

SUBSTITUTE FOR
HOUSE BILL NO. 4388

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending section 1212 (MCL 380.1212), as amended by 2003 PA 299.

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 each
5 year ~~for a period of not to exceed 20 years,~~ for the purpose of
6 creating a sinking fund. ~~to be used~~ **ALL OF THE FOLLOWING APPLY TO A**
7 **SINKING FUND TAX AUTHORIZED UNDER THIS SECTION:**

8 (A) FOR A SINKING FUND TAX AUTHORIZED BEFORE THE EFFECTIVE
9 DATE OF THE AMENDATORY ACT THAT ADDED SUBSECTION (6), THE SINKING

FUND TAX MAY BE USED for the purchase of real estate for sites for, and the construction or repair of, school buildings. FOR A SINKING FUND TAX AUTHORIZED ON OR AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED SUBSECTION (6), THE SINKING FUND TAX MAY BE USED FOR THE PURCHASE OF REAL ESTATE FOR SITES FOR, AND THE CONSTRUCTION OR REPAIR OF, SCHOOL BUILDINGS, FOR SCHOOL SECURITY IMPROVEMENTS, OR FOR THE ACQUISITION OR UPGRADING OF TECHNOLOGY.

(B) FOR A SINKING FUND TAX AUTHORIZED BEFORE THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED SUBSECTION (6), THE SINKING FUND TAX SHALL NOT EXCEED 5 MILLS. FOR A SINKING FUND TAX AUTHORIZED ON OR AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED SUBSECTION (6), THE SINKING FUND TAX SHALL NOT EXCEED 3 MILLS.

(C) FOR A SINKING FUND TAX AUTHORIZED BEFORE THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED SUBSECTION (6), THE SINKING FUND TAX MAY BE LEVIED EACH YEAR FOR A PERIOD NOT TO EXCEED 20 YEARS. FOR A SINKING FUND TAX AUTHORIZED ON OR AFTER THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED SUBSECTION (6), THE SINKING FUND TAX MAY BE LEVIED EACH YEAR FOR A PERIOD NOT TO EXCEED 10 YEARS.

(D) The sinking fund tax levy is subject to the 15 mill tax limitation provisions of section 6 of article IX of the state constitution of 1963 and the property tax limitation act, 1933 PA 62, MCL 211.201 to 211.217a.

(2) A school district that levies a sinking fund tax under this section shall have an independent audit of its sinking fund conducted annually, including a review of the uses of the sinking

fund, and shall submit the audit report to the department of treasury. If the department of treasury determines from the audit report that the sinking fund has been used for a purpose other than those authorized for the sinking fund under this section, the school district shall repay the misused funds to the sinking fund from the school district's operating funds and shall not levy a sinking fund tax under this section after the date the department of treasury makes that determination.

(3) ~~(2)~~—The proposition of levying a sinking fund tax shall be submitted to the school electors of the school district at a regular or special school election.

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

"Shall _____ levy _____ mills
(legal name of school district)
to create a sinking fund for the purpose of _____
_____ for a period of _____ years?
Yes ()
No ()".

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

(6) **AS USED IN THIS SECTION:**

1 (A) "SCHOOL SECURITY IMPROVEMENT" MEANS ANY CAPITAL
2 IMPROVEMENT OR PURCHASE THAT IS DESIGNED TO ACT AS A DETERRENT TO
3 UNAUTHORIZED ENTRY OF PERSONS OR ITEMS ONTO SCHOOL PREMISES OR TO
4 OTHERWISE PROMOTE SECURITY, INCLUDING, BUT NOT LIMITED TO, METAL
5 DETECTORS, LOCKS, DOORS, LIGHTING, CAMERAS, AND ENHANCEMENTS TO
6 ENTRYWAYS. SCHOOL SECURITY IMPROVEMENT ALSO INCLUDES A MOBILE
7 TELEPHONE APPLICATION THAT PROVIDES THE ABILITY TO COMMUNICATE WITH
8 PERSONNEL ON SITE WHILE ALSO CONNECTING AN EMERGENCY TELEPHONE CALL
9 TO A 9-1-1 CENTER. SCHOOL SECURITY IMPROVEMENT DOES NOT INCLUDE
10 PERSONNEL COSTS OR OPERATION COSTS RELATED TO A CAPITAL IMPROVEMENT
11 OR PURCHASE OR RELATED TO A MOBILE TELEPHONE APPLICATION.

12 (B) "TECHNOLOGY" MEANS THAT TERM AS DEFINED IN SECTION 1351A.