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**House
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CONDOS: SCHOOL DISTRICT SHIFT

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House Bill 4063 as enrolled
Second Analysis (7-20-90)

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Sponsor: Rep. Susan Munsell
House Committee: State Affairs
Senate Committee: Education and Mental Health

THE APPARENT PROBLEM:

Public Act 508 of 1988 amended the School Code to allow an intermediate school board to detach territory from a school district and attach it to another if requested to do so by a resolution of the board of a condominium association pursuant to a petition signed by at least two-thirds of the co-owners of the condominium association residing on the land to be transferred. The act was in response to concerns that existing procedures for the transfer of territory from one school district to another were not useful for condominium developments that lie in two school districts because the residents do not own the land on which they live. Concern has been raised that in a new condominium development in which only a few units had been sold and occupied, a handful of people could decide which school district the territory would be assigned to. Further, after Public Act 508 was signed into law, a typographical error was discovered.

THE CONTENT OF THE BILL:

The bill would amend the School Code to specify that the provisions of Public Act 508 of 1988 would apply only if the board of the condominium association represented a completed condominium project with at least 75 percent of the units sold and occupied. Further, the bill would make a technical amendment to correct a typographical error.

MCL 380.951

FISCAL IMPLICATIONS:

According to the House Fiscal Agency, the bill has no fiscal implications. (6-11-90)

ARGUMENTS:

For:

The bill would ensure that the decision to petition for a transfer of a condominium project from one school district to another would be made by a majority of condominium unit owners, by prohibiting the use of the procedure established in P.A. 508 of 1988 in brand new, scarcely occupied condominium projects. Further, the bill would correct a typographical error.