

Act No. 227
Public Acts of 1990
Approved by the Governor
October 7, 1990
Filed with the Secretary of State
October 8, 1990

**STATE OF MICHIGAN
85TH LEGISLATURE
REGULAR SESSION OF 1990**

Introduced by Reps. Bartnik, DeMars, Stallworth, Krause, Hoffman and Stopczynski

ENROLLED HOUSE BILL No. 4774

AN ACT to amend section 1274a of Act No. 451 of the Public Acts of 1976, entitled as amended "An act to provide a system of public instruction and elementary and secondary schools; to revise, consolidate, and classify the laws relating to elementary and secondary education; to provide for the classification, organization, regulation, and maintenance of schools, school districts, and intermediate school districts; to prescribe rights, powers, duties, and privileges of schools, school districts, and intermediate school districts; to provide for the regulation of school teachers and school administrators; 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 certain acts and parts of acts," as amended by Act No. 22 of the Public Acts of 1985, being section 380.1274a of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Section 1. Section 1274a of Act No. 451 of the Public Acts of 1976, as amended by Act No. 22 of the Public Acts of 1985, being section 380.1274a of the Michigan Compiled Laws, is amended to read as follows:

Sec. 1274a. (1) The board of a school district, intermediate school district, or local act school district may provide for energy conservation improvements to be made to school facilities and may pay for the improvements from operating funds of the school district or from the proceeds of bonds or notes issued for energy conservation improvements or may enter into contracts in which the cost of the energy conservation improvements is paid from a portion of the savings which result from the improvements. These contractual agreements may provide that the costs of improvements will be paid only if the energy savings are sufficient to cover them. Energy conservation improvements may include, but are not limited to, heating system improvements, fenestration improvements, roof improvements, the installation of any insulation, the installation or repair of heating or air conditioning controls, and entrance or exit way closures.

(2) The board of a school district, intermediate school district, or local act school district may provide for the removal or treatment of asbestos or other material injurious to health for school facilities and may pay for the improvements from operating funds of the school district or from the proceeds of bonds or notes issued for such purpose.

(3) Issuance of bonds for the purposes authorized by this section shall be considered as issued for capital expenditures for all purposes including section 16 of article IX of the state constitution of 1963.

(4) Energy conservation improvements or substance removal or treatment authorized by this section shall be subject to the competitive bidding requirements of section 1267.

(5) If energy conservation improvements are made by a school district or an intermediate school district as provided in this section, the school board of the school district or an intermediate school district shall report the following information to the Michigan public service commission within 60 days after the completion of the improvements:

(a) Name of each facility to which an improvement was made and a description of the conservation improvements.

(b) Actual energy consumption during the 12-month period before completion of the improvement.

(c) Project costs and expenditures.

(d) Estimated annual energy savings.

(6) If energy conservation improvements are made as provided in this section, the school board of the school district or an intermediate school district shall report to the Michigan public service commission by July 1 of each of the 5 years after the improvements are completed the actual annual energy consumption of each facility to which improvements were made. The forms for the reports required by this section shall be furnished by the Michigan public service commission.

This act is ordered to take immediate effect.

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Clerk of the House of Representatives.

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Secretary of the Senate.

Approved

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Governor.