

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 443

(As amended December 12, 2013)

A bill to amend 1961 PA 236, entitled
"Revised judicature act of 1961,"
by amending section 6094 (MCL 600.6094).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6094. (1) ~~Whenever any~~ **SUBJECT TO SUBSECTION (5), IF A**
2 final judgment **FOR DAMAGES** is ~~obtained~~ **ENTERED** against the ~~A~~ school
3 district, ~~if it~~ **OR AN INTERMEDIATE SCHOOL DISTRICT AND** is not
4 removed to ~~any other~~ **ANOTHER** court, the treasurer of the **SCHOOL**
5 district **OR INTERMEDIATE SCHOOL DISTRICT** shall certify to the
6 supervisor of the township **AND ASSESSING OFFICER OF THE TOWNSHIP OR**
7 **MUNICIPALITY IN WHICH THE SCHOOL DISTRICT OR INTERMEDIATE SCHOOL**
8 **DISTRICT IS LOCATED** and to the ~~director~~ **SECRETARY** of the **SCHOOL**
9 district **OR INTERMEDIATE SCHOOL DISTRICT** the date and amount of the
10 judgment, ~~with~~ **AND** the name of the person in whose favor it was
11 ~~rendered, and if~~ **ENTERED. IF** the judgment is removed to another

1 court, the treasurer shall certify it ~~as aforesaid~~ immediately
 2 after the final determination thereof ~~OF THE JUDGMENT~~ against the
 3 SCHOOL district OR INTERMEDIATE SCHOOL DISTRICT.

4 (2) ~~If~~ **SUBJECT TO SUBSECTION (5), IF** the treasurer fails to
 5 certify ~~the~~ **A judgment FOR DAMAGES AS REQUIRED BY SUBSECTION (1),**
 6 ~~the party obtaining it, his executors, administrators, PERSON IN~~
 7 **WHOSE FAVOR THE JUDGMENT WAS ENTERED OR THE PERSON'S PERSONAL**
 8 **REPRESENTATIVE** or assigns, ~~may file with the supervisor the~~ **A**
 9 certificate of the clerk of the court ~~rendering~~ **THAT ENTERED** the
 10 judgment, ~~showing~~ **THAT CONTAINS** the facts which ~~information~~ **THAT**
 11 should have been certified by the treasurer.

12 (3) If ~~the~~ **A SCHOOL** district OR INTERMEDIATE SCHOOL DISTRICT
 13 against which a judgment **FOR DAMAGES** is ~~rendered~~ **ENTERED** is
 14 ~~situated in part~~ **LOCATED** in 2 or more townships OR MUNICIPALITIES,
 15 a certificate thereof ~~UNDER THIS SECTION~~ shall be delivered as
 16 ~~aforesaid~~ **PROVIDED IN THIS SECTION** to the supervisor of each
 17 township AND ASSESSING OFFICER OF EACH TOWNSHIP OR MUNICIPALITY in
 18 which **PART OF** the SCHOOL DISTRICT OR INTERMEDIATE SCHOOL district
 19 is ~~in part situated~~ **LOCATED**.

20 (4) ~~The supervisor or supervisors receiving either of the~~
 21 ~~certificates~~ **AN ASSESSING OFFICER WHO RECEIVES A CERTIFICATE** of a
 22 judgment ~~as aforesaid~~ **UNDER THIS SECTION** shall proceed to assess
 23 the amount thereof, ~~OF THE JUDGMENT~~, with interest from the date of
 24 the judgment to the time when the warrant for the collection
 25 thereof ~~OF THE JUDGMENT~~ will expire, upon the taxable property of
 26 the SCHOOL DISTRICT OR INTERMEDIATE SCHOOL district, placing it on
 27 the next township assessment roll in the column for school taxes. +

Senate Bill No. 443 as amended December 12, 2013

~~and the same proceedings shall be had, and it~~ THE AMOUNT OF THE JUDGMENT shall be collected and returned in the same manner as other ~~district~~ taxes OF THE SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT.

(5) THIS SECTION DOES NOT APPLY TO ANY OF THE FOLLOWING:

(A) A JUDGMENT ENTERED IN AN ACTION TO ENFORCE A CONTRACT THAT THE SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT WAS NOT AUTHORIZED TO ENTER INTO UNDER THE LAWS OF THIS STATE.

(B) A JUDGMENT ENTERED IN AN ACTION TO ENFORCE A CONTRACT TO WHICH THE SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT IS A PARTY THAT PROVIDES FOR PAYMENT OF MONEY TO A PERSON OTHER THAN THIS STATE, A PUBLIC EMPLOYEE RETIREMENT SYSTEM ESTABLISHED BY THIS STATE, OR A STATE AUTHORITY, IF BOTH OF THE FOLLOWING APPLY:

(i) THE SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT IS SUBJECT TO A CONSENT AGREEMENT UNDER SECTION 8 OF THE LOCAL FINANCIAL STABILITY AND CHOICE ACT, 2012 PA 436, MCL 141.1548.

(ii) THE CONSENT AGREEMENT DOES NOT REQUIRE THE SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT TO OBTAIN THE APPROVAL OF THE STATE TREASURER BEFORE THE TREASURER OF THE SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT CERTIFIES A JUDGMENT UNDER THIS SECTION.

(C) A JUDGMENT ENTERED IN AN ACTION TO ENFORCE A CONTRACT TO WHICH THE SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT IS A PARTY AND TO WHICH ALL OF THE FOLLOWING APPLY:

(i) THE CONTRACT PROVIDES FOR 1 OR MORE PAYMENTS BY THE SCHOOL DISTRICT TO A PERSON OTHER THAN THIS STATE, A PUBLIC EMPLOYEE RETIREMENT SYSTEM ESTABLISHED BY THIS STATE, OR A STATE AUTHORITY.

<< (ii) THE TOTAL AMOUNT OF THE PAYMENTS REQUIRED UNDER THE CONTRACT BY THE SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT IS MORE THAN \$100,000.00.

Senate Bill No. 443 as amended December 12, 2013

1 *(iii)* >> THE SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT FAILED
2 TO MAKE A PAYMENT REQUIRED UNDER THE CONTRACT TO THE PERSON WITHIN
3 90 DAYS AFTER THE DATE REQUIRED UNDER THE CONTRACT.

4 << *(iv)* >> EITHER OF THE FOLLOWING APPLIES:

5 (A) WITHIN THE 90-DAY PERIOD UNDER SUBPARAGRAPH << *(iii)* >>, THE
6 PERSON ENTITLED TO THE PAYMENT DID NOT PROVIDE WRITTEN NOTICE TO
7 THE BOARD AND SUPERINTENDENT OF THE SCHOOL DISTRICT OR INTERMEDIATE
8 SCHOOL DISTRICT AND THE STATE TREASURER OF THE SCHOOL DISTRICT'S OR
9 INTERMEDIATE SCHOOL DISTRICT'S FAILURE TO MAKE THE REQUIRED PAYMENT
10 AND THE PERSON'S INTENT TO STOP PROVIDING GOODS OR SERVICES UNDER
11 THE CONTRACT.

12 (B) AFTER SENDING A NOTICE DESCRIBED IN SUB-SUBPARAGRAPH (A) ,
13 THE PERSON DID NOT STOP PROVIDING GOODS OR SERVICES UNDER THE
14 CONTRACT AT THE EARLIEST TIME ALLOWABLE UNDER THE CONTRACT.

15 (6) THE STATE TREASURER SHALL TRANSMIT AN ELECTRONIC COPY OF
16 EACH NOTICE RECEIVED UNDER SUBSECTION << (5) (C) *(iv)* (A) >> TO THE
CHAIRPERSON
17 OF THE HOUSE EDUCATION COMMITTEE, THE CHAIRPERSON OF THE SENATE
18 EDUCATION COMMITTEE, THE CHAIRPERSON OF THE HOUSE APPROPRIATIONS
19 SUBCOMMITTEE ON SCHOOL AID, AND THE CHAIRPERSON OF THE SENATE
20 APPROPRIATIONS SUBCOMMITTEE ON SCHOOL AID.

21 (7) THE STATE TREASURER AND THE SCHOOL DISTRICT OR
22 INTERMEDIATE SCHOOL DISTRICT SHALL POST AN ELECTRONIC COPY OF A
23 NOTICE SENT UNDER SUBSECTION << (5) (C) *(iv)* (A) >> ON THE INTERNET WEBSITE OF
24 THE DEPARTMENT OF TREASURY AND OF THE SCHOOL DISTRICT OR
25 INTERMEDIATE SCHOOL DISTRICT, RESPECTIVELY.