

SUBSTITUTE FOR
HOUSE BILL NO. 5408

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending section 687 (MCL 380.687), as amended by 1995 PA
289.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 687. (1) An intermediate school board in which an area
2 vocational-technical education program is established, by a
3 majority vote of the intermediate school electors voting on the
4 question at an annual or at a special election called for that
5 purpose, may borrow money and issue bonds of the intermediate
6 school district subject to the ~~municipal finance act, Act~~
7 ~~No. 202 of the Public Acts of 1943, being sections 131.1 to 139.3~~
8 ~~of the Michigan Compiled Laws~~ REVISED MUNICIPAL FINANCE ACT,
9 2001 PA 34, MCL 141.2101 TO 141.2821, to defray all or part of
10 the cost of purchasing, erecting, completing, remodeling,

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1 improving, furnishing, refurnishing, equipping, or reequipping
2 area vocational-technical buildings and other facilities, or
3 parts ~~thereof~~ OF BUILDINGS AND OTHER FACILITIES or additions
4 ~~thereto~~ TO BUILDINGS AND OTHER FACILITIES; acquiring, prepar-
5 ing, developing, or improving sites, or parts ~~thereof~~ OF SITES
6 or additions ~~thereto~~ TO SITES, for area vocational-technical
7 buildings and other facilities; refunding all or part of existing
8 bonded indebtedness; or accomplishing a combination of the fore-
9 going purposes. An intermediate school district shall not issue
10 bonds under this part for an amount greater than 1.5% of the
11 total assessed valuation of the intermediate school district. ~~—~~
12 ~~nor shall the bonded indebtedness of an intermediate school dis-~~
13 ~~trict extend beyond a period of 30 years for money borrowed.~~

14 (2) ~~Refunding bonds or the refunding part of a bond issue~~
15 ~~shall not be deemed to be within the 1.5% limitation but shall be~~
16 ~~deemed to be authorized in addition thereto.~~ A bond qualified
17 under section 16 of article IX of the state constitution of 1963
18 and implementing legislation shall not be included for purposes
19 of calculating the foregoing 1.5% limitation.

20 (3) An intermediate school board may submit a proposal to
21 issue bonds of the intermediate school district, authorized under
22 this section, to the intermediate school electors at the same
23 election at which the intermediate school electors vote on the
24 establishment of an area vocational-technical education program.
25 If these questions are presented to the school electors at the
26 same election, the board shall include the bond proposal in the
27 60-day notice given the boards of constituent districts. The

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1 establishment of an area vocational-technical education program
2 shall become effective if approved by a majority of the interme-
3 diate school electors voting on the question. The authority to
4 issue bonds is effective only if a majority of the intermediate
5 school electors approve both the establishment of the area
6 vocational-technical education program and the issuance of
7 bonds.

8 (4) The ballot used in submitting the question of borrowing
9 money and issuing bonds under this section shall be in substan-
10 tially the following form:

11 "Shall _____ (here state the legal name of the interme-
12 diate school district designating the name of a district of not
13 less than 18,000 pupils or first class school district that has
14 elected not to come under this act as far as an area
15 vocational-technical education program is concerned) state of
16 Michigan, borrow the sum of not to exceed \$_____ and issue
17 its bonds therefor, for the purpose of _____?

18 Yes ()

19 No ()".

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