

Act No. 164
Public Acts of 2015
Approved by the Governor
October 28, 2015
Filed with the Secretary of State
October 28, 2015
EFFECTIVE DATE: October 28, 2015

**STATE OF MICHIGAN
98TH LEGISLATURE
REGULAR SESSION OF 2015**

Introduced by Reps. Rutledge, Pscholka, Kelly, Zemke, LaVoy, Driskell, Plawecki, Darany, Dianda, Glenn, Singh, Townsend, Neeley and Faris

ENROLLED HOUSE BILL No. 4517

AN ACT to amend 1976 PA 451, entitled “An act to provide a system of public instruction and elementary and secondary schools; to revise, consolidate, and clarify the laws relating to elementary and secondary education; to provide for the organization, regulation, and maintenance of schools, school districts, public school academies, intermediate school districts, and other public school entities; to prescribe rights, powers, duties, and privileges of schools, school districts, public school academies, intermediate school districts, and other public school entities; to provide for the regulation of school teachers and certain other school employees; to provide for school elections and to prescribe powers and duties with respect thereto; to provide for the levy and collection of taxes; to provide for the borrowing of money and issuance of bonds and other evidences of indebtedness; to establish a fund and provide for expenditures from that fund; to provide for and prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to provide for licensure of boarding schools; to prescribe penalties; and to repeal acts and parts of acts,” by amending section 863 (MCL 380.863).

The People of the State of Michigan enact:

Sec. 863. (1) If a school district becoming part of a consolidated school district has bonded indebtedness, or has outstanding tax anticipation notes at the time of consolidation, the identity of the district shall not be lost by virtue of the consolidation. Territory of the original school district shall remain as an assessing unit for purposes of bonded indebtedness and tax anticipation notes until the indebtedness is retired or the outstanding bonds are refunded by the consolidated school district. If a consolidated school district has not assumed the bonded indebtedness of an original school district, the bonded indebtedness of the original school district may be refunded by the consolidated school district on behalf of the original school district, and the territory of the original school district shall remain as an assessing unit for the purposes of the refunding bonds until the refunding funds are retired or are assumed by the consolidated school district. The board of the consolidated school district shall constitute the board of trustees for the original school district having bonded indebtedness or tax anticipation notes. The officers of the consolidated school district shall be the officers for the original school district for this purpose.

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

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

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved

Governor