

REPRINT

SUBSTITUTE FOR

HOUSE BILL NO. 5404

(As passed the House, February 5, 2002)

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending section 442 (MCL 380.442), as amended by 1985 PA 22.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 442. (1) The first class school district board may DO
2 ALL OF THE FOLLOWING:

3 (a) Borrow, subject to the ~~municipal finance act, Act~~
4 ~~No. 202 of the Public Acts of 1943, as amended, being sections~~
5 ~~131.1 to 139.3 of the Michigan Compiled Laws~~ REVISED MUNICIPAL
6 FINANCE ACT, 2001 PA 34, MCL 141.2101 TO 141.2821, for temporary
7 school purposes sums of money and give notes of the district for
8 temporary school purposes.

9 (b) Borrow, subject to ~~Act No. 202 of the Public Acts of~~
10 ~~1943, as amended~~ THE REVISED MUNICIPAL FINANCE ACT, 2001 PA 34,
11 MCL 141.2101 TO 141.2821, sums of money for the purpose of

HB 5404, As Passed Senate, March 5, 2002

House Bill No. 5404

2

1 purchasing sites for buildings, playgrounds, or athletic fields
2 and purchasing or erecting and equipping a building or making a
3 permanent improvement ~~which~~ THAT it is authorized to make. The
4 board may accomplish this by the issuance and sale of bonds of
5 the school district on terms the board ~~deems~~ CONSIDERS advis-
6 able, or by other reasonable means. The board shall designate
7 officers to execute the bonds on behalf of the school district.
8 The designated officers may include the chief fiscal officer.

9 (2) A loan shall not be made, ~~and bonds shall not be issued~~
10 ~~for a term longer than 30 years nor,~~ except as otherwise pro-
11 vided in this subsection, for a sum ~~which~~ THAT, together with
12 the total outstanding bonded indebtedness of the school district,
13 exceeds 5% of the state equalized valuation of the taxable prop-
14 erty within the district, unless the proposition of making the
15 loans or of issuing bonds is submitted to a vote of the school
16 electors of the district at a general or special school election
17 and approved by the majority of the school electors voting on the
18 question. Regardless of the amount of outstanding bonded indebt-
19 edness of the school district, a vote of the school electors is
20 not necessary in order to issue bonds for a purpose described in
21 section 1274a. Loans may be made or bonds may be issued for the
22 purposes stated in this section in an amount equal to that pro-
23 vided by part 17.