House Passes 'Reform' Bills That Will Increase Costs

Local communities will experience greater cost exposure from binding arbitration expansion

LANSING, Mich., June 16 /PRNewswire-USNewswire/ -- In an effort to reform a piece of legislation from 1969, the House Committee on Labor passed Senate Bill 1072 and House Bill 6154 on Wednesday, June 16, which would expand binding arbitration to county employees and increase costs on local units of government.

Binding arbitration allows for a third-party body to work out a deal for a dispute rather than a judge or court. This costly mechanism often results in unsustainable contract awards for county employees.

"We can't afford this. Revenue sharing has been and will continue to be cut," said Representative Joseph Haveman, member of the House Committee on Labor. "We need to start getting creative. Our communities are going to lose."

While both pieces of legislation have been cloaked as "reforms", the latest buzzword in Lansing, they actually will unnecessarily add to the price of government, thus creating yet another unfunded mandate on local government. HB 6154 will increase the cost of running local jails as county jail employees will now be guaranteed binding arbitration. SB 1072 inadvertently adds civil service dispatchers to the groups that receive this rare benefit, but the committee refused to correct this obvious and glaring mistake in the legislation.

"In a time of huge budget cuts and decreased revenue sharing, it's unfortunate that the state is considering placing yet another unfunded mandate on counties," said Timothy McGuire, executive director of the Michigan Association of Counties. "We have to seriously consider what these bills would do to county funds before they pass this legislation on the house floor for further consideration.

Taxpayers' dollars are already stretched thin enough. With reductions in revenue sharing and other local revenue, this will only add more burdens on shrinking resources. Ironically, while this "reform" also purports to help county workers, it will likely result in additional layoffs of county workers. The bill now goes to the house floor for further consideration.

The Michigan Association of Counties (M.A.C.) founded on February 1, 1898, is the only statewide organization dedicated to representing all county commissioners in Michigan. M.A.C. is a non-partisan, non-profit organization which advances advocacy, education, communication and cooperation among county government officials in the state of Michigan. M.A.C. is the counties' voice at the State Capitol, providing legislative support on key issues affecting counties.

SOURCE Michigan Association of Counties

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