



HOUSE BILL No. 4280

February 17, 1993, Introduced by Reps. Jondahl, O'Neill, Nye, Gubow, Munsell, Oxender, Sikkema, Keith, Dobb, Dalman, Bobier, Pitoniak, Gilmer, Martin, Bender, Weeks, Horton, Byrum, Middleton, Emerson, Agee, DeMars, Hoffman, Profit, Scott, Alley, Brown, Baade, Yokich, Stille, Hollister, Owen, Dolan, Wetters, Leland, DeLange, Harder, Walberg, Shepich, Curtis, Gernaat and Gire and referred to the Committee on Taxation.

A bill to create the education finance authority and board; to prescribe the powers and duties of the authority and the board; to provide for the levy of a tax and the distribution of the tax; to provide for the creation of a fund and the distribution of the fund; and to prescribe the duties of certain state officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "education finance authority act".

3 Sec. 2. As used in this act:

4 (a) "Authority" means the education finance authority cre-
5 ated in section 3.

6 (b) "Board" means the education finance authority board
7 created in section 4.

1 (c) "Fund" means the education finance authority fund
2 created in section 7.

3 (d) "General property tax act" means the general property
4 tax act, Act No. 206 of the Public Acts of 1893, being sections
5 211.1 to 211.157 of the Michigan Compiled Laws.

6 (e) "Tax" means the education finance authority tax autho-
7 rized under section 5.

8 Sec. 3. (1) The education finance authority is created.

9 (2) The education finance authority is a public corporate
10 body and is an authority under section 6 of article IX of the
11 state constitution of 1963.

12 (3) The authority has all the powers necessary to carry out
13 the purposes of this act, including, but not limited to, the
14 following:

15 (a) To levy the tax described in section 5.

16 (b) To distribute the proceeds of the tax.

17 Sec. 4. (1) The governing body of the authority shall be
18 the education finance authority board.

19 (2) The board shall consist of the state treasurer, the
20 auditor general, the superintendent of public instruction, and
21 the director of the department of management and budget.

22 (3) The board has all the powers necessary to carry out the
23 purposes of this act, including, but not limited to, the
24 following:

25 (a) To assure the collection of the tax.

26 (b) To facilitate the receipt by the authority, and
27 distribution of the proceeds, of the tax.

1 Sec. 5. (1) Beginning in 1993, the authority shall levy an
2 education finance authority tax on all property classified as
3 residential or agricultural under section 34c of the general
4 property tax act, Act No. 206 of the Public Acts of 1893, being
5 section 211.34c of the Michigan Compiled Laws.

6 (2) The tax is an ad valorem property tax levied at a rate
7 of 17 mills in 1993 and 1994, and 16 mills each year after 1994.

8 (3) The tax shall be collected at the same times and in the
9 same manner as taxes levied by a local school district for school
10 operating purposes under the general property tax act.

11 (4) The collections from the tax shall be transmitted to the
12 state treasurer for deposit in the fund at the same times as the
13 collections from the taxes levied by local school districts for
14 school operating purposes are transmitted to the local school
15 districts under the general property tax act.

16 (5) The state treasurer shall deposit upon receipt the col-
17 lections from the tax into the state treasury to the credit of
18 the fund.

19 Sec. 6. The tax levied under section 5 is subject to
20 adjustment according to the calculations required by section 34d
21 of the general property tax act, Act No. 206 of the Public Acts
22 of 1893, being section 211.34d of the Michigan Compiled Laws.

23 Sec. 7. (1) The education finance authority fund is created
24 in the state treasury.

25 (2) Collections from the tax levied under this act shall be
26 deposited in the fund.

1 (3) Distributions from the fund shall be made only into the
 2 state school aid fund established in section 11 of article IX of
 3 the state constitution of 1963. The distributions shall be made
 4 during the state fiscal year in which the tax is collected at the
 5 times determined by the board.

6 Sec. 8. This act shall not take effect unless all of the
 7 following bills of the 87th Legislature are enacted into law:

- 8 (a) House Bill No. 4277 (request no. 02189'93).
- 9 (b) House Bill No. 4279 (request no. 02192'93).
- 10 (c) House Bill No. 4282 (request no. 02193'93).
- 11 (d) House Bill No. 4278 (request no. 02194'93).
- 12 (e) House Bill No. 4281 (request no. 02196'93).
- 13 (f) House Bill No. 4283 (request no. 02197'93*).
- 14 (g) House Bill No. 4286 (request no. 02198'93).
- 15 (h) House Bill No. 4285 (request no. 02199'93).
- 16 (i) House Bill No. 4284 (request no. 02200'93).

17 Sec. 9. This act shall not take effect unless House Joint
 18 Resolution G (request no. 02190'93*) of the 87th
 19 Legislature is submitted to the qualified electors of the state
 20 for approval as provided in section 1 of article XII of the state
 21 constitution of 1963.