

HOUSE BILL No. 4575

March 24, 2005, Introduced by Reps. Vander Veen, Wenke, Ball, Huizenga, Taub and Stakoe and referred to the Committee on Education.

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 for the ~~purchase of real estate~~
 7 ~~for sites for, and the construction or~~ repair of ~~—~~ school
 8 buildings **OR FOR ANY PURPOSE FOR WHICH A SCHOOL DISTRICT MAY BORROW**
 9 **MONEY AND ISSUE BONDS UNDER SECTION 1351A.** The sinking fund tax

1 levy is subject to the 15 mill tax limitation provisions of section
2 6 of article IX of the state constitution of 1963 and the property
3 tax limitation act, 1933 PA 62, MCL 211.201 to 211.217a.

4 (2) A school district that levies a sinking fund tax under
5 this section shall have an independent **FINANCIAL AND COMPLIANCE**
6 audit of its sinking fund conducted annually ~~—, including a review~~
7 ~~of the uses of the sinking fund,~~ and shall submit the audit report
8 to the department of treasury. If the department of treasury
9 determines from the audit report that the sinking fund has been
10 used for a purpose other than those authorized for the sinking fund
11 under this section **OR OTHER THAN THE PURPOSE SPECIFIED IN THE**
12 **BALLOT LANGUAGE AS DESCRIBED IN SUBSECTION (4)**, the school district
13 shall repay the misused funds to the sinking fund from the school
14 district's operating funds and shall not levy a sinking fund tax
15 under this section after the date the department of treasury makes
16 that determination.

17 (3) ~~—(2)—~~ The proposition of levying a sinking fund tax shall
18 be submitted to the school electors of the school district at a
19 regular or special school election.

20 (4) ~~—(3)—~~ **The SUBJECT TO SUBSECTION (6), THE** question of
21 levying taxes for the purpose of creating a sinking fund shall be
22 by ballot in substantially the following form:

23 "Shall _____ levy _____ mills
24 (legal name of school district)

25 to create a sinking fund for the purpose of _____
26 _____
27 for a period of _____ years?

1 Yes ()

2 No ()".

3 (5) ~~(4)~~ For the purposes of this section, millage approved
4 by the school electors before December 1, 1993 for which the
5 authorization has not expired is considered to be approved by the
6 school electors.

7 (6) IN THE BALLOT LANGUAGE UNDER SUBSECTION (4), A SCHOOL
8 DISTRICT MAY REFER TO THE SINKING FUND BY ANOTHER APPROPRIATE
9 DESCRIPTIVE TERM, SUCH AS "INFRASTRUCTURE INVESTMENT FUND".