

**MUNICIPAL LIGHTING AUTHORITY ACT (EXCERPT)**  
**Act 392 of 2012**

**123.1280 Collective bargaining agreement; employment relationship between existing employees of local government and proposed authority; transfer of employees to authority; representation by labor organization; single seniority list; employee entering military service.**

Sec. 20.

(1) The local government has the responsibility, authority, and right to manage and direct on behalf of the public the services performed or exercised as provided in the articles of incorporation to the extent the articles of incorporation are consistent with, and not otherwise limited by, this act.

(2) The contents or language of the articles of incorporation under this act shall be a permissive subject of collective bargaining between the local government and a bargaining representative of its employees. If the local government and a bargaining representative of its employees engage in collective bargaining before the articles of incorporation are approved and the local government and that bargaining representative reach an agreement on issues that would obligate an entity that will function as an employer in the authority, the articles of incorporation shall include those obligations.

(3) Nothing in this act creates an employment relationship between the existing employees of the local government and the proposed authority.

(4) An authority is effective through its articles of incorporation at least 180 days before the actual transfer of personnel and equipment. Before the authority's effective date, the local government shall affirm in writing to the authority those employees, if any, who will be transferred to the authority.

(5) If any employees who are transferred to the authority are represented by a labor organization, those employees are subject to their previous terms and conditions of employment until those terms and conditions of employment are modified in accordance with 1947 PA 336, MCL 423.201 to 423.217, or for 6 months after the transfer to the authority, whichever is earlier. Negotiations on a collective bargaining agreement with an authority shall begin no later than 180 days before the date the employees, if any, transfer to the authority.

(6) Subject to subsection (7), a representative of the employees or group of employees who previously represented or was entitled to represent the employees or group of employees under 1947 PA 336, MCL 423.201 to 423.217, shall continue to represent the employees or group of employees if those employees or group of employees are transferred to the authority.

(7) This section does not limit the rights of employees, under applicable law, to assert that a bargaining representative protected by subsection (6) is no longer their representative. The employees of the authority are eligible as of the day the authority becomes effective through its articles of incorporation to choose their representative under 1947 PA 336, MCL 423.201 to 423.217. This subsection does not extend the time limits as provided in subsection (4).

(8) If multiple labor organizations assert the right to represent all or part of the authority's workforce or where a substantial portion of the transferred employees were not previously represented, in the absence of a voluntary mutual agreement, at the request of any party or on the initiative of the Michigan employment relations commission, the Michigan employment relations commission shall conduct a representation election.

(9) In the absence of a voluntary mutual agreement, the authority's workforce shall be merged by using a single seniority list for each of the same or similar classifications. The single seniority list shall be composed of all employees from the local government employed or having recall rights on the date of transfer and shall be used for purposes that include, but are not limited to, initial assignments, layoffs, recalls, and job bidding. Disputes concerning the single seniority list or use of the single seniority list shall be heard by a single arbitrator appointed by the Michigan employment relations commission.

(10) Nothing in this section requires a local government or an authority to assume a collective bargaining agreement between another local government and its employees.

(11) An employee who left the employ of the local government to enter the military service of the United States shall have the same employment rights as to the local government or the authority as he or she would have had under 1951 PA 263, MCL 35.351 to 35.356.

**History:** 2012, Act 392, Imd. Eff. Dec. 19, 2012