

HOUSE BILL No. 5818

September 20, 1994, Introduced by Rep Pitoniak and referred to the Committee on Appropriations

A bill to amend sections 11 and 20 of Act No 94 of the Public Acts of 1979, entitled as amended

The state school aid act of 1979,"

section 11 as amended and section 20 as added by Act No 336 of the Public Acts of 1993, being sections 388 1611 and 388 1620 of the Michigan Compiled Laws

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

- Section 1 Sections 11 and 20 of Act No 94 of the Public
- 2 Acts of 1979, section 11 as amended and section 20 as added by
- 3 Act No 336 of the Public Acts of 1993, being sections 388 1611
- 4 and 388 1620 of the Michigan Compiled Laws, are amended to read
- 5 as follows
- 6 Sec 11 (1) If the constitutional amendment submitted to
- 7 the electors at the special election held on March 15, 1994
- 8 becomes a part of the state constitution of 1963 as provided in

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- 1 section 1 of article XII of the state constitution of 1963, then
- 2 there THERE is appropriated for the public schools of this state
- 3 and certain other state purposes relating to education from the
- 4 state school and fund established by section 11 of article IX of
- 5 the state constitution of 1963 the sum of \$7,805,000,000 00, and
- 6 from the general fund the sum of -\$438,724,900 00
- 7 \$501 724,900 00, for the fiscal year ending September 30, 1995
- 8 In addition, available federal funds and \$139,500,000 00 from the
- 9 reserve for health benefits are appropriated
- 10 (2) If the constitutional amendment submitted to the elec-
- 11 tors at the special election held on March 15, 1994 does not
- 12 become a part of the state constitution of 1963 as provided in
- 13 section 1 of article XII of the state constitution of 1963, then
- 14 there is appropriated for the public schools of this state and
- 15 certain other state purposes relating to education from the state
- 16 school aid fund established by section 11 of article IX of the
- 17 state constitution of 1963 the sum of \$7,155,000 000 00 and from
- 18 the general fund the sum of \$387,055,900 00, for the fiscal year
- 19 ending September 30, 1995 In addition, available federal funds
- 20 and \$139,500,000 00 from the reserve for health benefits are
- 21 appropriated
- 22 (2) -(3) The appropriations under this section shall be
- 23 allocated as provided in this act If the maximum amount appro-
- 24 priated under this section from the state school aid fund for a
- 25 fiscal year exceeds the amount necessary to fully fund alloca-
- 26 tions under this act from the state school aid fund, that excess
- 27 amount shall not be expended in that state fiscal year and shall

- 1 not lapse to the general fund but instead shall remain in a
- 2 separate account in the state school aid fund to be used to aug-
- 3 ment funding under this act in a succeeding fiscal year in which
- 4 the maximum amount appropriated under this section is not suffi-
- 5 cient to fully fund allocations under this act from the state
- 6 school and fund
- 7 Sec 20 (1) If the constitutional amendment submitted to
- 8 the electors at the special election held on March 15, 1994
- 9 becomes a part of the state constitution of 1963 as provided in
- 10 section 1 of article XII of the state constitution of 1963, then
- 11 except EXCEPT as otherwise provided in this act, from the appro-
- 12 priation in section 11 there is allocated for 1994-95 an amount
- 13 not to exceed -\$7,172,763 200 00 \$7,217 763,200 00 to guarantee
- 14 each district a foundation allowance per membership pupil and to
- 15 make payments under this section to public school academies If
- 16 the constitutional amendment submitted to the electors at the
- 17 special election held on March 15 1994 does not become a part of
- 18 the state constitution of 1963 as provided in section 1 of arti-
- 19 cle XII of the state constitution of 1963 then except as other
- 20 wise provided in this act from the appropriation in section 11
- 21 there is allocated for 1994 95 an amount not to exceed
- 22 \$6,479 763 200 00 to guarantee each district a foundation allow
- 23 ance per membership pupil and to make payments under this section
- 24 to public school academies The amount of each district s foun-
- 25 dation allowance shall be calculated as provided in this section,
- 26 using a basic foundation allowance for 1994-95 in the amount of
- 27 \$5,000 00 If the maximum amount allocated under this section

- 1 exceeds the amount necessary to fully fund payments under this
- 2 section, that excess amount shall not be expended in 1994-95 and
- 3 shall not lapse to the general fund, but instead shall remain in
- 4 a separate account in the state school and fund to be used to
- 5 augment funding under this section in a succeeding fiscal year in
- 6 which the maximum amount allocated under this section is not suf-
- 7 ficient to fully fund those payments If the maximum amount
- 8 allocated under this section is not sufficient to fully fund pay-
- 9 ments under this section, the amount of each district's founda-
- 10 tion allowance and the dollar amount prescribed in subsection
- 11 (10) shall be prorated as necessary
- 12 (2) For 1995-96 and each succeeding fiscal year the basic
- 13 foundation allowance shall be determined by multiplying the
- 14 amount of the basic foundation allowance for the immediately pre-
- 15 ceding state fiscal year by the final index calculated under this
- 16 subsection This result is the amount of the basic foundation
- 17 allowance per membership pupil for the current state fiscal
- 18 year The final index to be used shall be determined as
- 19 follows
- (a) The numerator of the fraction to be used in calculating
- 21 the index is the total state school and fund revenue for the cur-
- 22 rent state fiscal year, adjusted for any change in the rate or
- 23 base of a tax the proceeds of which are deposited in that fund
- (b) The denominator of the fraction to be used in calculat-
- 25 ing the index is the total state school and fund revenue for the
- 26 immediately preceding state fiscal year, adjusted for any change

- 1 in the rate or base of a tax the proceeds of which are deposited
 2 in that fund
- 3 (c) The resulting revenue adjustment factor derived under
- 4 subdivisions (a) and (b) shall then be adjusted by a pupil mem-
- 5 bership adjustment factor The pupil membership adjustment
- 6 factor shall be computed by dividing the membership for the
- 7 school year ending in the immediately preceding state fiscal year
- 8 by the membership for the school year ending in the current state
- 9 fiscal year This pupil adjustment factor shall be multiplied by
- 10 the fraction derived under subdivisions (a) and (b) to determine
- 11 the final index
- 12 (3) Subject to subsection (16), for the 1994-95 state fiscal
- 13 year, the amount of a district's foundation allowance shall be
- 14 calculated as follows
- 15 (a) For a district that had combined state and local revenue
- 16 per membership pupil in the 1993-94 state fiscal year of less
- 17 than \$4,200 00 the district's foundation allowance for 1994-95
- 18 is \$4,200 00 or an amount equal to the sum of the district's com-
- 19 bined state and local revenue per membership pupil in the 1993-94
- 20 state fiscal year plus \$250 00, whichever is greater
- (b) For a district that had combined state and local revenue
- 22 per membership pupil in the 1993-94 state fiscal year of at least
- 23 \$4,200 00 but less than \$6,500 00, the district s foundation
- 24 allowance for 1994-95 is the sum of the district's combined state
- 25 and local revenue per membership pupil in the 1993-94 state
- 26 fiscal year plus [\$250 00 (\$90 00 times the ratio calculated by
- 27 subtracting \$4,200 00 from the district's combined state and

- 1 local revenue per membership pupil in the 1993-94 state fiscal
- 2 year and dividing that difference by 2,300)]
- 3 (c) For a district that had combined state and local revenue
- 4 per membership pupil in the 1993-94 state fiscal year of
- 5 \$6,500 00 or more, the district's foundation allowance for
- 6 1994-95 is the sum of the district's combined state and local
- 7 revenue per membership pupil in 1993-94 plus \$160 00
- 8 (4) For 1994-95, that portion of a district's foundation
- 9 allowance that exceeds \$5,000 00 is considered to be a
- 10 "supplemental allowance' For a district described in
- 11 subsection (3)(c), the district's supplemental allowance shall
- 12 not exceed \$1 500 00
- 13 (5) Beginning in the 1995-96 state fiscal year the amount
- 14 of a district s foundation allowance shall be calculated as
- 15 follows
- (a) For a district that in the immediately preceding state
- 17 fiscal year had a foundation allowance at least equal to the sum
- 18 of \$4,200 00 plus the total dollar amount of all adjustments made
- 19 since 1994-95 in the lowest foundation allowance among all dis-
- 20 tricts pursuant to the index under subsection (2) but that did
- 21 not qualify for a supplemental allowance described in
- 22 subsection (4) in the immediately preceding state fiscal year,
- 23 the district shall receive a foundation allowance in an amount
- 24 equal to the sum of the district's foundation allowance for the
- 25 immediately preceding state fiscal year plus the difference
- 26 between twice the dollar amount of the adjustment from the
- 27 immediately preceding state fiscal year to the current state

- 1 fiscal year made in the basic foundation allowance pursuant to
- 2 the index under subsection (2) and [(the dollar amount of the
- 3 adjustment from the immediately preceding state fiscal year to
- 4 the current state fiscal year made in the basic foundation allow-
- 5 ance pursuant to the index under subsection (2) minus \$50 00)
- 6 times (the difference between the district's foundation allowance
- 7 for the immediately preceding state fiscal year and the sum of
- 8 \$4 200 00 plus the total dollar amount of all adjustments made
- 9 since 1994-95 in the lowest foundation allowance among all dis-
- 10 tricts pursuant to the index under subsection (2)) divided by the
- 11 difference between the basic foundation allowance for the current
- 12 state fiscal year and the sum of \$4,200 00 plus the total dollar
- 13 amount of all adjustments made since 1994-95 in the lowest foun-
- 14 dation allowance among all districts pursuant to the index under
- 15 subsection (2)] However, the foundation allowance for a dis-
- 16 trict that does not receive a supplemental allowance for a state
- 17 fiscal year shall not exceed the basic foundation allowance for
- 18 that state fiscal year
- (b) For a district that in the immediately preceding state
- 20 fiscal year had a foundation allowance of less than the sum of
- 21 \$6,500 00 plus the total dollar amount of all adjustments made
- 22 since 1994-95 in the basic foundation allowance pursuant to the
- 23 index under subsection (2), and that qualified for a supplemental
- 24 allowance described in subsection (4) in the immediately preced-
- 25 ing state fiscal year, the district shall receive a foundation
- 26 allowance in an amount equal to the sum of the district's
- 27 foundation allowance for the immediately preceding state fiscal

- 1 year plus the dollar amount of the adjustment from the
- 2 immediately preceding state fiscal year to the current state
- 3 fiscal year made in the basic foundation allowance pursuant to
- 4 the index under subsection (2)
- 5 (c) For a district that had combined state and local revenue
- 6 per membership pupil in the 1994-95 state fiscal year of
- 7 \$6,500 00 or more, the district shall receive a foundation allow-
- 8 ance in an amount equal to the sum of the district s foundation
- 9 allowance for the immediately preceding state fiscal year plus
- 10 the dollar amount of the adjustment from the immediately preced-
- 11 ing state fiscal year to the current state fiscal year made in
- 12 the basic foundation allowance pursuant to the index under
- 13 subsection (2)
- (6) Subject to subsection (7), to ensure that a district
- 15 receives the district s foundation allowance, there is allocated
- 16 to each district as the state portion of the district s founda-
- 17 tion allowance an amount equal to the difference between the
- 18 lesser of the district s foundation allowance or \$6 500 00 and
- 19 the amount of the district s local revenue per membership pupil
- 20 received by the district in the school fiscal year ending in the
- 21 current state fiscal year, which amount shall not be less than
- 22 zero For a district that has a millage reduction required under
- 23 section 31 of article IX of the state constitution of 1963, the
- 24 amount per membership pupil of local school operating revenue
- 25 shall be calculated for these purposes as if that reduction did
- 26 not occur

- 1 (7) Beginning in 1995-96, if a district's combined state and
- 2 local revenue per membership pupil is greater than twice the
- 3 basic foundation allowance for the current state fiscal year, as
- 4 adjusted under subsection (2), the payment of the state portion
- 5 of the district's foundation allowance, as calculated under
- 6 subsection (6) shall be reduced by 1/2 of the dollar amount by
- 7 which the ratio of the district s foundation allowance to the
- 8 basic foundation allowance in a fiscal year exceeds that same
- 9 ratio in the 1994-95 fiscal year
- 10 (8) The indices to be computed under this section for each
- 11 state fiscal year shall be a topic of each revenue estimating
- 12 conference conducted under section 367b of the management and
- 13 budget act, Act No 431 of the Public Acts of 1984, being
- 14 section 18 1367b of the Michigan Compiled Laws If a revenue
- 15 estimating conference fails to reach a consensus on the estimate
- 16 of an index, the state treasurer shall compute an estimated index
- 17 and certify it to the director of the department of management
- 18 and budget and the superintendent of public instruction The
- 19 state treasurer also shall compute a final index for each fiscal
- 20 year, based upon available data, and certify the final index to
- 21 the director of the department of management and budget and the
- 22 superintendent of public instruction not later than 120 days fol-
- 23 lowing the end of that fiscal year If the final certified index
- 24 for a fiscal year differs from the estimated index used in the
- 25 adoption of the state budget for the fiscal year and used during
- 26 the fiscal year as the basis for making payments under this act,

- 1 the department shall make any necessary payment adjustments to
- 2 reflect the final certified index
- 3 (9) All fractions used in making calculations under this
- 4 section shall be rounded to the fourth decimal place and the
- 5 dollar amount of an increase in the foundation allowance shall be
- 6 rounded to the nearest whole dollar
- 7 (10) For pupils in membership in a public school academy,
- 8 there is allocated under this section for 1994-95 to a public
- 9 school academy an amount per membership pupil in the public
- 10 school academy equal to the foundation allowance for the district
- 11 in which the public school academy is located or \$5,500 00,
- 12 whichever is less For 1995-96 and each succeeding fiscal year,
- 13 the \$5,500 00 amount prescribed in this subsection shall be
- 14 adjusted by an amount equal to the dollar amount of the adjust-
- 15 ment from the immediately preceding state fiscal year to the cur-
- 16 rent state fiscal year in the basic foundation allowance pursuant
- 17 to the index under subsection (2) as determined by the depart-
- 18 ment of treasury
- (11) If a district had combined state and local revenue per
- 20 membership pupil in the 1994-95 state fiscal year of more than
- 21 \$6,500 00, the district may levy school operating taxes as pro-
- 22 vided in section 1211(3) of the school code of 1976, being sec-
- 23 tion 380 1211 of the Michigan Compiled Laws However, if the
- 24 district does not receive a payment under subsection (12), if the
- 25 number of those mills a district described in this subsection may
- 26 levy is 0 5 mills or less, and if the district elects not to levy
- 27 those mills, the district instead shall receive a separate

- 1 supplemental payment under this subsection in an amount equal to
- 2 the amount the district would have received had it levied those
- 3 mills, as determined by the department of treasury
- 4 (12) For a district that had combined state and local reve-
- 5 nue per membership pupil in the 1993-94 state fiscal year of more
- 6 than \$6,500 00 and that had fewer than 100 pupils in membership,
- 7 if the district elects not to levy school operating taxes as pro-
- 8 vided in section 1211(3) of the school code of 1976, being
- 9 section 380 1211 of the Michigan Compiled Laws there is allo-
- 10 cated under this subsection for 1994-95 and each succeeding
- 11 fiscal year a separate supplemental payment in an amount equal to
- 12 the amount the district would have received per membership pupil
- 13 had it levied those school operating taxes, as determined by the
- 14 department of treasury
- 15 (13) State allocations to a district or public school acad-
- 16 emy under this section shall be adjusted by subtracting from the
- 17 allocations the lesser of an amount equal to 50% of the money
- 18 received under section 3(c)(1) of title I of chapter 1124, 64
- 19 Stat 1100, 20 U S C 238 or \$160 00 per membership pupil A
- 20 deduction in any year shall not exceed the amount of deductible
- 21 impact and for which a district is eligible under section 3(c)(1)
- 22 of title I of chapter 1124, 64 Stat 1100, 20 U S C 238 Any
- 23 deductions made under this act shall be consistent with the
- 24 requirements of section 5 of title I of chapter 1124, 64
- 25 Stat 1100, 20 U S C 240, and its regulations
- 26 (14) A district or public school academy may use any funds
- 27 allocated under this section in conjunction with any federal

- 1 funds for which the district or public school academy otherwise
- 2 would be eligible
- 3 (15) The legislature shall continue to work toward greater
- 4 equity among districts' foundation allowances
- 5 (16) For the purposes of calculating the amount of a
- 6 district's foundation allowance for 1994-95 under this section,
- 7 if a district s combined state and local revenue per membership
- 8 pupil in the 1992-93 state fiscal year was greater than the
- 9 district's combined state and local revenue per membership pupil
- 10 in the 1993-94 state fiscal year, the amount of the district s
- 11 combined state and local revenue per membership pupil in the
- 12 1993-94 state fiscal year shall be considered to be an amount
- 13 equal to 1/2 of the sum of the district s combined state and
- 14 local revenue per membership pupil in the 1993-94 state fiscal
- 15 year plus the district s combined state and local revenue per
- 16 membership pupil in the 1992-93 state fiscal year. In order to
- 17 calculate a district s combined state and local revenue per mem-
- 18 bership pupil in the 1992-93 state fiscal year all references in
- 19 subsection (17) to 1993-94' shall be considered to read
- 20 "1992-93' and all references in subsection (17) to an August pay-
- 21 ment for a particular year shall be considered to be to the
- 22 August payment for the immediately preceding year
- 23 (17) As used in this section
- (a) "Combined state and local revenue per membership pupil",
- 25 except as provided in this subsection, means the aggregate of the
- 26 district's state school and received by or pand on behalf of the
- 27 district under this section, except for payments received because

- 1 of an adjustment in the district s state school and for a prior
- 2 fiscal year, and the district's local school operating revenue,
- 3 divided by the district's membership For the purpose of calcu-
- 4 lating a district's combined state and local revenue per member-
- 5 ship pupil in the 1994-95 state fiscal year only, combined state
- 6 and local revenue per membership pupil does not include the pay-
- 7 ment received by the district under section 20c For the purpose
- 8 of calculating a district's combined state and local revenue per
- 9 membership pupil in the 1993-94 state fiscal year only, combined
- 10 state and local revenue per membership pupil means the aggregate
- 11 of the following, divided by the number of full-time equated
- 12 pupils in grades K to 12 actually enrolled and in regular daily
- 13 attendance on the 1993-94 pupil membership count day, as deter-
- 14 mined by the department using the unaudited count completed by
- 15 the department not later than 60 days after the pupil membership
- 16 count day or the number of pupils registered for attendance plus
- 17 pupils received by transfer and minus pupils lost as defined by
- 18 rules promulgated by the state board, and as corrected by a sub-
- 19 sequent department audit
- 20 (1) Total state school and received by or pand on behalf of
- 21 the district pursuant to this act in 1993-94, except for payments
- 22 received because of an adjustment in the district's state school
- 23 and for a prior fiscal year, including the amount of a district's
- 24 August 1994 payment delayed under section 17b and excluding all
- 25 of the following received by the district for 1993-94
- 26 (A) Money received by the district under section 17b for
- 27 restoring the delayed August 1993 payment

- 1 (B) Early childhood grants under section 36
- 2 (C) All special education payments under article 5
- 3 (D) Special education transportation under former section
- 4 71, as calculated under former section 72
- 5 (E) Federal impact and adjustments under former section 6 21(3)
- 7 (F) Economic development job training grant payments under
- 8 section 107a
- 9 (G) Edge program payments under section 107b
- (H) Adult literacy grant payments under former
- 11 section 107c
- 12 (I) Adult education categorical payments under former
- 13 section 107d
- 14 (J) Payments under former section 28 to a district in which
- 15 a federal military air base closed
- 16 (K) Bilingual education payments under section 41
- 17 (L) Payments for court placed pupils under section 24(2)
- (M) An amount equal to 50% of payments under former section
 19 47(3)
- 20 (N) Mathematics and science center payments under section
- 21 99
- (0) Repayments attributable to the repeal of part 7a of the
- 23 school code of 1976
- 24 (P) Payments under section 145 for costs of court-ordered
- 25 desegregation
- 26 (Q) For a district that had combined state and local revenue
- 27 per membership pupil in the 1993-94 state fiscal year of less

- 1 than \$6,500 00, compensatory education payments under former
- 2 section 31
- 3 (R) Professional development payments under former section
- 4 98
- 5 (S) Payments under former section 11a(6)
- 6 (11) Local school operating revenue for 1993-94
- 7 (111) Eligible fund equity expenditures for 1993-94
- 8 (10) The amount of transportation funding under article 7
- 9 paid to an intermediate district that is attributable to trans-
- 10 portation services provided in 1993-94 by the intermediate dis-
- 11 trict for the district's pupils within the district, based on a
- 12 report submitted not later than May 15, 1994 to the department of
- 13 treasury by the intermediate district detailing the number of
- 14 pupils within each district for whom the intermediate district
- 15 provided those transportation services
- (b) "Current state fiscal year" means the state fiscal year
- 17 for which a particular calculation is made
- (c) 'Eligible fund equity expenditures for 1993-94' means an
- 19 amount, calculated by the department of treasury, equal to the
- 20 district s budgeted expenditures from the district s fund equity
- 21 for 1993-94, as provided for in the district's official board
- 22 adopted budget as of October 1, 1993 and reported to the depart-
- 23 ment of treasury not later than February 1, 1994, prorated so
- 24 that the total statewide amount of eliqible fund equity expendi-
- 25 tures for 1993-94 does not exceed \$20,000,000 00, with the prora-
- 26 tion weighted as to a district's membership

- 1 (d) Immediately preceding state fiscal year" means the
 2 state fiscal year immediately preceding the current state fiscal
 3 year
- (e) "Local school operating revenue" means, subject to sub-5 division (a), school operating taxes other than those levied pur-6 suant to section 705, 705a, 705b, 1211(3), or 1211c of the school For calculating a district's local school operat-7 code of 1976 8 ing revenue for 1993-94, local school operating revenue does not 9 include a district's revenue from money received by the district 10 in the 1993-94 school fiscal year from federal impact aid under 11 section 3(c)(1) of title I of chapter 1124, 64 Stat 1100, 20 12 U S C 238 from federal payments in lieu of taxes or from pen-13 altres and interest on delinquent property and specific taxes 14 For calculating a district's local school operating revenue for 15 1993-94 only, local school operating revenue includes all of the 16 following specific tax revenue levied and retained by the dis-17 trict for school operating purposes for the 1993-94 school fiscal 18 year that was provided for in the district s official 19 board-adopted budget as of October 1, 1993 and reported to the 20 department of treasury not later than February 1, 1994, prorated 21 so that the total statewide amount of the following specific tax 22 revenue included in local school operating revenue does not 23 exceed \$85,000,000 00
- (1) Industrial facilities tax levied under section 11 of Act
 25 No 198 of the Public Acts of 1974, being section 207 561 of the
 26 Michigan Compiled Laws, and retained by the district

- 1 (11) Commercial facilities tax levied under section 12 of
- 2 the commercial redevelopment act, Act No 255 of the Public Acts
- 3 of 1978, being section 207 662 of the Michigan Compiled Laws, and
- 4 retained by the district
- 5 (111) Commercial forest specific tax described in section 7a
- 6 of Act No 94 of the Public Acts of 1925, being section 320 307a
- 7 of the Michigan Compiled Laws, retained by the district
- 8 (10) Technology park facilities tax levied under section 12
- 9 of the technology park development act, Act No 385 of the Public
- 10 Acts of 1984, being section 207 712 of the Michigan Compiled
- 11 Laws, and retained by the district
- 12 (ν) Enterprise zone facilities tax levied under section 21
- 13 of the enterprise zone act, Act No 224 of the Public Acts of
- 14 1985, being section 125 2121 of the Michigan Compiled Laws, and
- 15 retained by the district
- 16 (vi) Neighborhood enterprise zone tax levied under section 9
- 17 of the neighborhood enterprise zone act, Act No 147 of the
- 18 Public Acts of 1992, being section 207 779 of the Michigan
- 19 Compiled Laws, and retained by the district
- 20 (vii) Commercial housing facilities tax levied pursuant to
- 21 Act No 438 of the Public Acts of 1976, being sections 207 601 to
- 22 207 615 of the Michigan Compiled Laws, and retained by the
- 23 district
- 24 (viii) The specific tax relating to trailer coach parks
- 25 levied under section 41 of Act No 243 of the Public Acts of
- 26 1959, being section 125 1041 of the Michigan Compiled Laws, and
- 27 retained by the district

- 1 (ix) Revenue received by the district from fees or taxes on
- 2 private forest preserves pursuant to section 11 of Act No 86 of
- 3 the Public Acts of 1917, being section 320 281 of the Michigan
- 4 Compiled Laws
- 5 (x) Specific tax on low grade iron ore levied under Act
- 6 No 77 of the Public Acts of 1951, being sections 211 621 to
- 7 211 626 of the Michigan Compiled Laws, and retained by the
- 8 district
- 9 (xi) Revenue received by the district from state payments in
- 10 lieu of taxes under section 1 of Act No 116 of the Public Acts
- 11 of 1917, being section 211 581 of the Michigan Compiled Laws
- (f) Local school operating revenue per membership pupil"
- 13 means a district s local school operating revenue divided by the
- 14 district s membership
- (g) "Membership' means, except as otherwise provided in sub-
- 16 division (a), the definition of that term under section 6(4) as
- 17 in effect for the particular fiscal year for which a particular
- 18 calculation is made
- (h) "School operating purposes means the purposes included
- 20 in the operation costs of the district as prescribed in
- 21 section 7
- 22 (1) 'School operating taxes' means local ad valorem property
- 23 taxes levied and retained for school operating purposes For
- 24 determining a district s school operating taxes for 1993-94,
- 25 school operating taxes does not include any of the following
- (1) The number of mills of property tax levied in 1993 by a
- 27 district for payment of principal or interest on notes or bonds

- 1 issued to fund an operating deficit pursuant to section 1356 of
- 2 the school code of 1976, being section 380 1356 of the Michigan
- 3 Compiled Laws
- 4 (11) The number of mills of property taxes levied in 1993 by
- 5 a district for operating a community college under part 25 of the
- 6 school code of 1976, being sections 380 1601 to 380 1607 of the
- 7 Michigan Compiled Laws, as reported by the district to the
- 8 department for the purpose of compiling the activity classifica-
- 9 tion structure data under section 204 of Act No 163 of the
- 10 Public Acts of 1993
- 11 (111) The number of mills of property taxes levied in 1993
- 12 by a district that is a school district of the first class that
- 13 are attributable to payments by the district to a public library
- 14 commission pursuant to section 11(d) of the property tax limita-
- 15 tion act, Act No 62 of the Public Acts of 1933, being
- 16 section 211 211 of the Michigan Compiled Laws
- 17 (v) The number of mills of property taxes levied in 1993 by
- 18 a district for the operation of a library established pursuant to
- 19 Act No 261 of the Public Acts of 1913, being sections 397 261 to
- 20 397 262 of the Michigan Compiled Laws, or levied in 1993 by a
- 21 district for operation of a library under section 260 or 1451 of
- 22 the school code of 1976, being sections 380 260 and 380 1451 of
- 23 the Michigan Compiled Laws, that were not included in the operat-
- 24 ing millage reported by the district to the department as of
- 25 April 1, 1993 However, a district may report to the department
- 26 not later than April 1, 1994 the number of mills the district
- 27 levied in 1993 for a purpose described in this subparagraph that

- 1 the district does not want considered as operating millage and
- 2 then that number of mills is excluded from school operating taxes
- 3 for the purposes of this section but that exclusion shall not
- 4 affect a district s 1993-94 allocation under this act
- 5 (v) The number of mills of property taxes levied in 1993 by
- 6 a district under section 1212 of the school code of 1976, being
- 7 section 380 1212 of the Michigan Compiled Laws
- 8 Section 2 This amendatory act shall take effect October 1,
- 9 1994

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