

REPRINT

SUBSTITUTE FOR

HOUSE BILL NO. 5407

(As passed the House, February 5, 2002)

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending section 629 (MCL 380.629), as amended by 1997 PA
152.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 629. (1) An intermediate school board may borrow,
2 subject to the ~~municipal finance act, 1943 PA 202, MCL 131.1 to~~
3 ~~139.3~~ REVISED MUNICIPAL FINANCE ACT, 2001 PA 34, MCL 141.2101 TO
4 141.2821, sums of money on terms the intermediate school board
5 considers necessary for 1 or more of the following purposes:
6 (a) For temporary purposes for which the intermediate school
7 board may give notes of the intermediate school district. The
8 intermediate school board shall not borrow a sum that exceeds the
9 amount that has been voted by the intermediate school board or
10 the school electors of the intermediate school district.

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1 (b) To purchase sites for buildings; to purchase, erect,
2 complete, remodel, improve, furnish, refurnish, equip, or reequip
3 buildings and facilities the board is authorized to acquire,
4 including, but not limited to, general administrative, vocation-
5 al, or special education buildings or facilities, or parts of
6 those buildings or facilities, or additions to those buildings or
7 facilities, and prepare, develop, or improve sites for those
8 buildings or facilities; to purchase and install information
9 technology systems, together with the equipment and software, as
10 are necessary for programs conducted by the intermediate school
11 district under section 627(2); and to issue and sell bonds of the
12 intermediate school district in the form and on the terms the
13 board considers advisable.

14 (2) An intermediate school board shall not borrow money or
15 issue bonds for ~~a term longer than 30 years or, except as other-~~
16 ~~wise provided in this subsection, for~~ a sum ~~which~~ THAT,
17 together with the total outstanding bonded indebtedness of the
18 intermediate school district, exceeds 1/9 of 1% of the state
19 equalized valuation of the taxable property within the district,
20 unless the question of borrowing the money or issuing bonds is
21 submitted first to a vote of the school electors of the interme-
22 diate school district held under sections 661 and 662 and
23 approved by the majority of the registered school electors voting
24 on the question. Regardless of the amount of outstanding bonded
25 indebtedness of the intermediate school district, a vote of the
26 school electors is not necessary in order to issue bonds for a
27 purpose described in section 1274a or to issue bonds under

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1 section 11i of the state school aid act of 1979, 1979 PA 94, MCL
2 388.1611i. Money may be borrowed and bonds may be issued for the
3 purposes stated in this section in an amount equal to that pro-
4 vided by part 17. For the purposes of this subsection, bonds
5 authorized by vote of the school electors for special education
6 facilities under part 30 and for area vocational-technical educa-
7 tion facilities under sections 681 to 690 and bonds issued under
8 section 11i of the state school aid act of 1979, 1979 PA 94, MCL
9 388.1611i, shall not be included in computing the total outstand-
10 ing bonded indebtedness of an intermediate school district.

11 (3) Not later than 30 days after receipt of notice that the
12 question of issuing bonds under this section to purchase and
13 install information technology systems as are necessary for a
14 cooperative program under section 627(2) will be submitted to the
15 school electors of the intermediate school district, the board of
16 a constituent school district by resolution may elect not to par-
17 ticipate in the cooperative program and not to conduct an elec-
18 tion on the question within the constituent school district.