

HOUSE BILL No. 4517

April 23, 2015, Introduced by Reps. Rutledge, Pscholka, Kelly, Zemke, LaVoy, Driskell, Plawecki, Darany, Dianda, Glenn, Singh, Townsend, Neeley and Faris and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending section 863 (MCL 380.863).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 863. (1) If a school district becoming part of a
2 consolidated school district has bonded indebtedness, or has
3 outstanding tax anticipation notes at the time of consolidation,
4 the identity of the district shall not be lost by virtue of the
5 consolidation. Territory of the original school district shall
6 remain as an assessing unit for purposes of bonded indebtedness and
7 tax anticipation notes until the indebtedness is retired or the
8 outstanding bonds are refunded by the consolidated school district.

9 **IF A CONSOLIDATED SCHOOL DISTRICT HAS NOT ASSUMED THE BONDED**
10 **INDEBTEDNESS OF AN ORIGINAL SCHOOL DISTRICT, THE BONDED**
11 **INDEBTEDNESS OF THE ORIGINAL SCHOOL DISTRICT MAY BE REFUNDED BY THE**

1 CONSOLIDATED SCHOOL DISTRICT ON BEHALF OF THE ORIGINAL SCHOOL
2 DISTRICT, AND THE TERRITORY OF THE ORIGINAL SCHOOL DISTRICT SHALL
3 REMAIN AS AN ASSESSING UNIT FOR THE PURPOSES OF THE REFUNDING BONDS
4 UNTIL THE REFUNDING FUNDS ARE RETIRED OR ARE ASSUMED BY THE
5 CONSOLIDATED SCHOOL DISTRICT. The board of the consolidated school
6 district shall constitute the board of trustees for the original
7 school district having bonded indebtedness or tax anticipation
8 notes. The officers of the consolidated school district shall be
9 the officers for the original school district for this purpose.

10 (2) The board of the consolidated school district shall
11 certify and order the levy of taxes for the bonded indebtedness and
12 tax anticipation notes in the name of the original school district
13 and shall not commingle the debt retirement funds of the original
14 school district with funds of the consolidated school district. The
15 board of the consolidated school district shall do all things
16 relative to the bonded indebtedness and tax anticipation notes
17 required by law and by the terms under which the issue and sale of
18 the bonds and tax anticipation notes were originally authorized.

19 (3) Other taxes of any nature for purposes of the consolidated
20 school district shall be spread uniformly over the entire area of
21 the consolidated school district.