

HOUSE BILL No. 4054

January 28, 2003, Introduced by Rep. Whitmer 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 5 mills on the ~~state-equalized valuation~~ **taxable**
4 **value of the real and personal property** of the school district
5 each year for a period of not to exceed 20 years, for the purpose
6 of creating a sinking fund to be used for the purchase of real
7 estate for sites for, and the construction or repair of, school
8 buildings, **or for any purpose for which a school district may**
9 **borrow money and issue bonds under section 1351a.** The sinking
10 fund tax levy is subject to the 15 mill tax limitation provisions

1 of section 6 of article IX of the state constitution of 1963 and
 2 the property tax limitation act, ~~Act No. 62 of the Public Acts~~
 3 ~~of 1933, as amended, being sections 211.201 to 211.217a of the~~
 4 ~~Michigan Compiled Laws~~ **1933 PA 62, MCL 211.201 to 211.217a.**

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

16 **(3)** ~~-(2)-~~ The proposition of levying a sinking fund tax shall
 17 be submitted to the school electors of the school district at an
 18 annual or special meeting or election.

19 **(4)** ~~-(3)-~~ The question of levying taxes for the purpose of
 20 creating a sinking fund shall be by ballot in substantially the
 21 following form:

22 "Shall _____ levy _____ mills
 23 (legal name of school district)
 24 to create a sinking fund for the purpose of _____
 25 _____
 26 for a period of _____ years?
 27 Yes ()
 28 No ()".

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