

HOUSE BILL No. 5412

November 1, 2001, Introduced by Rep. Van Woerkom and referred to the Committee on Commerce.

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending section 1227 (MCL 380.1227), as added by 1995 PA
289.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1227. (1) The board of a school district shall prepare
2 annual estimates of the amount of taxes necessary for the school
3 district's needs for the ensuing fiscal year. The estimates
4 shall specify the amount required for the "general fund", the
5 amount required for the "capital projects fund", and the amount
6 required for the "debt retirement fund", in accordance with the
7 ~~municipal finance act, Act No. 202 of the Public Acts of 1943,~~
8 ~~being sections 131.1 to 139.3 of the Michigan Compiled Laws~~
9 REVISED MUNICIPAL FINANCE ACT, 2001 PA 34, MCL 141.2101 TO
10 141.2821, and outstanding bonding resolutions.

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1 (2) The school board may include in the "capital projects
2 fund" an amount not exceeding in 1 year .01% of the school
3 district's taxable value to establish and maintain a school dis-
4 trict insurance reserve fund from which school buildings or other
5 school property damaged or destroyed by fire, lightning, or oth-
6 erwise may be repaired, rebuilt, or replaced by other buildings
7 or property to be used in its place. Taxes shall not be levied
8 for this purpose while the insurance reserve fund exceeds or
9 equals .1% of the school district's taxable value. The board
10 shall carry the insurance reserves forward as an encumbered
11 reserve and may add to the reserve in the manner prescribed in
12 this section. Insurance reserve funds may be invested in the
13 manner provided in section 1223. Income from the investment
14 shall be considered a part of the "general fund". If an emer-
15 gency is declared by a 2/3 vote of the members elected to and
16 serving on the board, the insurance reserve funds may be borrowed
17 for the emergency, but the funds shall be returned to the insur-
18 ance reserve fund from the collection of taxes in the next ensu-
19 ing fiscal year.

20 (3) The school board shall adopt a budget in the same manner
21 and form as required for its estimates and, subject to limita-
22 tions under law, determine the amount of tax levy necessary for
23 the budget. The board shall certify the amount to the city and
24 township before the date required by law.

25 (4) The proper officials of the city and township shall
26 apportion the school taxes in the school district in the same
27 manner as the other taxes of the city or township are

1 apportioned. Except as otherwise provided under part 26, the
2 amount apportioned shall be assessed, levied, collected, and
3 returned for each portion of the school district in the same
4 manner as taxes of the city or township in which the portion of
5 the school district is located.