

SENATE BILL No. 81

January 24, 2013, Introduced by Senators HANSEN, JONES, ROBERTSON, GREEN, MARLEAU and WALKER and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending sections 1254 and 1814 (MCL 380.1254 and 380.1814),
section 1254 as amended by 1995 PA 289 and section 1814 as added by
2004 PA 417.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1254. (1) Except as provided in subsection (3) and
2 section 1217a, the board of a school district or intermediate
3 school district may pay the actual and necessary expenses incurred
4 by its members and employees in the discharge of official duties or
5 in the performance of functions authorized by the board. The
6 expenditure, **AND THE POLICY DESCRIBED IN SUBSECTION (2)(B) THAT**
7 **ESTABLISHES SPECIFIC CATEGORIES OF REIMBURSABLE EXPENSES,** shall be
8 a public record and shall be made available to a person upon

1 request.

2 (2) The board of a school district or intermediate school
3 district shall not approve payment of an expense incurred by a
4 board member under subsection (1) unless 1 or both of the following
5 conditions are met:

6 (a) The board, by a majority vote of its members at an open
7 meeting, approved reimbursement of the specific expense before the
8 expense was incurred.

9 (b) The expense is consistent with a policy adopted by the
10 board, by a majority vote of its members at a regular board
11 meeting, establishing specific categories of reimbursable expenses
12 and the board, by a majority vote of its members at an open
13 meeting, approves the reimbursement before it is actually paid.

14 (3) The board of any school district shall not provide, allow,
15 or obtain credit cards for, issue credit cards to, or provide to a
16 school board member a debit card or similar instrument that pledges
17 payment of funds from a school district account except in
18 compliance with law.

19 Sec. 1814. (1) Except as otherwise provided in subsection (2),
20 a person shall not use **SCHOOL DISTRICT OR** intermediate school
21 district funds or other public funds under the control of ~~the~~**A**
22 **SCHOOL DISTRICT OR** intermediate school district for purchasing
23 alcoholic beverages, jewelry, gifts, fees for golf, or any item the
24 purchase or possession of which is illegal.

25 (2) Subsection (1) does not prohibit the use of public funds
26 for the purchase of a plaque, medal, trophy, or other award for the
27 recognition of an employee, volunteer, or pupil if the purchase

1 does not exceed \$100.00 per recipient. Beginning January 1, 2005,
2 the monetary amount for this exception shall be adjusted each
3 January 1 by multiplying the amount for the immediately preceding
4 year by the percentage by which the average consumer price index
5 for all items for the 12 months ending August 31 of the year in
6 which the adjustment is made differs from that index's average for
7 the 12 months ending on August 31 of the immediately preceding year
8 and adding that product to the maximum amount that applied in the
9 immediately preceding year, rounding to the nearest whole dollar.

10 The adjustment shall apply only to expenditures or violations
11 occurring after the date of the adjusting of the amount. The
12 adjusted amount shall be determined and announced by the department
13 on or before December 15 of each year and shall be provided to all
14 persons requesting the adjusted amount. If the index is
15 unavailable, the department shall make a reasonable approximation.

16 (3) In addition to any other penalty provided by law, a person
17 who knowingly or intentionally violates subsection (1) is guilty of
18 a misdemeanor punishable by imprisonment for not more than 93 days
19 or a fine, or both. The amount of the fine shall be as follows:

20 (a) If the cumulative amount of the funds that were used by
21 the person in violation of subsection (1) is less than \$5,000.00,
22 up to \$1,000.00.

23 (b) If the cumulative amount of the funds that were used by
24 the person in violation of subsection (1) is at least \$5,000.00 and
25 less than \$10,000.00, at least \$1,000.00 and not to exceed
26 \$2,000.00.

27 (c) If the cumulative amount of the funds that were used by

1 the person in violation of subsection (1) is at least \$10,000.00
2 and less than \$15,000.00, at least \$2,000.00 and not to exceed
3 \$3,000.00.

4 (d) If the cumulative amount of the funds that were used by
5 the person in violation of subsection (1) is at least \$15,000.00
6 and less than \$25,000.00, at least \$3,000.00 and not to exceed
7 \$4,000.00.

8 (e) If the cumulative amount of the funds that were used by
9 the person in violation of subsection (1) is \$25,000.00 or more, at
10 least \$4,000.00.

11 (4) A court shall order a person convicted of a violation of
12 subsection (1) to make restitution to the affected **SCHOOL DISTRICT**
13 **OR** intermediate school district.

14 (5) As used in this section, "public funds" means funds
15 generated from taxes levied under this act, state appropriations of
16 state or federal funds, or payments to the **SCHOOL DISTRICT OR**
17 intermediate school district for services, but does not include
18 voluntary contributions made for a specific purpose by ~~an~~**A SCHOOL**
19 **DISTRICT OR** intermediate school district board member, ~~an~~**A SCHOOL**
20 **DISTRICT OR** intermediate school district employee, another
21 individual, or a private entity.

22 Enacting section 1. This amendatory act takes effect 90 days
23 after the date it is enacted into law.

24 Enacting section 2. This amendatory act does not take effect
25 unless Senate Bill No. 80

26 of the 97th Legislature is enacted into law.