsel. The office shall make available instructions on preparing and filing each of those forms and instructions on service of process and on scheduling a modification hearing.

(e) To inform the parties of the availability of domestic relations mediation if there is a dispute as to child custody or parenting time.

(f) To inform the parents of the availability of joint custody as described in section 6a of the child custody act of 1970, 1970 PA 91, MCL 722.26a, if there is a dispute between the parents as to child custody.

(g) To investigate all relevant facts, and to make a written report and recommendation to the parties and to the court regarding child custody or parenting time, or both, if there is a dispute as to child custody or parenting time, or both, and domestic relations mediation is refused by either party or is unsuccessful, or if ordered to do so by the court. The investigation may include reports and evaluations by outside persons or agencies if requested by the parties or the court, and shall include documentation of alleged facts, if practicable. If requested by a party, an investigation

shall include a meeting with the party. A written report and recommendation regarding child custody or parenting time, or both, shall be based upon the factors enumerated in the child custody act of 1970, 1970 PA 91, MCL 722.21 to 722.31.

(h) To investigate all relevant facts and to make a written report and recommendation to the parties and their attorneys and to the court regarding child support, if ordered to do so by the court. The written report and recommendation shall be placed in the court file. The investigation may include reports and evaluations by outside persons or agencies if requested by the parties or the court, and shall include documentation of alleged facts, if practicable. If requested by a party, an investigation shall include a meeting with the party. The child support formula developed by the bureau under section 19 shall be used as a guideline in recommending child support. The written report shall include the support amount determined by application of the child support formula and all factual assumptions upon which that support amount is based. If the office of the friend of the court determines from the facts of the case that application of the child support formula would be unjust or inappropriate, the written report shall also include all of the following:

(I) An alternative support recommendation.

(ii) All factual assumptions upon which the alternative support recommendation is based, if applicable.

(iii) How the alternative support recommendation deviates from the child support formula.

(iv) The reasons for the alternative support recommendation.

(2) If a party who requests a meeting during an investigation fails to attend the scheduled meeting without good cause, the investigation may be completed without a meeting with that party.

552.505a Open friend of the court case; closure.

Sec. 5a.

(1) Except as required by this section, an office of the friend of the court shall open and maintain a friend of the court case for a domestic relations matter. If there is an open friend of the court case for a domestic relations matter, the office of the friend of the court shall administer and enforce the obligations of the parties to the friend of the court case as provided in this act. If there is not an open friend of the court case for a domestic relations matter, the office of the friend of the court shall not administer or enforce an obligation of a party to the domestic relations matter.

552.511 Initiating enforcement of support order and custody or parenting time order; procedure; arrearage; amnesty.

Sec. 11.

(1) Except as provided in this section, each office shall initiate 1 or more support enforcement measures under the support and parenting time enforcement act when 1 of the following applies:

(a) Except as otherwise provided in this subdivision, the arrearage under the support order is equal to or greater than the monthly amount of support payable under the order. If the support order was entered ex parte, an office shall not initiate enforcement under this subdivision until the office receives a copy of proof of service for the order and at least 1 month has elapsed since the date of service. An office is not required to initiate enforcement under this subdivision if 1 or more of the following circumstances exist:

(i) Despite the existence of the arrearage, an order of income withholding is effective and payment is being made under the order of income withholding in the amount required under the order.

(ii) Despite the existence of the arrearage and even though an order of income withholding is not effective, payment is being made in the amount required under the order.

(iii) One or more support enforcement measures have been initiated and an objection to 1 or more of those measures has not been resolved.

(b) A parent fails to obtain or maintain health care coverage for the parent's child as ordered by the court. The office shall initiate enforcement under this subdivision at the following times:

(i) Within 60 days after the entry of a support order containing health care coverage provisions.

(ii) When a review is conducted as provided in section 17.

(iii) Concurrent with enforcement initiated by the office under subdivision (a).

(iv) Upon receipt of a written complaint from a party.

(v) Upon receipt of a written complaint from the department if the child for whose benefit health care coverage is ordered is a recipient of public assistance or medical assistance.

(c) A person legally responsible for the actual care of a child incurs an uninsured health care expense and submits to the office a written complaint that meets the requirements of section 11a.

(2) An arrearage amount that arises at the moment a court issues an order imposing or modifying support, because the order relates back to a petition or motion filing date, shall not be considered as an arrearage for the purpose of initiating support enforcement measures, centralizing enforcement, or other action required or authorized in response to a support arrearage under this act or the support and parenting time enforcement act, unless the payer fails to become current with the court ordered support payments within 2 months after entry of the order imposing or modifying support.

(3) An office shall not initiate a support enforcement measure to collect a payer's child support arrearage while the payer has amnesty for that arrearage under section 3b of the office of child support act, 1971 PA 174, MCL 400.233b.

History: 1982, Act 294, Eff. July 1, 1983 ;-- Am. 1985, Act 208, Eff. Mar. 1, 1986 ;-- Am. 1990, Act 297, Imd. Eff. Dec. 14, 1990 ;-- Am. 1992, Act 288, Eff. Jan. 1, 1993 ;-- Am. 1995, Act 241, Eff. Mar. 28, 1996 ;-- Am. 1996, Act 144, Imd. Eff. Mar. 25, 1996 ;-- Am. 1996, Act 266, Eff. Jan. 1, 1997 ;-- Am. 2002, Act 571, Eff. June 1, 2003 ;-- Am. 2004, Act 567, Eff. June 1, 2005

552.527 Compensation and expenses of friend of the court and employees.

Sec. 27.

(1) Except as provided in subsections (2) and (3), the compensation and expenses of the friend of the court for each judicial circuit and of the employees of the office and all operating expenses incurred by the office shall be fixed by the chief judge as provided in section 591 of the revised judicature act of 1961, Act No. 236 of the Public Acts of 1961, being section 600.591 of the Michigan Compiled Laws. The compensation and expenses shall be paid by the county treasurer from the general fund, and the friend of the court fund created under section 2530 of the revised judicature act of 1961, Act No. 236 of the Public Acts of 1961, being section 600.2530 of the Michigan Compiled Laws, of the county or counties served.

(2) In the third judicial circuit the compensation of the friend of the court and the employees of the state judicial council serving in the third judicial circuit and supervised by the friend of the court shall be paid by the state and shall be fixed as provided in sections 592 and 9104 of the revised judicature act of 1961, Act No. 236 of the Public Acts of 1961, being sections 600.592 and 600.9104 of the Michigan Compiled Laws. Pursuant to section 595(1) of Act No. 236 of the Public Acts of 1961, being section 600.595 of the Michigan Compiled Laws, the state shall maintain and

operate the office of the friend of the court as the successor to the friend of the court appointed under former Act No. 412 of the Public Acts of 1919.

(3) In any other judicial circuit in which employees serving in the circuit court are employees of the state judicial council, the compensation of the friend of the court and the employees of the state judicial council serving in that judicial circuit and supervised by the friend of the court shall be paid by the state and shall be fixed as provided in section 9104 of the revised judicature act of 1961, Act No. 236 of the Public Acts of 1961.

REVISED JUDICATURE ACT OF 1961 (EXCERPT)
Act 236 of 1961

600.2530 Deposit of fees in friend of the court fund; exception; appropriation by county board of commissioners; remitting sums collected to state; appropriation by legislature; remittance to law enforcement agency.

Sec. 2530.

(1) Except in any judicial circuit in which employees serving in the circuit court are employees of the state judicial council, the county treasurer shall deposit all fees collected under section 2529(1)(d) and 1/2 of the costs collected under sections 31, 32, and 44 of the support and parenting time enforcement act, Act No. 295 of the Public Acts of 1982, being sections 552.631, 552.632, and 552.644 of the Michigan Compiled Laws, in a fund created for that purpose to be known as the friend of the court fund. The county treasurer shall create the friend of the court fund as an interest bearing account, and interest earned shall be credited to the account to be used as provided in this section.

(2) The county board of commissioners shall appropriate all sums in this fund and additionally shall annually appropriate from the county general fund an amount not less than the total amount appropriated for the office of the friend of the court in the county's last fiscal year ending before July 1, 1983, for the purpose of fulfilling the statutory obligations of the friend of the court as provided in the friend of the court act, Act No. 294 of the Public Acts of 1982, being sections 552.501 to 552.535 of the Michigan Compiled Laws, and Act No. 295 of the Public Acts of 1982, being sections 552.601 to 552.650 of the Michigan Compiled Laws. Money transmitted to the county treasurer under section 31 of Act No. 295 of the Public Acts of 1982 shall supplement and not supplant other money appropriated by the county for friend of the court functions as measured by amounts appropriated by the county for those functions in previous and current fiscal years.

(3) In a judicial circuit in which employees serving in the circuit court are employees of the state judicial council, the county treasurer shall remit all sums collected under section 2529(1)(d) and 1/2 of the costs collected under sections 31, 32, and 44 of Act No. 295 of the Public Acts of 1982 to the state as provided in section 595(4). As provided in section 595(1), the legislature annually shall appropriate the amount received under this subsection for the purpose of fulfilling the statutory obligations of the friend of the court in the third judicial circuit as provided in Act No. 294 of the Public Acts of 1982 and Act No. 295 of the Public Acts of 1982.

(4) The county treasurer shall remit 1/2 of the costs actually paid by a payer as ordered by the court under section 31, 32, or 44 of Act No. 295 of the Public Acts of 1982 to the law enforcement agency that executes the bench warrant issued for the arrest of that payer.

History: Add. 1982, Act 297, Eff. July 1, 1983 ;-- Am. 1996, Act 10, Eff. June 1, 1996 ;-- Am. 1996, Act 302, Eff. Jan. 1, 1997

6. Local Public Health Departments: Local Public Health Departments are mandated to carry out certain functions related to the public health and safety. Statute requires that the state pay for ½ the cost of mandated services, however the state has only paid its full share one time in the history of the act.

333.2433 Local health department; powers and duties generally.

Sec. 2433.

(1) A local health department shall continually and diligently endeavor to prevent disease, prolong life, and promote the public health through organized programs, including prevention and control of environmental health hazards; prevention and control of diseases; prevention and control of health problems of particularly vulnerable population groups; development of health care facilities and health services delivery systems; and regulation of health care facilities and health services delivery systems to the extent provided by law.

(2) A local health department shall:

(a) Implement and enforce laws for which responsibility is vested in the local health department.

(b) Utilize vital and health statistics and provide for epidemiological and other research studies for the
purpose of protecting the public health.

(c) Make investigations and inquiries as to:

(*i*) The causes of disease and especially of epidemics.

(*ii*) The causes of morbidity and mortality.

(*iii*) The causes, prevention, and control of environmental health hazards, nuisances,
and sources of illness.

(d) Plan, implement, and evaluate health education through the provision of expert technical assistance, or
financial support, or both.

(e) Provide or demonstrate the provision of required services as set forth in section 2473(2).

(f) Have powers necessary or appropriate to perform the duties and exercise the powers given by law to the
local health officer and which are not otherwise prohibited by law.

(g) Plan, implement, and evaluate nutrition services by provision of expert technical assistance or financial
support, or both.

(3) This section does not limit the powers or duties of a local health officer otherwise vested by law.

History: 1978, Act 368, Eff. Sept. 30, 1978.
Popular name: Act 368

333.2435 Local health department; additional powers.

Sec. 2435. A local health department may:

(a) Engage in research programs and staff professional training programs.

(b) Advise other local agencies and persons as to the location, drainage, water supply, disposal of solid waste, heating, and ventilation of buildings.

(c) Enter into an agreement, contract, or arrangement with a governmental entity or other person necessary or appropriate to assist the local health department in carrying out its duties and functions unless otherwise prohibited by law.

(d) Adopt regulations to properly safeguard the public health and to prevent the spread of diseases and sources of contamination.

(e) Accept gifts, grants, bequests, and other donations for use in performing the local health department's functions. Funds or property accepted shall be used as directed by its donor and in accordance with the law, rules, and procedures of this state and the local governing entity.

(f) Sell and convey real estate owned by the local health department.

(g) Provide services not inconsistent with this code.

(h) Participate in the cost reimbursement program set forth in sections 2471 to 2498.

333.2472 Services eligible for cost sharing; criteria and procedures for additional services; minimum standards for delivery of services.

Sec. 2472.

(1) Services which a local health department is required to provide under the program plan described in part 23 are eligible for cost sharing under this part.

(2) The department shall prescribe criteria and procedures for designating additional services proposed by a local health department as allowable services.

(3) The department shall establish minimum standards of scope, quality, and administration for the delivery of required and allowable services not inconsistent with sections 2471 to 2498.
History: 1978, Act 368, Eff. Sept. 30, 1978.
Popular name: Act 368

7. Mental Health: Counties are required by the mental health code to provide 10% of mental health funding.

330.1302 Financial liability of county.

Sec. 302.

(1) Except as otherwise provided in this chapter and in subsection (2), a county is financially liable for 10% of the net cost of any service that is provided by the department, directly or by contract, to a resident of that county.

(2) This section does not apply to the following:

(a) Family support subsidies established under section 156.

(b) A service provided to any of the following:

(i) An individual under a criminal sentence to a state prison.

(ii) A criminal defendant determined incompetent to stand trial under section 1032.

(iii) An individual acquitted of a criminal charge by reason of insanity, during the initial 60-day period of evaluation provided for in section 1050.

History: 1974, Act 258, Eff. Aug. 6, 1975 ;-- Am. 1983, Act 249, Imd. Eff. Dec. 15, 1983 ;-- Am. 1985, Act 77, Imd. Eff. July 5, 1985 ;-- Am. 1986, Act 265, Imd. Eff. Dec. 9, 1986 ;-- Am. 1995, Act 290, Eff. Mar. 28, 1996 ;-- Am. 1996, Act 588, Imd. Eff. Jan. 21, 1997
Compiler's Notes: Section 2 of Act 249 of 1983 provides: "This amendatory act shall take effect January l, 1984, for the purpose of promulgating rules pursuant to section 157, and July l, 1984, for the purpose of accepting written application."

8. Economic Development- Pursuant to several state statutes, cities are allowed to capture or exempt county property taxes, in some cases, with no say from the county elected board of commissioners. While this is a locally controlled issue, the state does not grant the county any mechanism for self determination. Additionally, renaissance zones are essentially state zones, which mandate complete tax exemption, including county millages. Schools, libraries, community colleges and ISDs are reimbursed for these zones, but not counties. Counties, however, must continue to provide services in all these areas. A statutory report on several of these tools is attached.

9. Court Reporters- State law in the Revised Judicature Act requires counties to reimburse various expenses for court reporters who reside outside of the county in which they work. According to Clare County, this means mileage and meal expenses essentially daily for employees in this situation. This requirement should be removed.

REVISED JUDICATURE ACT OF 1961 (EXCERPT)
Act 236 of 1961

600.835 Official court reporters or certified recorders; salary; oath; expenses; order for payment; residence of reporter or recorder.

Sec. 835.

(1) The probate judge or chief probate judge of any county or probate court district may appoint, and in counties having a population of 50,000 or more shall appoint, 1 or more official court reporters or certified recorders of the probate court, at a reasonable salary fixed by the county board of commissioners. The reporters or recorders so appointed shall take and subscribe the constitutional oath of office, which shall be filed with the county clerk of the county.

(2) The reporter or recorder serving in a probate court district shall be entitled to receive, in addition to the salary provided for in this section, the necessary and actual expenses incurred in attending court in the county other than the county in which the reporter or recorder resides. Upon filing with the clerk of the county in which the reporter or recorder attended court a sworn statement that the expenses were incurred by the reporter or recorder and that the expenditures were necessary in performing the services, the clerk shall draw an order for payment and upon presentation of that properly drawn order, the treasurer of the county shall pay the ordered sum to the person entitled to the payment. If the reporter or recorder does not reside within the probate court district in which he or she serves, he or she shall be considered for the purpose of this subsection to reside in the county where the probate judge of that district resides.

History: Add. 1978, Act 543, Eff. July 1, 1979 ;-- Am. 1986, Act 308, Eff. Jan. 1, 1987

600.1171 Expenses.

Sec. 1171.

The reporters or recorders shall be entitled to receive in addition to the salary provided for in this act the necessary and actual expenses incurred in attending court in the counties other than the county in which the reporter or recorder resides. Upon filing with the clerk of the county in which the reporter or recorder has attended a sworn statement that the money was expended by the reporter or recorder and that the expenditures were necessary in the performance of his or her service in that county, the clerk shall draw an order for payment and the treasurer of the county shall pay the ordered sum to the person entitled to it on the presentation of an order for payment properly drawn by the clerk. If the reporter or recorder does not reside within the circuit to which he or she is appointed, he or she shall be considered for the purpose of this section to reside in the county where the chief or only circuit judge of that circuit resides.

History: 1961, Act 236, Eff. Jan. 1, 1963 ;-- Am. 1986, Act 308, Eff. Jan. 1, 1987

REVISED JUDICATURE ACT OF 1961 (EXCERPT)
Act 236 of 1961

600.8625 Recorders or reporters; expenses; sworn statement; order.

Sec. 8625.

The recorders or reporters of district courts composed of more than 1 county shall be entitled to receive, in addition to the salary provided for in this act, their necessary and actual expenses incurred in attending court in the counties of their district other than the county in which the recorder or reporter resides. Upon filing with the clerk of the district control unit in which the recorder or reporter has attended court a sworn statement that the expenses were incurred by the recorder or reporter and that the expenditures were necessary in performing such services, the district control unit treasurer shall pay such sum to the person entitled to it on presentation of an order properly drawn by the clerk, which order the clerk shall draw on receiving the sworn statement.

History: Add. 1968, Act 154, Imd. Eff. June 17, 1968 ;-- Am. 1986, Act 308, Eff. Jan. 1, 1987

REVISED JUDICATURE ACT OF 1961 (EXCERPT)
Act 236 of 1961

600.8626 Residence of recorder or reporter.

Sec. 8626.

For the purposes of this chapter, the residence of a recorder or reporter who does not reside in the district in which he or she serves shall be deemed to be the same as the residence of the district judge for whom he or she serves.

10. Solid Waste Planning-MCL 324.11533 requires counties to develop a solid waste plan every 5 years. MCL 324.11547 provides that the state offer grants to allow the counties to provide for this service. To the best of our knowledge, this funding has not been provided for quite some time. Admittedly, plans have not been updated by counties in quite some time. However, legislation is being proposed by the DEQ to update plans.

These plans require significant amounts of staff time, including attorneys involvement in the drafting of the plan. The statute is referenced below. Another section of law provides further duties for counties on how the plan is to be carried out in MCL 324.11535.

324.11533 Initial solid waste management plan; contents; submission; review and update; amendment; scope of plan; minimum compliance; consultation with regional planning agency; filing, form, and contents of notice of intent; effect of failure to file notice of intent; vote; preparation of plan by regional solid waste management planning agency or by department; progress report.

Sec. 11533.

(1) Each solid waste management plan shall include an enforceable program and process to assure that the nonhazardous solid waste generated or to be generated in the planning area for a period of 10 years or more is collected and recovered, processed, or disposed of at disposal areas that comply with state law and rules promulgated by the department governing location, design, and operation of the disposal areas. Each solid waste management plan may include an enforceable program and process to assure that only items authorized for disposal in a disposal area under this part and the rules promulgated under this part are disposed of in the disposal area.

(2) An initial solid waste management plan shall be prepared and approved under this section and shall be submitted to the director not later than January 5, 1984. Following submittal of the initial plan, the solid waste management plan shall be reviewed and updated every 5 years. An updated solid waste management plan and an amendment to a solid waste management plan shall be prepared and approved as provided in this section and sections 11534, 11535, 11536, 11537, and 11537a. The solid waste management plan shall encompass all municipalities within the county. The solid waste management plan shall at a minimum comply with the requirements of sections 11537a and 11538. The solid waste management plan shall take into consideration solid waste management plans in contiguous counties and existing local approved solid waste management plans as they relate to the county's needs. At a minimum, a county preparing a solid waste management plan shall consult with the regional planning agency from the beginning to the completion of the plan.

(3) Not later than July 1, 1981, each county shall file with the department and with each municipality within the county on a form provided by the department, a notice of intent, indicating the county's intent to prepare a solid waste management plan or to upgrade an existing solid waste management plan. The notice shall identify the designated agency which shall be responsible for preparing the solid waste management plan.

(4) If the county fails to file a notice of intent with the department within the prescribed time, the department immediately shall notify each municipality within the county and shall request those municipalities to prepare a solid waste management plan for the county and shall convene a meeting to discuss the plan preparation. Within 4 months following notification by the department, the municipalities shall decide by a majority vote of the municipalities in the county whether or not to file a notice of intent to prepare the solid waste management plan. Each municipality in the county shall have 1 vote. If a majority does not agree, then a notice of intent shall not be filed. The notice shall identify the designated agency which is responsible for preparing the solid waste management plan.

(5) If the municipalities fail to file a notice of intent to prepare a solid waste management plan with the department within the prescribed time, the department shall request the appropriate regional solid waste management planning agency to prepare the solid waste management plan.

The regional solid waste management planning agency shall respond within 90 days after the date of the request.

(6) If the regional solid waste management planning agency declines to prepare a solid waste management plan, the department shall prepare a solid waste management plan for the county and that plan shall be final.

(7) A solid waste management planning agency, upon request of the department, shall submit a progress report in preparing its solid waste management plan.

11. Veterans' relief fund: A county shall maintain a Veterans' Relief Fund of up to 1/10 mill. It shall be used for the relief of indigent veterans and their families.

35.21 Veterans' relief fund; levy and collection of annual tax; emergency appropriation; disposition.

Sec. 1.

The county board of commissioners of each county shall annually levy, a tax not exceeding 1/10 of a mill on each dollar, to be levied and collected as provided by law, upon the taxable property of each township and city, for their respective counties, for the purpose of creating a fund for the relief of honorably discharged indigent members of the army, navy, air force, marine corps, coast guard, and women's auxiliaries of all wars or military expeditions in which the United States of America has been, is, or may hereafter be, a participant as prescribed in section 1 of Act No. 190 of the Public Acts of 1965, being section 35.61 of the Michigan Compiled Laws, and the indigent spouses, minor children, and parents of each such indigent or deceased member. Funds raised in accordance with the provisions of this section may be expended for the relief of indigent wives and children of active duty soldiers, sailors, marines, airmen, coast guardsmen, nurses, and members of the women's auxiliaries during the continuance of present hostilities and prior to their discharge. However, in any year which, in the opinion of the board, an emergency justifying the same exists, the board may appropriate a sum not to exceed 2/10 of a mill on each dollar for said purpose. The sums, when collected, shall be paid to the county treasurer of the county where such tax is levied in each of the counties in this state, to be paid out by the treasurer upon the order of the soldiers' relief commission duly signed by the chairperson and secretary of the commission. If any money in the fund is not necessary for the purpose for which it was raised, the money shall remain in the treasury of the county as a soldiers' relief fund, and shall be considered in raising future sums therefor.

12. County Medical Care Facilities: County Medical Care Facilities are the standard of care in long term care. They are required by the state to offer preference of care to those who can not pay. They tend to have a much higher Medicaid rate than private or other non-profit long term care settings. Further, counties are required to pay a "maintenance of effort" toward the operations of the county medical care facility.

400.58 County medical care facility; program of care and treatment; medical treatment and nursing care; special treatment; building; review of proposals and plans; inspection; enforcement.

Sec. 58.

(1) A county board may, with the approval of the county board of commissioners, supervise and be responsible for the operation of a county medical care facility in, auxiliary to, or independent of the county infirmary. If a county has a board of county institutions, a county medical care facility shall be supervised and operated by the board of county institutions, and all references in this section to the county board means, for that county, the board of county institutions. The county board in a county that has established a county medical care facility may collect from any available source for the cost of care given in the facility and the collections shall be deposited in the social welfare fund created under section 73a. The facility shall provide a program of planned and continuing medical treatment and nursing care under the general direction and supervision of a licensed physician employed full or part-time who shall be known as the medical director.

(2) Medical treatment and nursing care provided in a county medical care facility shall consist of services given to persons suffering from prolonged illness, defect, infirmity, or senility, or recovering from injury or illness. The services provided shall include some or all of the procedures commonly employed, such as physical examination, diagnosis, minor surgical treatment, administration of medicines, providing special diets, giving bedside care, and carrying out any required treatment prescribed by a licensed physician that are within the ability of the facility to provide.

(3) Services provided in a county medical care facility shall be consistent with the needs of the type of patient admitted and cared for, professionally supervised and planned, and provided on a continuing basis. A person shall not be admitted or retained for care if he or she requires special medical or surgical treatment or treatment for a psychosis, tuberculosis, or contagious disease, except that the facility may contain a supervised psychiatric ward for the temporary detention of mentally ill patients if the ward has been inspected and approved by the department of community health and certified by the department of community health to the county board, and if no other facility for temporary detention of mentally ill patients exists in the county. A county department may provide for the support of poor persons who may be feeble-minded or mentally ill at some other place or places and in a manner that best promotes the interests of the county and the comfort and recovery of such persons, at the expense of the county.

(4) A county board, in seeking approval to establish, extend, and operate a county medical care facility in an existing building, shall apply in writing to the department. The county board shall include with the application a proposed plan with specifications, including standards of operation, for the examination and recommendations of the department.

400.58b County medical care facility; eligibility for care; state aid recipient; admission ofpatients; state and federal aid for capital expenditures; special tax.

Sec. 58b. The state department in accordance with its rules and regulations may pay for medical care that a recipient of aid to the blind, aid to disabled, aid to dependent children, or old age assistance, receives in the county medical care facility. Other persons admitted to care in the facility shall be charged for the cost of their care to the extent of their financial ability as determined by the county department and such financial ability shall not preclude their eligibility for such care. Prior consideration shall be given to

any person who comes within the definition of a "poor person" set forth in section 1 of chapter 1 of Act No. 146 of the Public Acts of
1925, as amended, being section 401.1 of the Compiled Laws of 1948. No poor persons as so defined shall be refused admittance to a county medical care facility if there are then within such county medical care facility persons who are not senile and who are paying the total cost of their care.
Any county department which shall accept state financial aid for capital expenditures related to the establishment, extension or improvement of its facilities shall accept for care any patient eligible for admission as provided in section 58a, and having a domicile in the county and any patient for whom care is requested by the state department because of being found in the county without either a known domicile in the state or a place of residence outside the state to which he may be returned.
Direct state financial aid to meet part of the cost of capital expenditures for the establishment, extension or improvement of a county medical care facility may be provided from the general funds of the state or from such federal funds as may be made available in the following manner: The county social welfare board with
the approval of the county board of supervisors will make an application to the state department as otherwise provided in section 58 but shall make in addition, a showing of need, in the same manner as provided in section 18, that it is unable to meet all of the capital expenses of a county medical care facility. The state
department shall determine the percentage of the total capital cost of the facility which the county will be unable to meet and shall request from the legislature an appropriation from the general fund of the state or such federal funds as may be made available for this purpose to meet this amount. Requests of the legislature
from the state department for such appropriations shall be separate items for each medical care facility. The amount of state aid actually granted the county by the state department shall not exceed (1) the amount appropriated by the legislature in respect to the amount of the item in the budget, or (2) the percentage of state
aid required as previously determined by the state department, whichever is the lesser.
To defray the cost of construction in the establishment or extension of the medical care facility, the board of supervisors may raise in any 1 year a sum not exceeding .1 mill of each dollar of assessed valuation of the county, such tax to be regarded as a special tax collected in the same manner as other county charges, and moneys received therefrom shall be transmitted to the treasurer of the county who shall deposit same in a special fund to be used solely for the purposes for which the tax is spread. Money expended for construction in the establishment or extension of the facility shall be paid out by the county treasurer on the order of the
county social welfare board.

History: Add. 1954, Act 125, Eff. Aug. 13, 1954;☐Am. 1957, Act 286, Imd. Eff. June 13, 1957;☐Am. 1961, Act 184, Eff. Sept. 8,
1961;☐Am. 1965, Act 221, Imd. Eff. July 16, 1965;☐Am. 1966, Act 228, Eff. Aug. 1, 1966.
Popular name: Act 280

400.109 Medical services provided under act; notice and approval of proposed change in method or level of reimbursement; definitions.

Sec. 109.

(1) The following medical services may be provided under this act:

(a) Hospital services that an eligible individual may receive consist of medical, surgical, or obstetrical care, together with necessary drugs, X-rays, physical therapy, prosthesis, transportation, and nursing care incident to the medical, surgical, or obstetrical care. The period of inpatient hospital service shall be the minimum period necessary in this type of facility for the proper care and treatment of the individual. Necessary hospitalization to provide dental care shall be provided if certified by the attending dentist with the approval of the department of community health. An individual who is receiving medical treatment as an inpatient because of a diagnosis of tuberculosis or mental disease may receive service under this section, notwithstanding the mental

health code, 1974 PA 258, MCL 330.1001 to 330.2106, and 1925 PA 177, MCL 332.151 to 332.164. The department of community health shall pay for hospital services in accordance with the state plan for medical assistance adopted under section 10 and approved by the United States department of health and human services.

(b) An eligible individual may receive physician services authorized by the department of community health. The service may be furnished in the physician's office, the eligible individual's home, a medical institution, or elsewhere in case of emergency. A physician shall be paid a reasonable charge for the service rendered. Reasonable charges shall be determined by the department of community health and shall not be more than those paid in this state for services rendered under title XVIII.

(c) An eligible individual may receive nursing home services in a state licensed nursing home, a medical care facility, or other facility or identifiable unit of that facility, certified by the appropriate authority as meeting established standards for a nursing home under the laws and rules of this state and the United States department of health and human services, to the extent found necessary by the attending physician, dentist, or certified Christian Science practitioner. An eligible individual may receive nursing services in a short-term nursing care program established under section 22210 of the public health code, 1978 PA 368, MCL 333.22210, to the extent found necessary by the attending physician when the combined length of stay in the acute care bed and short-term nursing care bed exceeds the average length of stay for medicaid hospital diagnostic related group reimbursement. The department of community health shall not make a final payment pursuant to title XIX for benefits available under title XVIII without documentation that title XVIII claims have been filed and denied. The department of community health shall pay for nursing home services in accordance with the state plan for medical assistance adopted according to section 10 and approved by the United States department of health and human services. A county shall reimburse a county maintenance of effort rate determined on an annual basis for each patient day of medicaid nursing home services provided to eligible individuals in long-term care facilities owned by the county and licensed to provide nursing home services. For purposes of determining rates and costs described in this subdivision, all of the following apply:

(i) For county owned facilities with per patient day updated variable costs exceeding the variable cost limit for the county facility, county maintenance of effort rate means 45% of the difference between per patient day updated variable cost and the concomitant nursing home-class variable cost limit, the quantity offset by the difference between per patient day updated variable cost and the concomitant variable cost limit for the county facility. The county rate shall not be less than zero.

(ii) For county owned facilities with per patient day updated variable costs not exceeding the variable cost limit for the county facility, county maintenance of effort rate means 45% of the difference between per patient day updated variable cost and the concomitant nursing home class variable cost limit.

(iii) For county owned facilities with per patient day updated variable costs not exceeding the concomitant nursing home class variable cost limit, the county maintenance of effort rate shall equal zero.

(iv) For the purposes of this section: "per patient day updated variable costs and the variable cost limit for the county facility" shall be determined pursuant to the state plan for medical assistance; for freestanding county facilities the "nursing home class variable cost limit" shall be determined pursuant to the state plan for medical assistance and for hospital attached county facilities the "nursing class variable cost limit" shall be determined pursuant to the state plan for medical assistance plus $5.00 per patient day; and "freestanding" and "hospital attached" shall be determined in accordance with the federal regulations.

(v) If the county maintenance of effort rate computed in accordance with this section exceeds the county maintenance of effort rate in effect as of September 30, 1984, the rate in effect as of September 30, 1984 shall remain in effect until a time that the rate computed in accordance with this section is less than the September 30, 1984 rate. This limitation remains in effect until

December 31, 2012. For each subsequent county fiscal year the maintenance of effort may not increase by more than $1.00 per patient day each year.

(vi) For county owned facilities, reimbursement for plant costs will continue to be based on interest expense and depreciation allowance unless otherwise provided by law.

(d) An eligible individual may receive pharmaceutical services from a licensed pharmacist of the person's choice as prescribed by a licensed physician or dentist and approved by the department of community health. In an emergency, but not routinely, the individual may receive pharmaceutical services rendered personally by a licensed physician or dentist on the same basis as approved for pharmacists.

(e) An eligible individual may receive other medical and health services as authorized by the department of community health.

(f) Psychiatric care may also be provided pursuant to the guidelines established by the department of community health to the extent of appropriations made available by the legislature for the fiscal year.

(g) An eligible individual may receive screening, laboratory services, diagnostic services, early intervention services, and treatment for chronic kidney disease pursuant to guidelines established by the department of community health. A clinical laboratory performing a creatinine test on an eligible individual pursuant to this subdivision shall include in the lab report the glomerular filtration rate (eGFR) of the individual and shall report it as a percent of kidney function remaining.

(2) The director shall provide notice to the public, in accordance with applicable federal regulations, and shall obtain the approval of the committees on appropriations of the house of representatives and senate of the legislature of this state, of a proposed change in the statewide method or level of reimbursement for a service, if the proposed change is expected to increase or decrease payments for that service by 1% or more during the 12 months after the effective date of the change.

(3) As used in this act:

(a) "Title XVIII" means title XVIII of the social security act, 42 USC 1395 to 1395b, 1395b-2, 1395b-6 to 1395b-7, 1395c to 1395i, 1395i-2 to 1395i-5, 1395j to 1395t, 1395u to 1395w, 1395w-2 to 1395w-4, 1395w-21 to 1395w-28, 1395x to 1395yy, and 1395bbb to 1395ggg.

(b) "Title XIX" means title XIX of the social security act, 42 USC 1396 to 1396r-6 and 1396r-8 to 1396v.

(c) "Title XX" means title XX of the social security act, 42 USC 1397 to 1397f.

History: Add. 1966, Act 321, Eff. Oct. 1, 1966 ;-- Am. 1967, Act 289, Imd. Eff. Aug. 1, 1967 ;-- Am. 1970, Act 160, Imd. Eff. Aug. 2, 1970 ;-- Am. 1972, Act 367, Imd. Eff. Jan. 9, 1973 ;-- Am. 1977, Act 79, Imd. Eff. Aug. 2, 1977 ;-- Am. 1980, Act 321, Imd. Eff. Dec. 12, 1980 ;-- Am. 1980, Act 391, Imd. Eff. Jan. 7, 1981 ;-- Am. 1984, Act 408, Imd. Eff. Dec. 28, 1984 ;-- Am. 1990, Act 193, Imd. Eff. July 24, 1990 ;-- Am. 1990, Act 261, Imd. Eff. Oct. 15, 1990 ;-- Am. 1994, Act 352, Imd. Eff. Dec. 22, 1994 ;-- Am. 1995, Act 277, Imd. Eff. Jan. 8, 1996 ;-- Am. 1996, Act 473, Imd. Eff. Dec. 26, 1996 ;-- Am. 1997, Act 173, Imd. Eff. Dec. 30, 1997 ;-- Am. 2000, Act 168, Imd. Eff. June 20, 2000 ;-- Am. 2002, Act 673, Imd. Eff. Dec. 26, 2002 ;-- Am. 2006, Act 327, Imd. Eff. Aug. 10, 2006 ;-- Am. 2006, Act 576, Imd. Eff. Jan. 3, 2007
Compiler's Notes: For transfer of powers and duties of the home help program and the physical disabilities program from the family independence agency to the director of the department of community health, see E.R.O. No. 1997-5, compiled at MCL 400.224 of the Michigan Compiled Laws.
Popular Name: Act 280

COUNTIES ROLE IN ECONOMIC DEVELOPMENT IN MICHIGAN

January 2008

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A Look at Michigan's Economic Development Tools from a County Perspective

Michigan's 83 counties are by far the closest level of government to the state, as we are essentially constitutional arms of the state. As a result, we have many state mandates to follow, many of which are unfunded or under funded. While counties have a great deal of interest in promoting and enhancing the economic health of our state, current laws not only exacerbate the aforementioned unfunded mandates, but leave us with little opportunity to meaningfully participate in economic development projects, designed to stimulate Michigan's overall economic health. MAC believes this situation can be rectified, as counties are in a prime position to contribute to the state of our economy. The following report breaks down Michigan's economic development tools by statute, and will suggest areas to get counties more involved in the process.

I. Economic Development Tax Capture Statutes:

Downtown Development Authorities

- **125.1651** (r) "Municipality" means a city, village, or township.

The definition for municipality does not include counties, meaning counties cannot create DDA districts.

- **125.1653** (3) Not more than 60 days after a public hearing held after February 15, 1994, the governing body of a taxing jurisdiction levying ad valorem property taxes that would otherwise be subject to capture may exempt its taxes from capture by adopting a resolution to that effect and filing a copy with the clerk of the municipality proposing to create the authority. The resolution takes effect when filed with that clerk and remains effective until a copy of a resolution rescinding that resolution is filed with that clerk.

Counties are only allowed to opt out of DDAs created after 1994, those created prior to that can essentially go on capturing revenue forever. DDA's are supposed to expire upon a date certain, or until the development plan is accomplished, whichever is sooner, provided that all bonds are retired. Creating authorities (CVTs) can amend the plan however, and can go on capturing freely many times. Grand Rapids DDA has been going on since 1979 and capture was just reauthorized until 2034!

Counties should have an opportunity to revisit DDAs which have been in existence before 1994, under certain circumstances.

Tax Increment Finance Authorities

- **125.1801** (q) "Municipality" means a city.

Counties are not included in the definition of municipality, and hence, cannot create TIF districts.

- **125.1813** (3) Before the public hearing on the tax increment financing plan, the governing body shall provide a reasonable opportunity to the taxing jurisdictions in which the development is located to express their views and recommendations regarding the tax increment financing plan. The authority shall fully inform the taxing jurisdictions about the fiscal and economic implications of the proposed tax increment financing plan. The taxing jurisdictions may present their recommendations at the public hearing on the tax increment financing plan. The authority may enter into agreements with the taxing jurisdictions and the governing body of the municipality in which the development area is located to share a portion of the captured assessed value of the district.

Counties are not afforded the opportunity to opt out of TIF districts, only the opportunity to comment at a public hearing. This leaves counties with no negotiating power in these economic development tools. ***The act should include language similar to DDA opt-out for taxing jurisdictions.***

Local Development Financing Act

- **125.2152** (w) "Municipality" means a city, village, or urban township.

Counties are unable to establish these tax capture districts, as they are not defined as a municipality.

- **125.2154** (3) Not more than 60 days after a public hearing held after February 15, 1994, the governing body of a taxing jurisdiction with millage that would otherwise be subject to capture may exempt its taxes from capture by adopting a resolution to that effect and filing a copy with the clerk of the municipality proposing to create the authority. However, a resolution by a governing body of a taxing jurisdiction to exempt its taxes from capture is not effective for the capture of taxes that are used for a certified technology park. The resolution takes effect when filed with that clerk and remains effective until a copy of a resolution rescinding that resolution is filed with that clerk.

Counties are allowed to opt out of LDFA districts which are created after 1994, but similar to those tax capture districts in the DDA legislation, are unable to do so in pre-1994 legislation. ***However, counties cannot opt out of those captures that are used for a certified technology park. This exemption should be removed and counties should have an opportunity to revisit the pre-1994 LDFAs***

Brownfield Redevelopment Financing Act

- **125.2652** (z) "Qualified facility" means a landfill facility area of 140 or more contiguous acres that is located in a city and that contains a landfill, a material recycling facility, and an asphalt plant that are no longer in operation.

- **125.2654** (6) If the board implements or modifies a Brownfield plan that contains a qualified facility, the governing body shall mail notice of that implementation or modification to each taxing jurisdiction that levies ad valorem property taxes in the municipality. Not more than 60 days after receipt of that notice, the governing body of a taxing jurisdiction levying ad valorem property taxes that would otherwise be subject to capture may exempt its taxes from capture by adopting a resolution to that effect and filing a copy with the clerk of the municipality in which the qualified facility is located. The resolution takes effect when filed with that clerk and remains effective until a copy of a resolution rescinding that resolution is filed with that clerk.

Currently, counties can opt out of Brownfield redevelopment financing captures if the property in question is a "qualified facility", meaning a landfill only, while the act allows redevelopment on many different types of property. By changing the definition to eligible property, counties will have the ability to be able to consistently opt out of other projects under this act.

Historical Neighborhood TIF

- **125.2842** (p) "Municipality" means a city or township in which a historic district is located.

Counties are not considered a municipality, and cannot create Historical Neighborhood TIFs.

- **125.2857** (5) Not more than 60 days after the public hearing, the governing body in a taxing jurisdiction levying ad valorem property taxes that would otherwise be subject to capture may exempt its taxes from capture by adopting a resolution to that effect and filing a copy with the clerk of the municipality proposing to create the authority. In the event that the governing body levies a separate millage for public library purposes, at the request of the public library board, that separate millage shall be exempt from the capture. The resolution shall take effect when filed with the clerk and remains effective until a copy of a resolution rescinding that resolution is filed with that clerk.

Counties are afforded an opportunity to opt out of this form of TIF.

Corridor Improvement Authorities

- **125.2872(o)** (o) "Municipality" means 1 of the following:

  (i) A city.

  (ii) A village.

  (iii) A township.

The definition for municipality does not include counties, meaning counties cannot create Corridor Improvement Districts.

- **125.2888** (5) Except for a development area located in a qualified development area, not more than 60 days after the public hearing, the governing body in a taxing jurisdiction levying ad valorem property taxes that would otherwise be subject to capture may exempt its taxes from capture by adopting a resolution to that effect and filing a copy with the clerk of the municipality proposing to create the authority. The resolution shall take effect when filed with the clerk and remains effective until a copy of a resolution rescinding that resolution is filed with that clerk.

Counties, and other taxing jurisdictions have the opportunity to opt out of this particular tax increment financing tool.

II. Economic Development Tax Exemption/Abatement Statutes

Industrial Facilities Property Tax Abatement Act

207.552 (5) "Local governmental unit" means a city, village, or township located in this state.

Counties are not included in the definition of local governmental unit, which means they cannot create plant rehabilitation and industrial development districts.

207.555 (2) Upon receipt of an application for an industrial facilities exemption certificate, the clerk of the local governmental unit shall notify in writing the assessor of the assessing unit in which the facility is located or to be located, and the legislative body of each taxing unit that levies ad valorem property taxes in the local governmental unit in which the facility is located or to be located. Before acting upon the application, the legislative body of the local governmental unit shall afford the applicant, the assessor, and a representative of the affected taxing units an opportunity for a hearing.

Counties are only afforded a hearing on the proposed exemption of ad valorem property taxes in an Act 198 district, not an actual vote on the proposal. This act results in complete ad valorem exemption for a business or businesses, and places a state specific tax in its place, which amounts to half of the mills levied under the ad valorem system.

While counties cannot opt out of this type of tool, this tool is proven to create real economic development that eventually would benefit all jurisdictions.

Commercial Redevelopment Act

207.654 (1) "Local governmental unit" means a city, village, or township.

Counties are not included in the definition of local governmental units, meaning they cannot create commercial redevelopment districts.

207.656 (2) Upon receipt of an application for a commercial facilities exemption certificate, the clerk of the local governmental unit shall notify in writing the assessor of the assessing unit in which the facility is located or to be located, and to the legislative body of each taxing unit which levies ad valorem property taxes in the local governmental unit in which the facility is located or to be located. Before acting upon the application, the legislative body of the local governmental unit shall hold a public hearing on the application and give public notice to the applicant, the assessor, a representative of the affected taxing jurisdictions, and the general public. The hearing on the application shall be held separately from the hearing on the establishment of the commercial redevelopment district.

Counties are only afforded a hearing on the proposed exemption of ad valorem property taxes in a commercial redevelopment district, not an actual vote on the proposal. This act results in complete ad valorem exemption for a business or businesses, and places a state specific tax in its place, which amounts to half of the mills levied under the ad valorem system.

Technology Park Development Act

- 207.703 (3) "Local governmental unit" means a city, village, or township.

Counties are not defined as a local governmental unit, and therefore cannot create technology parks.

- **207.706** (2) Upon receipt of an application for a certificate, the clerk of the local governmental unit shall notify in writing the assessor of the assessing unit in which the facility is located or to be located and the legislative body of each taxing unit that levies ad valorem property taxes in the district in which the facility is located or is to be located that such an application has been received. Before acting upon the application, the legislative body of the local governmental unit shall set a date for a public hearing on the application and shall publish public notice of the hearing. The legislative body shall also give written notice of the hearing to the applicant, the assessor, and a representative of the affected taxing jurisdictions by certified mail not less than 10 nor more than 30 days before the date of the hearing.

Counties are only notified of the creation of the technology park, and given the opportunity for a hearing, but not afforded an opportunity to vote on the exemption of their taxes.

Personal Property Tax Abatement

211.9f (1) The governing body of an eligible local assessing district may adopt a resolution to exempt from the collection of taxes under this act all new personal property owned or leased by an eligible business located in 1 or more eligible districts designated in the resolution. The clerk of the eligible local assessing district shall notify in writing the assessor of the local tax collecting unit in which the eligible district is located and the legislative body of each taxing unit that levies ad valorem property taxes in the eligible local assessing district in which the eligible district is located. Before acting on the resolution, the governing body of the eligible local assessing district shall afford the assessor and a representative of the affected taxing units an opportunity for a hearing.

Since counties are not assessing districts, they would not qualify to be able to offer these abatements to personal property tax. Additionally, counties would not be able to consent to these abatements, as they are not afforded the opportunity to vote for or against them, rather, only have the opportunity for a hearing.

211.9i (4) Within 60 days after receipt of the certification of alternative energy personal property under subsection (2), the governing body of the local tax collecting unit in which the alternative energy personal property is located may adopt a resolution to not exempt that alternative energy personal property from the taxes collected in that local tax collecting unit, except taxes collected under sections 1211 and 1212 of the revised school code, 1976 PA 451, MCL 380.1211 and 380.1212, a tax levied under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, to retire outstanding bonded indebtedness, or the tax levied by this state under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906. The clerk of the local tax collecting unit shall notify in writing the assessor of the local tax collecting unit in which the alternative energy personal property is located and the legislative body of each taxing unit that levies ad valorem property taxes in that local tax collecting unit in which the alternative energy personal property is located. Notice of the meeting at which the resolution will be considered shall be provided as required under the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. Before acting on the resolution, the governing body of the local tax collecting unit shall afford the assessor and a representative of the affected taxing units an opportunity for a hearing. If a resolution is adopted under this subsection, a copy of the resolution shall be forwarded to the Michigan next energy authority and to the state treasurer. If a resolution is not adopted under this subsection, that alternative energy personal property is exempt from the taxes collected in that local tax collecting unit for the period provided in subsection (5), except as otherwise provided in this section.

Counties are also not afforded the opportunity to vote for or against the exemption of alternative energy personal property, and only are allowed a hearing on the issue.

Personal Property Tax Abatement (Cont.)

211.9j (1) For taxes levied after December 31, 2004, upon application for an exemption under this section by the administration of an innovations center, the governing body of a local tax collecting unit may adopt a resolution to exempt from the collection of taxes under this act all personal property that is owned or used by any qualified high-technology business located in that innovations center and all personal property that is owned or used by the administration of that innovations center. The clerk of the local tax collecting unit shall notify in writing the assessor of the local tax collecting unit and the legislative body of each taxing unit that levies ad valorem property taxes in the local tax collecting unit. Before acting on the resolution, the governing body of the local tax collecting unit shall afford the assessor and a representative of the affected taxing units an opportunity for a hearing. A copy of the resolution shall be filed with the state tax commission. The application for exemption under this section shall be in a form prescribed by the state tax commission.

As is the case with all personal property tax decisions, counties are not afforded an opportunity to vote either for or against personal property exemptions with regards to qualified high-technology businesses.

Renaissance Zones

125.2687 (2) The board shall not designate an area as a renaissance zone unless each city, village, or township, within which the proposed renaissance zone is to be located, provides a resolution from its governing body that states if the renaissance zone designation is granted, persons and property within the renaissance zone are exempt from taxes levied by that city, village, or township as provided in this act.

Counties can apply to create renaissance zones, as they must achieve consent of the city, village or township in order to establish the zone. Ironically, if a city, village or township creates a zone, county consent is not required. ***All types of renaissance zones should be subject to the approval of the county board, if CVTs have to approve county zones. The following statutes represent the additional aforementioned variety of renaissance zones to be amended:***

125.2688a(2)- alternative energy renaissance zones…only requires CVT consent, not county.

125.2688c(1)-agricultural renaissance zones…only requires CVT consent, not county.

125.2688d(1)-tool and die renaissance zones…only requires CVT consent, not county.

125.2688e(1)-renewable energy facilities renaissance zones…only requires CVT consent, not county.

125.2688f(1)-forest products processing facility renaissance zones…only requires CVT consent, not county.

Renaissance Zones (Cont.)

125.2692 Sec. 12.

(1) This state shall reimburse intermediate school districts each year for all tax revenue lost as the result of the exemption of property under this act, based on the property's taxable value in that year, from taxes levied under section 625a of the revised school code, 1976 PA 451, MCL 380.625a; from taxes levied for area vocational-technical program operating purposes under section 681 of the revised school code, 1976 PA 451, MCL 380.681; and from taxes levied for special education operating purposes under section 1724a of the revised school code, 1976 PA 451, MCL 380.1724a.

(2) This state shall reimburse local school districts each year for all tax revenue lost as the result of the exemption of property under this act from taxes levied under section 1211 of the revised school code, 1976 PA 451, MCL 380.1211, based on the property's taxable value in that year.

(3) This state shall reimburse a community college district and a public library each year for all tax revenue lost as a result of the exemption of property under this act, based on the property's taxable value in that year, from taxes levied or collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

(4) Intermediate school districts, community college districts, and public libraries eligible for reimbursement under subsections (1) and (3) shall report to and on a date determined by the department of treasury all revenue lost for which reimbursement under subsections (1) and (3) is claimed. A local school district eligible for reimbursement under subsection (2) shall report each year on a date determined by the department of treasury all revenue lost for which reimbursement under subsection (2) is claimed.

(5) This state shall reimburse the school aid fund for all revenues lost as the result of the establishment of renaissance zones. Foundation allowances calculated under section 20 of the state school aid act of 1979, 1979 PA 94, MCL 388.1620, shall not be reduced as a result of lost revenues arising from this act.

Essentially all other taxing jurisdictions, with the exception of counties, get reimbursed for revenues lost under these zones…why are counties left out? Why are counties not given consent to take county revenue? Perhaps the simplest fix is to include counties in the list of entities reimbursed by the state.

Neighborhood Enterprise Zones

207.772 (f) "Local governmental unit" means a qualified local governmental unit as that term is defined under section 2 of the obsolete property rehabilitation act, 2000 PA 146, MCL 125.2782, or a county seat.

Per cross referenced definition in the Obsolete Property Rehabilitation Act, counties are not defined as a local governmental unit, and as such, cannot create Neighborhood Enterprise Zones.

207.773 (2) The total acreage of the neighborhood enterprise zones containing only new facilities or rehabilitated facilities or any combination of new facilities or rehabilitated facilities designated under this act shall not exceed 15% of the total acreage contained within the boundaries of the local governmental unit. The total acreage of the neighborhood enterprise zones containing only homestead facilities designated under this act shall not exceed 10% of the total acreage contained within the boundaries of the local governmental unit or, with the approval of the board of commissioners of the county in which the neighborhood enterprise zone is located if the county does not have an elected or appointed county executive or with the approval of the board of commissioners and the county executive of the county in which the neighborhood enterprise zone is located if the county has an elected or appointed county executive, 15% of the total acreage contained within the boundaries of the local governmental unit.

Neighborhood Enterprise Zones (Cont.)

(3) Not less than 60 days before the passage of a resolution designating a neighborhood enterprise zone or the repeal or amendment of a resolution under subsection (5), the clerk of the local governmental unit shall give written notice to the assessor and to the governing body of each taxing unit that levies ad valorem property taxes in the proposed neighborhood enterprise zone. Before acting upon the resolution, the governing body of the local governmental unit shall make a finding that a proposed neighborhood enterprise zone is consistent with the master plan of the local governmental unit and the neighborhood preservation and economic development goals of the local governmental unit. The governing body before acting upon the resolution shall also adopt a statement of the local governmental unit's goals, objectives, and policies relative to the maintenance, preservation, improvement, and development of housing for all persons regardless of income level living within the proposed neighborhood enterprise zone. Additionally, before acting upon the resolution, the governing body of a local governmental unit with a population greater than 20,000 shall pass a housing inspection ordinance. A local governmental unit with a population of 20,000 or less may pass a housing inspection ordinance. Before the sale of a unit in a new or rehabilitated facility for which a neighborhood enterprise zone certificate is in effect, an inspection shall be made of the unit to determine compliance with any local construction or safety codes and that a sale may not be finalized until there is compliance with those local construction or safety codes. The governing body shall hold a public hearing not later than 45 days after the date the notice is sent but before acting upon the resolution.

This statute is better for counties than most of the other economic development tools. Counties cannot establish NEZs, but do have some control over county revenues to a certain point. Cities can designate up to 10% of their geography as an NEZ. If a city wants to expand that up to 15% of the city, it must be approved by the county. MAC believes all designations should be approved by the county.

Obsolete Property Rehabilitation Act

125.2782 (k) "Qualified local governmental unit" means 1 or more of the following:

(i) A city with a median family income of 150% or less of the statewide median family income as reported in the 1990 federal decennial census that meets 1 or more of the following criteria:

(A) Contains or has within its borders an eligible distressed area as that term is defined in section 11(u)(ii) and (iii) of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1411.

(B) Is contiguous to a city with a population of 500,000 or more.

(C) Has a population of 10,000 or more that is located outside of an urbanized area as delineated by the United States bureau of the census.

(D) Is the central city of a metropolitan area designated by the United States office of management and budget.

(E) Has a population of 100,000 or more that is located in a county with a population of 2,000,000 or more according to the 1990 federal decennial census.

(ii) A township with a median family income of 150% or less of the statewide median family income as reported in the 1990 federal decennial census that meets 1 or more of the following criteria:

(A) Is contiguous to a city with a population of 500,000 or more.

(B) All of the following:

Obsolete Property Rehabilitation Act (Cont.)

(I) Contains or has within its borders an eligible distressed area as that term is defined in section 11(u)(ii) of the state housing development authority act of 1966, 1966 PA 346, MCL 125.1411.

(II) Has a population of 10,000 or more.

(iii) A village with a population of 500 or more as reported in the 1990 federal decennial census located in an area designated as a rural enterprise community before 1998 under title XIII of the omnibus budget reconciliation act of 1993, Public Law 103-66, 107 Stat. 416.

(iv) A city that meets all of the following criteria:

(A) Has a population of more than 20,000 or less than 5,000 and is located in a county with a population of 2,000,000 or more according to the 1990 federal decennial census.

Critical to both this act and the Neighborhood Enterprise Zone Act, counties are not defined as a qualified local governmental unit, meaning in this act as well, counties may not establish obsolete property rehabilitation districts.

125.2784 (2) Upon receipt of an application for an obsolete property rehabilitation exemption certificate, the clerk of the qualified local governmental unit shall notify in writing the assessor of the local tax collecting unit in which the obsolete facility is located, and the legislative body of each taxing unit that levies ad valorem property taxes in the qualified local governmental unit in which the obsolete facility is located. Before acting upon the application, the legislative body of the qualified local governmental unit shall hold a public hearing on the application and give public notice to the applicant, the assessor, a representative of the affected taxing units, and the general public. The hearing on each application shall be held separately from the hearing on the establishment of the obsolete property rehabilitation district.

(3) Upon receipt of an application for an obsolete property rehabilitation exemption certificate for a facility located on property that was owned by a qualified local governmental unit on the effective date of this act, and subsequently conveyed to a private owner, the clerk of the qualified local governmental unit, in addition to the other requirements of this section, shall request the assessor of the local tax collecting unit in which the facility is located to determine the taxable value of the property. This determination shall be made prior to the hearing on the application for an obsolete property rehabilitation exemption certificate held pursuant to subsection (2).

Counties are not eligible to vote on the creation of these districts, nor can they approve or deny another jurisdiction from exempting county revenue. Counties need to have a vote to approve or deny exemption of county revenue.

Commercial Rehabilitation Act

- **207.842** (i) "Qualified local governmental unit" means a city, village, or township.
- **207.842** (1) A qualified local governmental unit, by resolution of its legislative body, may establish 1 or more qualified rehabilitation districts that may consist of 1 or more parcels or tracts of land or a portion of a parcel or tract of land, if at the time the resolution is adopted, the parcel or tract of land or portion of a parcel or tract of land within the district is a qualified facility.

Counties do not qualify as a "qualified local governmental unit", which means they may not create the tax exempting rehabilitation district under this act.

- **207.843** (5) Within 28 days after receiving a copy of the resolution establishing a commercial rehabilitation district, the county may reject the establishment of the district by 1 of the following methods:

  (a) If the county has an elected county executive, by written notification to the qualified local governmental unit.

  (b) If the county does not have an elected county executive, by a resolution of the county board of commissioners provided to the qualified local governmental unit.

This is the one act in which counties have real negotiating authority, in that they may choose to reject the establishment of the district. This ensures that county government is part of the process in determining whether or not the project makes economic development sense from the standpoint of the county.

Conclusion

A cumulative look at the statutes outlined here certainly leaves much for counties to be desired. Michigan's 83 counties have been willing participants in economic development projects over the last 30 years by forgoing millions of dollars of property tax revenue and taxable value. Moving forward counties must be equal partners with regards to economic development decision making. Specifically, counties should, at a minimum, have a say over county revenue that is to be exempted or captured. Some counties would like the opportunity to create some of these zones, while others would be satisfied by participating in these tools with an element of county consent.

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to	Legislative Commission on Statutory Mandates	from	Summer Minnick, Director, State Affairs
cc		date	May 15, 2008
		subject	State Mandates on Cities and Villages

Local units of government have significant responsibilities when it comes to the health, safety, and welfare of their residents. However, it is extremely difficult for local elected and appointed officials to meet those obligations. In addition to the restrictions local governments face on revenue generation, of which there are many, there are also several mandates which increase their costs. These mandates greatly limit local communities' ability to control their costs and maintain the quality of life that is needed in order to attract jobs and residents in the new economy.

As you have requested, the Michigan Municipal League has surveyed our members on what they consider to be the most costly mandates that the State placed upon them. In the interest of time we encouraged our members to submit their responses online via direct emails to all members and through our Legislative Link weekly e-newsletter.

After posting the survey for 3 weeks, we were able to collect and determine what our members believe to be the most burdensome mandates. I have included the list of mandates, a short description of what the mandate includes, the MCL citation and any applicable information that we have regarding the subject matter.

In addition to the ten listed below, there are other suggestions provided to us that would help them provide better, more efficient services to residents and business. We would be happy to provide you with that additional material if requested.

We greatly appreciate the opportunity to provide you with this information and look forward to continuing to participate in this important endeavor.

Top Ten Most Costly/Burdensome Mandates Survey Results

1. Binding arbitration for police and fire.

   MCL: 423.231
   Known throughout local government simply as "PA 312," mandatory binding arbitration has been stated by some to be the single biggest unfunded mandate local governments face. When a municipality provides police and/or fire for the health, safety and welfare of their residents and businesses, they are all subject to the provision of PA 312 which requires than an arbitrator dictate wages and benefits should the local union not come to an agreement with the local elected officials. The locals present recommendations to the state-appointed mediator based on what is fiscally possible, while the unions are free to make requests that are not balanced by the affect on the community. Locals have requested that 312 give greatest weight to the "ability to pay" of a community. They also believe that state arbitrators, when handing down decisions, should give great weight to the internal factors and comparables of a community rather than looking outside the community. When an arbitrator can make arbitrary decisions that the community has to pay for, this is a huge unfunded mandate that can lead to reduction of services in other areas or an increase in tax on the citizens. This Act hangs over the heads of all negotiations and is seen as a threat which is used to help drive up the costs of wages and benefits for these employees. This, in turn, can create a ripple effect throughout the municipalities' other "non-312" union negotiations and for other communities throughout the region.

2. National Pollutant Discharge Elimination System, Michigan permitting process

   MCL: 324.3103-3133 and 324.4101-4113
   Although the system described here originates from the federal government, many members of the Michigan Municipal League felt that the Michigan reporting requirements were a significant unfunded mandate placed upon them. NPDES regulated the permitting process for storm water and is an extensive, expensive reporting process that is a significant burden for local units of government across the state.

3. Segregation of Major/Local Streets

   MCL: 247.663
   State law requires the segregation of major street funds and local street funds. The classification of these streets was initially done in 1951, and it is difficult to change these classifications. Over time, use of our streets may have changed but the classifications have stayed the same. In addition, state law only allows a transfer of 25% between the major fund and the local fund unless a road agency uses an asset management process. In the case of an asset management process, then we can transfer up to 50% from the major fund to the local fund. Nevertheless, as we strive to keep all of our roads in good condition, we should have the flexibility to use all of our road funds for any and all of our roads.

4. Running school elections and not being reimbursed for real costs

   MCL: 168.315
   Due to the recent election consolidation laws, local units of government are now required to have elections on four dates. Schools must now also have their elections on these dates. The local municipality must run the school elections. And, although there is a provision for reimbursement by the schools to the local unit of government, it does not cover the real cost of the election. It states “actual” costs which include materials, etc.

5. Requiring optical scan machines for voting equipment

   MCL: 168.24j
   Local units of government were given optical scan machines when this requirement was put into law, because the initial cost of this would been have been a significant and many recognized it as a potential Headlee violation. But what isn’t being recognized is the significant increase in maintenance of these machines, compared to the prior election equipment which municipalities had the option of using.

6. Requiring certified mail for public hearings

   MCL: 8.11 (is an initial reference, though it is found in numerous places)
   This mandate is very costly to local units of government and is found in a vast number of statutes, including Planning and Zoning Enabling Acts, Home Rule Cities Act, Certification of City and Village Plats Act, Open Meetings Act, State Construction Code Act, Obsolete Properties Act, among others. It is costly because it is more than a first class stamp, but required certified mail to include “certified mail, return receipt requested,” which is significant for large mailings. This requirement is to solicit feedback from other communities, but often does not generate any feedback and is a waste of money. Communities should be able to provide this electronically.

7. Requiring permitting of compost sites

   MCL: 324.11502
   This is a recent new mandate which costs local units of government approximately $600 for a permit for a site which accepts compost.

8. Requiring electronic fingerprinting

   MCL: 28.161

Electronic fingerprinting equipment was provided to the counties when this became a requirement. However, that cost of equipment was not passed down to local units of government. And, it became so costly for members to transport the person being fingerprinted, some had to go and purchase the equipment for themselves to save money in the long run. However, this was a significant cost to them.

9. Requiring quarterly reports from Treasurers to local boards/councils

   MCL: 129.96
   This is another recent mandate that Treasurers now have to make quarterly reports to their Boards/Councils when making certain decisions. While it sounds harmless, extra reporting requirements costs municipalities significant amounts of revenue over the course of several years, and makes streamlining and downsizing difficult when there are addition reports that need to be filed continuously.

10. Requiring local units of government to share master plans

    MCL: 125.3811(2), 125.3812(2), 125.3839, 125.3841, 125.3845, 125.3851, and 125.3869
    This is a requirement that local units of government must share their master plans via first class mail or personal delivery to multiple entities. In the recently enacted Planning Enabling Act, a positive feature was added allowing this to be via electronic mail, but this is only if the planning commission states that is their intention and none of the entities object. Therefore, it is still a mandate that cannot be controlled by the local unit of government.

MTA

MICHIGAN TOWNSHIPS ASSOCIATION

May 27, 2008

Members of the Legislative Commission on Statutory Mandates:

The Michigan Townships Association (MTA) greatly appreciates the opportunity that you have provided our association related to input regarding burdensome mandates being placed on township governments. The work of your committee and the review by the Legislature of burdensome state mandates is significant and certainly welcomed by financially strapped local governments in Michigan.

MTA conducted a month-long electronic survey that allowed our member township officials to provide up to 10 mandates that they felt are most burdensome. We had good participation as more than 345 township officials visited the survey site. We received a great number of suggested mandate topics but unfortunately, received few specific statute references and even fewer cost determinations. We calculated the input we received from our township officials as a basis for our recommendations.

MTA is submitting the attached list of our "Top 10" most burdensome mandates being placed on township governments. We have included appropriate Michigan Compiled Law (MCL) citations and a brief description of each of the mandates. However, at this point we are not providing the estimated costs associated with each mandate.

We know that the members of the Legislative Commission on Statutory Mandates understand that local units of government have responsibilities for the health, safety and welfare of their residents. And that in these difficult economic times local governments in many instances are struggling to just maintain existing levels of essential services. Countless townships across Michigan are faced with cutting back on emergency service offerings, parks and recreational programs, funding for roads and other critical services. The work of the Legislative Commission on Statutory Mandates can potentially offer some relief for many struggling local governments.

Please accept this list from MTA as our initial step in cooperating with the Legislative Commission on Statutory Mandates. We look forward to continuing our work together and will work to provide any further information that may be needed. I can be reached at (517) 321-6467. Thank you.

Sincerely,

David W. Bertram
MTA Legislative Liaison

The Michigan Townships Association "Top 10" list of most burdensome mandates placed on township governments. These items are listed in priority order, with the most significant mandate beginning with number one. This list is being submitted to the Legislative Commission on Statutory Mandates on May 27, 2008.

1. Tax collections required twice per year (summer tax collections).

   MCL 211.905 b(2-5)

   Since 2003, the state has required property tax collections to take place both in the summer and winter. Prior to 2003, roughly 300 townships (out of 1,242) conducted summer tax collections voluntarily. Even though the Michigan Department of Treasury attempts to reimburse local governments by providing a $2.50 per parcel reimbursement, township officials claim that this amount does not cover the true costs of doing summer tax collection.

2. Election Consolidation/School Elections

   MCL 168.315

   Recent changes in Michigan's election laws that consolidate elections to four possible dates, has caused an increased burden on local clerks. While the intent of the law was to streamline the number elections by including school elections among the four dates, it appears as though some communities are experiencing an increase in the number of elections and therefore the associated costs of running the election. The provisions in law related to reimbursement by the schools to the local unit for the costs of the election do not cover the real costs of the election.

3. Defending Utility Property Tax Appeals

   MCL 211.34 a & c

   In recent years, there has been an increase in challenges against property tax assessments related to utility properties. These cases in particular are difficult for the local community to defend, because they are not questioning the work of the local assessor, they are questioning the validity of the work done by the state STC in establishing uniform procedures and valuation tables. Townships have the responsibility of doing assessing, yet, those assessment levels determine the revenue amounts for all local governments (school districts, community colleges, county government and township government, etc.) that collect taxes in that township. Local governments across the board are forced to fight these tax appeals in many cases to simply hold the line on current revenues. Legal costs alone often strain local governments financially as lengthy, complicated appeals drag on for months and years. The state has not always been willing to step into these appeals, yet, has been quite quick to criticize local governments when settlements involve lower revenue collections.

4. New Assessing requirements

   MCL 211.7cc

   There are a variety of requirements that have recently become part of the duties of an assessor that have made the job more difficult. These are primarily in connection with the administration of Proposal A and include the processing of the "principle residence exemptions". Further, in 2004 new State Tax Commission requirements were established that all property be reassessed by every five years. Also in 2006 new laws were enacted (Public Acts 378-380 of 2006), creating the Qualified Forest Property Program. The new laws are cumbersome for assessors in tracking property related to the conditional rescissions or exemptions of qualified forest property within the Commercial Forest Act.

5. Binding arbitration for police and fire (Public Act 312)

MCL 423.231

Not all townships have unions representing their police and fire personnel, however, those townships that do have listed this as a significant burdensome requirement in state law. Public Act 312 requires binding arbitration when contract agreements cannot be reached between union negotiators representing police and fire personnel and township representatives. Unfortunately, the law is very rigid and does not allow arbitrators to calculate the ability of local governments to pay regarding the level of salaries and benefits in question.

6. Publication of notices in newspapers

MCL 41.72a, MCL 42.8, MCL 41.84, MCL 42.7(6)

There are a variety of requirements in current law that requires townships to provide notices in newspapers that are generally circulated in their area. These include notices for meetings, public hearings, ordinances, meeting minutes, etc. These notices are expensive and may often not be seen due to placement in the paper. Many townships provide these same notices on their website at little or no expense.

7. Storm water phase II

Federal Clean Water Act (33 USE 1342) (p)(6), 40 CFR 122.26

The State of Michigan's administration of the storm water phase II program by the DEQ has caused significant financial burdens on many townships across Michigan. And although a 2007 Kalamazoo (Circuit Court) opinion has provided relief to some townships that are not "owners" or "operators" of MS4 systems, there is still a great number that are burdened with the six minimum measurements involved in the program. Most townships have very little input or say related to drainage issues within their township. This function primarily rests with the county drain commissioner.

8. Maintenance costs related to new (mandated) voting equipment

MCL 168.24j

Many township clerks are reporting significant costs related to maintenance, storage and upkeep of the new optical scan voting machines. These machines are required under the new "uniform voting law" changes found in the Help America Vote Act (HAVA) that mandated the state to have one voting system. The equipment was purchased for and provided to local governments. However, the maintenance costs related to the new equipment is much higher than in the past on other voting machines.

9. New Auditing standards

Government Accounting Standard Boards (GASB 34, 43, 45); Statement on Auditing Standards #112 (SAS); American Institute of Certified Public Accountants (AICPA)

There are several new requirements related to auditing procedures that are to be followed by local governments. There are new interviewing requirements that take a significant amount of time for local auditors. Further, there are more internal control procedures.

10. Requirement to share master plans with others

MCLs 125.3811 (2), 125.3812 (2), 125.3841, 125.3845, 125.3851, 125.3869

Township officials have weighed in that the new requirements that townships share their master plans with all their neighbors is costly and nets little if any feedback. The officials further state that the requirement to review the master plan every five years is also expensive and burdensome when the township is not considering any changes.

RE: Development of Mandate Listing for Legislative Commission on Statutory Mandates

NAME: ACS Reporting

Statutory Source:

Section 8, PA 419 of 1978[1]

Description:

The Activities Classification Structure (ACS) is a reporting system meant to provide a basis for determining gross financial needs of individual colleges and the total community college system, compiled for use in a funding formula (the Gast-Mathieu formula) *that is no longer used by the Legislature*. Compiled annually, this comprehensive report also denotes extensive historical financial information, instruction and enrollment information, and revenue/expenditure information.

Cost:

ACS reporting requirements cost the colleges considerable time even though they are not currently used for funding purposes. Actual estimations may be obtained upon request.

State Support:

None

NAME: Native American Tuition Waivers

Statutory Source:

Act 174 of 1976; MCL 390.1251

Description:

[1] Due to an enactment time constraint, this law may not be considered an existing law under the Headlee Amendment.

The Waiver of tuition for North American Indians mandates that Michigan public community colleges must waive tuition for any North American Indian who qualifies for admission as a full-time, part-time, or summer school student, and is a legal resident of Michigan for at least 12 consecutive months.

Cost:

There are currently 2,173 granted waivers constituting a monetary value of $1,759,241.[2]

State Support:

None.

NAME: Contribution Rates to the Michigan Public School Employee Retirement System (MPSERS)

Statutory Source:

Act 300 of 1980

Description:

In 1945, the Michigan Legislature adopted the Michigan Public School Employees Retirement Act to provide pension benefits to former employees. At this time, the state funded the costs for retirees and dependents under this Michigan Public School Employees Retirement System (MPSERS). In 1975, the state mandated retiree health benefits to be included in MPSERS. By the early 1990's, the full cost burden for MPSERS was shifted to the institutions themselves – meaning that community colleges now bear the burden of paying the retirement contribution of their employees.

Cost:

In the current year, community colleges are contributing 16.72% of their payroll to the MPSERS.

State Support:

None.

[2] Michigan Department of Labor and Economic Growth, North American Indian Tuition Waivers Summary Report, November 2007

Legislative Commission on Statutory Mandates

Community College Mandates

May 16, 2008

NAME: Financial Aid Programs
Statutory Source:

Various sources of state law; monitored by the Michigan Department of Education

Description:

Community colleges must disburse, record, report and monitor certain financial aid programs procured by the state of Michigan, including:

- Tuition Incentive Program
- Michigan Children of Veteran's Trust grant
- Michigan Nursing Scholarship
- Adult Part-time Grant
- Michigan Educational Opportunity Grant
- Michigan Merit Award
- Michigan Promise Scholarship
- Robert Byrd Scholarship
- Gear Up Scholarship
- Michigan Competitive Scholarship

Cost:

The colleges receive no reimbursement for the disbursing, recording, reporting, and monitoring of these various state-funded scholarship programs. Cost includes the time spent on reconciling state award accounts and complying with reporting requirements. Actual time and cost can be surveyed upon request.

State Support:

None

OTHERS:

The colleges identified other possible statutory mandates to be included:

- Excessive state audit requests from the auditor general, stemming from the auditor general's powers under the Constitution. Additionally, annual financial statement audits and developmental education audits were identified.
- Various other reports were identified, including:
    - Extended Financial Reporting
    - At-Risk Student Success Report
    - Tech Prep Enrollment Report

County Road Association of Michigan

417 SEYMOUR SUITE ONE
MAILING ADDRESS: P.O. BOX 12067 LANSING MI 48901-2067
PHONE: 517.482.1189 FAX: 517.482.1253 WEB SITE: WWW.MICOUNTYROADS.ORG
The 83 County Road Agencies of Michigan Established 1918

JOHN D. NIEMELA
Director

90,196 MILES OF ROADS

May 20, 2008

Mr. Robert J. Daddow
Co-Chairperson
Legislative Commission on Statutory Mandates
P.O. Box 30036
Lansing, MI 48909-7536

RE: Development of Mandate Listing for Legislative Candidates

Dear Mr. Daddow:

Thank you for the opportunity to provide input on your Commission's efforts to identify the affects of various state mandates on local governments.

Our members provided more than 20 mandates that impact their operations. We have identified the ten most significant mandates as:

* Municipal Qualifying Statements
* Uniform Budgeting Act (P.A. 621 of 1978)
* DEQ Permits - Per Project Permits / Brine / Water Quality / NPDES / Underground Storage Tank Reporting
* Asset Management Reporting
* Treasury Audits
* *Michigan Manual of Uniform Traffic Control Devices* Requirements (6"/10" lettering on street signs)
* Limits on Negotiated Work
* Schedule C Reporting (Equipment Schedules)
* Many Act 51 Requirements - Annual Certification of Roads / Township Reporting Requirements / Non-motorized Reporting / Annual Reporting in General / Changes to Definitions/Scope of Reporting (four specific areas are included in the responses.)
* Andy's Law Signage Requirements (P.A. 103 and P.A. 315 of 2003)

You will find more specific information related to these mandates enclosed.

Please feel free to contact our office if you have questions, or if you require more information.

Respectfully,

John D. Niemela
Director
County Road Association of Michigan

Enclosures
JN/te

CRAM Mandate/Reporting Requirement Survey

Please list one mandate/reporting requirement per page.

Name of the mandate/report: Municipal Finance Qualifying Statement

Statutory or regulatory source (if known): PA 34 of 2001, Section 303(3)

Description in as much detail as possible:

Requires annual filing of Qualifying Statement.

Identify the cost to the road commission:

Increase in report preparation time and mailing.

Funding provided by the state, if any:

No funding provided by the state.

Other pertinent information that would be helpful:

All pertinent information is listed above.

County: Luce By: Gary Moulton Date: 04/17/08

Please return form(s) to the CRAM Office by fax (517.482.1253) or by e-mail to teldred@localroads.net by May 12, 2008.

CRAM Mandate/Reporting Requirement Survey

Please list one mandate/reporting requirement per page.

Name of the mandate/report: Uniform Budgeting Act

Statutory or regulatory source (if known): PA 621 of 1978

Description in as much detail as possible:

Establishes the budgetary requirments of road commissions.

Identify the cost to the road commission:

Compliance Costs permeate through out the LCRC and affects every aspect of the agency's operations and costs. Compliance costs are indeterminable.

Funding provided by the state, if any:

No funding provided by the state.

Other pertinent information that would be helpful:

All pertinent information is listed above.

County: Luce By: Gary Moulton Date: 04/17/08

Please return form(s) to the CRAM Office by fax (517.482.1253) or by e-mail to teldred@localroads.net by May 12, 2008.

CRAM Mandate/Reporting Requirement Survey

Please list one mandate/reporting requirement per page.

Name of the mandate/report: MDEQ permits

Statutory or regulatory source (if known): MDEQ Land & Water Management

Description in as much detail as possible:

MDEQ requires permits for almost everything: bridge replacements, culvert replacements, dith cleanout, soil erosion and sedimentation. As an authorized public agency, we are required to have a soil erosion plan and document inspections of projects.

Identify the cost to the road commission:

$10,000 approximately

Funding provided by the state, if any:

None, in fact, MDEQ uses MTF funds to administer same.

Other pertinent information that would be helpful:

If we got a permit for everything we do, we'd need another staff person to handle same. There are costs to send our staff to training. MDEQ hydraulic staff can mandate culvert or bridge size without contributing to cost of project.

County: Hillsdale By: Stanley Clingerman Date: 4/22/08

Please return form(s) to the CRAM Office by fax (517.482.1253) or by e-mail to teldreda@localroads.net by May 12, 2008.

CRAM Mandate/Reporting Requirement Survey

Please list one mandate/reporting requirement per page.

Name of the mandate/report: Asset Managment

Statutory or regulatory source (if known): State of Michigan

Description in as much detail as possible:

Investment reporting on the infrastructure. It takes time away from other projects that might need attention to.

Identify the cost to the road commission:

We do get reimbursed for it, but it's the time away going to meetings. But it is mandated.

Funding provided by the state, if any:

Get reimbursed.

Other pertinent information that would be helpful:

All pertinent information is listed above.

County: Luce By: Gary Moulton Date: 04/17/08

Please return form(s) to the CRAM Office by fax (517.482.1253) or by e-mail to teldred@localroads.net by May 12, 2008.

CRAM Mandate/Reporting Requirement Survey

Please list one mandate/reporting requirement per page.

Name of the mandate/report: ANNUAL AUDIT

Statutory or regulatory source (if known): TREASURY

Description in as much detail as possible:

ANNUAL REPORTING TO STATE TREASURY FOR FINANCIAL INFO

Identify the cost to the road commission:

$7400 FOR 2007

Funding provided by the state, if any:

NONE

Other pertinent information that would be helpful:

County: SCHOOLCRAFT By: ALBERT VAN Date: 4-17-08

Please return form(s) to the CRAM Office by fax (517.482.1253) or by e-mail to teldred@localroads.net by May 12, 2008.

CRAM Mandate/Reporting Requirement Survey

Please list one mandate/reporting requirement per page.

Name of the mandate/report: Michigan Manual of Uniform Traffic Control Devices Section 2F.05

Statutory or regulatory source (if known):

Description in as much detail as possible:

Size of Lettering on specific service signs shall be a minimum height of 10" for freeway and 6" for conventional road and ramp signs.

Identify the cost to the road commission:

$130,000±

Funding provided by the state, if any:

Ø

Other pertinent information that would be helpful:

Some Road Names are too long ~~to~~ for this new requirement and will have to be abbreviated.

County: Tuscola By: Michele Zawerucha Date: 5/12/08

Please return form(s) to the CRAM Office by fax (517.482.1253) or by e-mail to teldred@localroads.net by May 12, 2008.

CRAM Mandate/Reporting Requirement Survey

Please list one mandate/reporting requirement per page.

Name of the mandate/report: Limit on negotiated construction work

Statutory or regulatory source (if known): MDOT Local Agency Programs

Description in as much detail as possible:

There is a $100,000 ceiling on the amount of construction work that a local road agency can perform with their own crews when using federal aid funds.

Identify the cost to the road commission:

Approximately 25% of federal aid, or $135,000 per year.

Funding provided by the state, if any:

None.

Other pertinent information that would be helpful:

A local road agency has two choices. 1) Design and advertixe the job thru MDOT Local Agency Programs with all those higher costs or 2) participate in federal aid buyout and lose 25% of federal aid.

County: Hillsdale By: Stanley Clingerman Date: 4/22/08

Please return form(s) to the CRAM Office by fax (517.482.1253) or by e-mail to teldred@localroads.net by May 12, 2008.

CRAM Mandate/Reporting Requirement Survey

Please list one mandate/reporting requirement per page.

Name of the mandate/report: SCHEDULE C EQUIPMENT DATA

Statutory or regulatory source (if known):

Description in as much detail as possible:

PREPARATION OF EQUIPMENT GAIN/LOSS REQUIRED BY MDOT FOR TRUNKLINE MAINTENANCE

Identify the cost to the road commission:

ADDITIONAL PREPARATION TIME - APPROX $500

Funding provided by the state, if any:

Other pertinent information that would be helpful:

County: CLINTON By: P WYSONG Date: 4/21/08

Please return form(s) to the CRAM Office by fax (517.482.1253) or by e-mail to teldred@localroads.net by May 12, 2008.

CRAM Mandate/Reporting Requirement Survey

Please list one mandate/reporting requirement per page.

Name of the mandate/report: Annual Act 51 Financial Report

Statutory or regulatory source (if known): Section 14 (3) of Act 51

Description in as much detail as possible:

Requires annual report to MDOT of certified mileage and financial report. The financial report has become so complex and detailed that it is difficult for staff to complete same without working overtime and some weekends to get it done while trying to keep up with regular work.

Identify the cost to the road commission:

$10,000

Funding provided by the state, if any:

None.

Other pertinent information that would be helpful:

Paragraph (4) of same section allows expenditures for administration and record keeping, but I believe the reporting requirements for the annual report go over and beyond that.

County: Hillsdale By: Stanley Clingerman Date: 4/22/08

Please return form(s) to the CRAM Office by fax (517.482.1253) or by e-mail to teldred@localroads.net by May 12, 2008.

CRAM Mandate/Reporting Requirement Survey

Please list one mandate/reporting requirement per page.

Name of the mandate/report: Certification of Roads

Statutory or regulatory source (if known): Act 51

Description in as much detail as possible:

Requires annual filing of roads.

Identify the cost to the road commission:

Increase in report preparation time and mailing. $500.

Funding provided by the state, if any:

No funding provided by the state.

Other pertinent information that would be helpful:

All pertinent information is listed above.

County: Luce By: Gary Moulton Date: 04/17/08

Please return form(s) to the CRAM Office by fax (517.482.1253) or by e-mail to teldred@localroads.net by May 12, 2008.

CRAM Mandate/Reporting Requirement Survey

Please list one mandate/reporting requirement per page.

Name of the mandate/report: Township reporting requirements

Statutory or regulatory source (if known): Section 15 (1) of Act 51

Description in as much detail as possible:

PA 50 of 1999 requires road commissions to annually file with each township a disposition of funds expended for road construction and heavy maintenance in each township, plus mileage, population and funds received in each township for local roads.

Identify the cost to the road commission:

$1,000

Funding provided by the state, if any:

None.

Other pertinent information that would be helpful:

This reporting requirement does not make any sense. It does give the townships the true pictures. They want to know what we received in MTF local road funds for their township, how much we spent on maintenance and construction, less their contributions, equals an expenditure of road commission funds to compare to MTF allocations.

County: Hillsdale By: Stanley Clingerman Date: 4/22/08

Please return form(s) to the CRAM Office by fax (517.482.1253) or by e-mail to teldred@localroads.net by May 12, 2008.

CRAM Mandate/Reporting Requirement Survey

Please list one mandate/reporting requirement per page.

Name of the mandate/report: Non-motorized transportation expenditures

Statutory or regulatory source (if known): Section 10k of Act 51

Description in as much detail as possible:

Requires 1% of MTF be spent on qualified non-motorized transportation averaged out over a 10 year period. New rules (PA 82 of 2006) make it much more difficult for rural road commissions to satisfy these requirements.

Identify the cost to the road commission:

1% of MTF, or about $44,000 annually.

Funding provided by the state, if any:

MTF was not increased when new rules went into effect.

Other pertinent information that would be helpful:

We lost two important qualifying expenditures:
1) Paving a gravel road
2) Resurfacing in excess of 20 feet up to a maximum of 4 feet
Need to preserve dwindling MTF funds for our road system.

County: Hillsdale By: Stanley Clingerman Date: 4/22/08

Please return form(s) to the CRAM Office by fax (517.482.1253) or by e-mail to teldred@localroads.net by May 12, 2008.

CRAM Mandate/Reporting Requirement Survey

Please list one mandate/reporting requirement per page.

Name of the mandate/report: Andy's Law

Statutory or regulatory source (if known): PA 103 and PA 315 of 2003

Description in as much detail as possible:

Requires specific signing for work in the right-of-way. The signing is excessive and cumbersome. Signing requirements make sense for large projects, but not enough flexibility was given to adjust signing for projects with minor impacts.

Identify the cost to the road commission:

Hard to put a cost on this as it is highly variable and in so many aspects. My guess would be at least $100,000 per year. Costs include extra labor to set up signs, extra materials for signs, and extra equipment to carry the signs

Funding provided by the state, if any:

none

Other pertinent information that would be helpful:

Law was written around maintenance operations or large construction projects. Needs to address other short term operations and traffic signal maintenance situations.

County: Oakland By: Dennis Lockhart Date: 4/24/2008

Please return form(s) to the CRAM Office by fax (517.482.1253) or by e-mail to teldred@localroads.net by May 12, 2008.

JUDITH D. ROEHM

ONTONAGON COUNTY CLERK & REGISTER OF DEEDS

Telephone 906-884-4255
Fax 906-884-6796

COURTHOUSE
725 GREENLAND ROAD
ONTONAGON, MI 49953

January 24, 2008

Mr. Marcus Dobek, Director
Judicial Information Systems
State Court Administrative Office
P O Box 30052
Lansing, Michigan 48909

Dear Mr. Dobek:

In late June of 2007 I was in contact with Darlene Ringe, JIS Operations Assistant, regarding the billing for the Ontonagon County Probate Court user fee for the JIS software. I was e-mailed a copy of a letter with attachments dated April 3, 2006 outlining the formula used in determining user fees for the JIS. Ontonagon County did not get a copy of that letter when it was originally sent out. Evidently the letter went to Gogebic County because the JIS software resides on their AS400.

Needless to say when Ontonagon County Probate Court started getting a nearly $2,000 quarterly billing in 2007 we were quite surprised and obviously it was not in our budget. You indicate in the April 3rd letter that JIS and SACO developed fair and equitable fees for the courts in Michigan. The $7,000 user fee charged to all courts doesn't seem equitable if you compare our budget for instance with that of a county of larger population and state equalized value. I personally feel that a county with a population, i.e. under 10,000, should pay a smaller base fee than a county with a population of 100,000+.

I respectfully request that you re-examine the fee structure, thereby giving some relief to smaller counties.

Sincerely,

Judith D. Roehm, Clerk
Ontonagon County

Cc: Michigan Association of Counties
Bob Daddow, State Mandates Commission

Michigan Supreme Court
State Court Administrative Office
Michigan Hall of Justice
P.O. Box 30052
Lansing, Michigan 48909
Phone 1-888-339-1547

Carl L. Gromek, Chief of Staff
State Court Administrator

April 3, 2006

Re: 2007 Judicial Information Systems User Fees

As you are aware, Judicial Information Systems (JIS) charges a user fee to all Michigan courts using their automated case management systems for court operations. The purpose of the user fee is to cover all costs associated with maintaining and enhancing the JIS systems, including the costs of programming upgrades, form and report changes, system documentation, training new and existing court users, help desk support, sharing data with SOS/LEIN, and other technical support.

The current JIS user fee structure has not been reviewed or updated for several years. As a result, the revenues from the fees have not kept pace with the actual costs incurred by JIS. A review was in order to ensure continued support of the existing JIS systems and also to allow JIS to earmark some funds for developing the next generation of JIS case management software. JIS plans to develop the next generation of its system to take full advantage of current technologies and the power of the internet, and to further assist courts with their data reporting and workflow needs.

Therefore, JIS, in coordination with SCAO, has developed what it believes is a fair, equitable method of determining the fees for circuit, district and probate courts in Michigan. The formula for calculating the user fee is attached to this memo. Every attempt was made to have the fees reflect the level of services that each court receives, while also remaining at a level competitive with or less than those charged by commercial vendors.

JIS strives to keep up with statutory and administrative reporting requirements, as well as work through the ongoing list of changes and enhancements requested by trial courts. The new user fees will ensure that this level of service continues.

I have attached a summary of how the new fees are being calculated, as well as the impact on your individual court. To allow you time to work with your local funding unit to make budget adjustments, the new user fees will not take effect until January 1, 2007. Please feel free to contact me, or your regional administrator with questions or concerns.

Sincerely,

Marcus Dobek
Director
Judicial Information Systems

Steps To Determine JIS User Bill for FY07

AVERAGE ANNUAL CASELOAD

Step 1 Sum the cases filed in 2003 and 2004 and divide by two to obtain the AVERAGE ANNUAL CASELOAD.
Exclude parking cases from district court and exclude juvenile, adoption, and ancillary proceedings from circuit court. For the probate courts, include the juvenile and adoption cases that were filed in the family division of the circuit court. In rare situations, the court only receives some of the available JIS modules. For these courts, use the appropriate caseload in this formula. For multi-county courts, if one or more counties does not receive JIS, exclude the cases filed in these counties.

BASE USER FEE

Step 2 For circuit or probate courts, multiply the average annual caseload by $7.00 and add $7,000 to obtain the BASE USER FEE. For district courts, multiply the average annual caseload by $0.95 and add $7,000 to obtain the BASE USER FEE.
In FY08 through FY12, these per-case-fees ($7.00 and $0.95) will increase by 4% annually.

A LA CARTE FEES

Step 3 If the court receives the Jury System, multiply the BASE USER FEE by 10.0% to determine the JURY SYSTEM FEE.

Step 4 If JIS stores and processes the court's files on JIS' CPU, multiply the AVERAGE ANNUAL CASELOAD by $0.25 to determine the FILE STORAGE FEE.

Step 5 If the court receives the SOS/LEIN System, add $1,700 for the SOS/LEIN SYSTEM FEE.

Step 6 If the court has more than one location, multiply the number of locations over 1 by $1,000 to determine the LOCATION FEE.

TOTAL USER FEE

Step 7 Add the BASE USER FEE and the A LA CARTE FEES to determine the TOTAL USER FEE.