

SUBSTITUTE FOR
HOUSE BILL NO. 4824

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending section 1212 (MCL 380.1212), as amended by 1993
PA 312.

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
5 each year for a period of not to exceed 20 years, for the purpose
6 of creating a sinking fund to be used for the ~~purchase of real~~
7 ~~estate for sites for, and the construction or~~ repair of —
8 school buildings OR FOR ANY PURPOSE FOR WHICH A SCHOOL DISTRICT
9 MAY BORROW MONEY AND ISSUE BONDS UNDER SECTION 1351A. The
10 sinking fund tax levy is subject to the 15 mill tax limitation

HB4824, As Passed House, December 13, 2001

House Bill No. 4824

2

1 provisions of section 6 of article IX of the state constitution
2 of 1963 and the property tax limitation act, ~~Act No. 62 of the~~
3 ~~Public Acts of 1933, as amended, being sections 211.201 to~~
4 ~~211.217a of the Michigan Compiled Laws~~ 1933 PA 62, MCL 211.201
5 TO 211.217A.

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

19 (3) ~~(2)~~ The proposition of levying a sinking fund tax
20 shall be submitted to the school electors of the school district
21 at an annual or special meeting or election.

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

25 "Shall _____ levy _____ mills
26 (legal name of school district)
27 to create a sinking fund for the purpose of _____

HB4824, As Passed House, December 13, 2001

House Bill No. 4824

3

1 _____

2 for a period of _____ years?

3 Yes ()

4 No ()".

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

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