

Bond Case Briefs

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MUNICIPAL CONTRACTS - MICHIGAN

Associated Builders & Contractors v. City of Lansing

Supreme Court of Michigan - May 17, 2016 - N.W.2d - 499 Mich. 1772016 WL 2888719 - 26 Wage & Hour Cas.2d (BNA) 743

Trade association filed suit against city, challenging constitutionality of ordinance requiring contractors performing work on municipal contracts to pay its laborers and mechanics prevailing wages and benefits.

The Circuit Court granted association's motion for summary disposition, and city appealed. The Court of Appeals reversed and remanded. Association was granted to leave to appeal.

The Supreme Court of Michigan held that:

- Ordinance was appropriate exercise of its constitutional authority to adopt ordinances "relating to its municipal concerns, property and government," overruling *Attorney General ex rel Lennane v. Detroit*, 225 Mich. 631, 196 N.W. 391, and
- Supreme Court precedent was binding on Court of Appeals until clearly superseded or overruled.

City ordinance requiring contractors working on municipal contracts to pay their laborers and mechanics prevailing wages and benefits as determined by statistics compiled by United States Department of Labor and related to city area was not unlawful exercise of municipal authority and usurpation of state power, but was appropriate exercise of its constitutional authority to adopt ordinances "relating to its municipal concerns, property and government," with full power over their own property and government, subject to constitution and law; overruling *Attorney General ex rel Lennane v. Detroit*, 225 Mich. 631, 196 N.W. 391.