

SENATE BILL NO. 445

March 17, 1999, Introduced by Senators BENNETT, BYRUM and BULLARD and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled "The revised school code," by amending section 1212 (MCL 380.1212), as amended by 1993 PA 312.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1212. (1) If approved by the school electors of the
2 school district, the board of a school district may levy a tax of
3 not ~~to exceed~~ MORE THAN 5 mills on the ~~state equalized~~
4 ~~valuation~~ TAXABLE VALUE of the school district each year for a
5 period of not ~~to exceed~~ MORE THAN 20 years, for the purpose of
6 creating a sinking fund. ~~to be used for the~~ A SINKING FUND
7 UNDER THIS SECTION MAY BE USED ONLY FOR 1 OR MORE OF THE FOLLOW-
8 ING PURPOSES:
9 (A) THE purchase of real estate for sites for, and the
10 construction or repair of, school buildings.

1 (B) LEASING COMPUTERS AND RELATED HARDWARE.

2 (2) The sinking fund tax levy is subject to the 15 mill tax
3 limitation provisions of section 6 of article IX of the state
4 constitution of 1963 and the property tax limitation act, ~~Act~~
5 ~~No. 62 of the Public Acts of 1933, as amended, being sections~~
6 ~~211.201 to 211.217a of the Michigan Compiled Laws~~ 1933 PA 62,
7 MCL 211.201 TO 211.217A.

8 (3) A school district that levies a sinking fund tax under
9 this section shall have an independent audit of its sinking fund
10 conducted annually, including a review of the uses of the sinking
11 fund, and shall submit the audit report to the department of
12 treasury. If the department of treasury determines from the
13 audit report that the sinking fund has been used for a purpose
14 other than those authorized for the sinking fund under this sec-
15 tion, the school district shall repay the misused funds to the
16 sinking fund from the school district's operating funds and shall
17 not levy a sinking fund tax under this section after the date the
18 department of treasury makes that determination.

19 (4) ~~(2)~~ The proposition of levying a sinking fund tax
20 shall be submitted to the school electors of the school district
21 at an annual or special ~~meeting or~~ election.

22 (5) ~~(3)~~ The question of levying taxes for the purpose of
23 creating a sinking fund shall be by ballot in substantially the
24 following form:

25 "Shall _____ levy _____ mills
26 (legal name of school district)
27 to create a sinking fund for the purpose of _____

1 _____
2 for a period of _____ years?

3 Yes ()

4 No ()".

5 (6) ~~(4)~~ For the purposes of this section, millage approved
6 by the school electors before December 1, 1993 for which the
7 authorization has not expired is considered to be approved by the
8 school electors.