

SENATE BILL No. 952

May 21, 2014, Introduced by Senator WALKER and referred to the Committee on Appropriations.

A bill to amend 1976 PA 451, entitled
"The revised school code,"
(MCL 380.1 to 380.1852) by adding section 1220.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 1220. (1) A SCHOOL DISTRICT, INTERMEDIATE SCHOOL
2 DISTRICT, OR PUBLIC SCHOOL ACADEMY SHALL NOT ADOPT OR OPERATE UNDER
3 A DEFICIT BUDGET, AND A SCHOOL DISTRICT, INTERMEDIATE SCHOOL
4 DISTRICT, OR PUBLIC SCHOOL ACADEMY SHALL NOT INCUR AN OPERATING
5 DEFICIT IN A FUND DURING A SCHOOL FISCAL YEAR. IF A SCHOOL
6 DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY
7 HAS AN EXISTING DEFICIT FUND BALANCE, INCURS A DEFICIT FUND BALANCE
8 IN THE MOST RECENTLY COMPLETED SCHOOL FISCAL YEAR, OR ADOPTS A
9 CURRENT YEAR BUDGET THAT PROJECTS A DEFICIT FUND BALANCE, ALL OF

1 THE FOLLOWING APPLY:

2 (A) THE SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR
3 PUBLIC SCHOOL ACADEMY SHALL NOTIFY THE SUPERINTENDENT OF PUBLIC
4 INSTRUCTION AND THE STATE TREASURER IMMEDIATELY UPON THE OCCURRENCE
5 OF THE CIRCUMSTANCE. A SCHOOL DISTRICT SHALL PROVIDE A COPY OF THE
6 NOTICE UNDER THIS SUBDIVISION TO THE INTERMEDIATE SUPERINTENDENT OF
7 THE INTERMEDIATE SCHOOL DISTRICT IN WHICH THE SCHOOL DISTRICT IS
8 LOCATED. A PUBLIC SCHOOL ACADEMY SHALL PROVIDE A COPY OF THE NOTICE
9 UNDER THIS SUBDIVISION TO THE AUTHORIZING BODY OF THE PUBLIC SCHOOL
10 ACADEMY.

11 (B) WITHIN 30 DAYS AFTER MAKING NOTIFICATION UNDER SUBDIVISION
12 (A), THE SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC
13 SCHOOL ACADEMY SHALL SUBMIT TO THE SUPERINTENDENT OF PUBLIC
14 INSTRUCTION AND THE STATE TREASURER A PREPLAN FINANCIAL REPORT IN
15 THE FORM AND MANNER PRESCRIBED BY THE DEPARTMENT OF TREASURY.
16 BEFORE SUBMISSION TO THE STATE TREASURER, A SCHOOL DISTRICT SHALL
17 TRANSMIT A COPY OF A REPORT UNDER THIS SUBDIVISION TO THE MEMBERS
18 OF THE BOARD OF THE SCHOOL DISTRICT AND TO THE INTERMEDIATE
19 SUPERINTENDENT OF THE INTERMEDIATE SCHOOL DISTRICT IN WHICH THE
20 SCHOOL DISTRICT IS LOCATED, AN INTERMEDIATE SCHOOL DISTRICT SHALL
21 TRANSMIT A COPY OF A REPORT UNDER THIS SUBDIVISION TO THE MEMBERS
22 OF THE BOARD OF THE INTERMEDIATE SCHOOL DISTRICT, AND A PUBLIC
23 SCHOOL ACADEMY SHALL TRANSMIT A COPY OF A REPORT UNDER THIS
24 SUBDIVISION TO THE MEMBERS OF THE BOARD OF THE PUBLIC SCHOOL
25 ACADEMY AND ITS AUTHORIZING BODY.

26 (C) WITHIN 90 DAYS AFTER NOTIFYING THE DEPARTMENT, THE SCHOOL
27 DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY

1 SHALL SUBMIT TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION IN THE
2 FORM AND MANNER PRESCRIBED BY THE DEPARTMENT AN AMENDED BUDGET FOR
3 THE CURRENT SCHOOL FISCAL YEAR AND A DEFICIT ELIMINATION PLAN
4 APPROVED BY THE BOARD OF THE SCHOOL DISTRICT, INTERMEDIATE SCHOOL
5 DISTRICT, OR PUBLIC SCHOOL ACADEMY, WITH A COPY TO THE STATE
6 TREASURER. A SCHOOL DISTRICT SHALL TRANSMIT A COPY OF THE AMENDED
7 BUDGET AND THE DEFICIT ELIMINATION PLAN TO THE INTERMEDIATE
8 SUPERINTENDENT OF THE INTERMEDIATE SCHOOL DISTRICT IN WHICH THE
9 SCHOOL DISTRICT IS LOCATED. A PUBLIC SCHOOL ACADEMY SHALL TRANSMIT
10 A COPY OF THE AMENDED BUDGET AND THE DEFICIT ELIMINATION PLAN TO
11 ITS AUTHORIZING BODY.

12 (D) THE DEPARTMENT MAY WITHHOLD AND RELEASE SOME OR ALL OF THE
13 MONEY PAYABLE TO THE SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT,
14 OR PUBLIC SCHOOL ACADEMY AS PROVIDED UNDER SECTION 102 OF THE STATE
15 SCHOOL AID ACT OF 1979, MCL 388.1702.

16 (E) THE SUPERINTENDENT OF PUBLIC INSTRUCTION MAY REQUIRE A
17 DEFICIT ELIMINATION PLAN TO INCLUDE AN ACADEMIC PLAN FOR THE SCHOOL
18 DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY.

19 (F) AFTER THE SUPERINTENDENT OF PUBLIC INSTRUCTION APPROVES A
20 SCHOOL DISTRICT'S, INTERMEDIATE SCHOOL DISTRICT'S, OR PUBLIC SCHOOL
21 ACADEMY'S DEFICIT ELIMINATION PLAN, THE SCHOOL DISTRICT,
22 INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY SHALL POST
23 THE DEFICIT ELIMINATION PLAN ON THE SCHOOL DISTRICT'S, INTERMEDIATE
24 SCHOOL DISTRICT'S, OR PUBLIC SCHOOL ACADEMY'S WEBSITE.

25 (2) TO ASSURE GREATER COORDINATION AND EFFECTIVE PARTNERSHIPS
26 IN THE DEVELOPMENT AND IMPLEMENTATION OF A DEFICIT ELIMINATION PLAN
27 UNDER SUBSECTION (1), WHEN ADMINISTERING SUBSECTIONS (1), (4), AND

(5), THE DEPARTMENT SHALL CONSULT WITH ALL OF THE FOLLOWING:

(A) THE DEPARTMENT OF TREASURY.

(B) THE SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY REQUIRED TO SUBMIT A DEFICIT ELIMINATION PLAN UNDER SUBSECTION (1).

(C) FOR A SCHOOL DISTRICT REQUIRED TO SUBMIT A DEFICIT ELIMINATION PLAN UNDER SUBSECTION (1), THE INTERMEDIATE SUPERINTENDENT OF THE INTERMEDIATE SCHOOL DISTRICT IN WHICH THE SCHOOL DISTRICT IS LOCATED.

(D) FOR A PUBLIC SCHOOL ACADEMY REQUIRED TO SUBMIT A DEFICIT ELIMINATION PLAN UNDER SUBSECTION (1), THE AUTHORIZING BODY OF THE PUBLIC SCHOOL ACADEMY.

(3) NOT LATER THAN MARCH 1 OF EACH YEAR, THE DEPARTMENT SHALL PREPARE A REPORT OF DEFICITS INCURRED OR PROJECTED BY SCHOOL DISTRICTS, INTERMEDIATE SCHOOL DISTRICTS, AND PUBLIC SCHOOL ACADEMIES IN THE IMMEDIATELY PRECEDING FISCAL YEAR AND THE PROGRESS MADE IN REDUCING THOSE DEFICITS AND SUBMIT THE REPORT TO THE STANDING COMMITTEES OF THE LEGISLATURE RESPONSIBLE FOR K-12 EDUCATION LEGISLATION, THE APPROPRIATIONS SUBCOMMITTEES OF THE LEGISLATURE RESPONSIBLE FOR K-12 SCHOOL AID APPROPRIATIONS, THE HOUSE AND SENATE FISCAL AGENCIES, THE STATE TREASURER, AND THE STATE BUDGET DIRECTOR. THE DEPARTMENT ALSO SHALL SUBMIT QUARTERLY INTERIM REPORTS CONCERNING THE PROGRESS MADE BY SCHOOL DISTRICTS, INTERMEDIATE SCHOOL DISTRICTS, AND PUBLIC SCHOOL ACADEMIES IN REDUCING THOSE DEFICITS TO THE STANDING COMMITTEES OF THE LEGISLATURE RESPONSIBLE FOR K-12 EDUCATION LEGISLATION, THE APPROPRIATIONS SUBCOMMITTEES OF THE LEGISLATURE RESPONSIBLE FOR K-

1 12 SCHOOL AID APPROPRIATIONS, THE HOUSE AND SENATE FISCAL AGENCIES,
2 THE STATE TREASURER, AND THE STATE BUDGET DIRECTOR. ON A QUARTERLY
3 BASIS, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL PUBLICLY
4 PRESENT THOSE REPORTS TO THE APPROPRIATIONS SUBCOMMITTEES OF THE
5 LEGISLATURE RESPONSIBLE FOR K-12 SCHOOL AID APPROPRIATIONS.

6 (4) A SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC
7 SCHOOL ACADEMY REQUIRED TO SUBMIT A DEFICIT ELIMINATION PLAN UNDER
8 THIS SECTION SHALL SUBMIT TO THE SUPERINTENDENT OF PUBLIC
9 INSTRUCTION AND THE STATE TREASURER A MONTHLY MONITORING REPORT ON
10 REVENUE AND EXPENDITURES IN A FORM AND MANNER PRESCRIBED BY THE
11 DEPARTMENT AND SHALL POST THESE REPORTS ON ITS WEBSITE. A SCHOOL
12 DISTRICT SHALL TRANSMIT A COPY OF EACH REPORT UNDER THIS SUBSECTION
13 TO THE INTERMEDIATE SUPERINTENDENT OF THE INTERMEDIATE SCHOOL
14 DISTRICT IN WHICH THE SCHOOL DISTRICT IS LOCATED. A PUBLIC SCHOOL
15 ACADEMY SHALL TRANSMIT A COPY OF EACH REPORT UNDER THIS SECTION TO
16 THE AUTHORIZING BODY OF THE PUBLIC SCHOOL ACADEMY.

17 (5) IF A SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR
18 PUBLIC SCHOOL ACADEMY IS REQUIRED TO SUBMIT A DEFICIT ELIMINATION
19 PLAN UNDER THIS SECTION, AND THE DEFICIT ELIMINATION PLAN IS
20 APPROVED BY THE DEPARTMENT, THE SUPERINTENDENT OF PUBLIC
21 INSTRUCTION MAY CONTINUE ALLOTMENT AND PAYMENT OF FUNDS AS PROVIDED
22 UNDER SECTION 102 OF THE STATE SCHOOL AID ACT OF 1979, MCL
23 388.1702. WHEN APPROVING A DEFICIT ELIMINATION PLAN, THE
24 SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL ESTABLISH THE PERIOD OF
25 TIME WITHIN WHICH A SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT,
26 OR PUBLIC SCHOOL ACADEMY MUST ELIMINATE ITS DEFICIT AND MAY SET
27 SPECIAL CONDITIONS THAT THE SCHOOL DISTRICT, INTERMEDIATE SCHOOL

1 DISTRICT, OR PUBLIC SCHOOL ACADEMY MUST MEET WHILE THE DEFICIT
2 ELIMINATION PLAN IS IN EFFECT. AFTER THE DEPARTMENT APPROVES A
3 SCHOOL DISTRICT'S, INTERMEDIATE SCHOOL DISTRICT'S, OR PUBLIC SCHOOL
4 ACADEMY'S DEFICIT ELIMINATION PLAN UNDER THIS SUBSECTION, THE
5 SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL
6 ACADEMY SHALL POST THE DEFICIT ELIMINATION PLAN ON THE SCHOOL
7 DISTRICT'S, INTERMEDIATE SCHOOL DISTRICT'S, OR PUBLIC SCHOOL
8 ACADEMY'S WEBSITE. THE REQUIREMENTS OF THIS SECTION RELATING TO A
9 DEFICIT ELIMINATION PLAN DO NOT APPLY TO A SCHOOL DISTRICT,
10 INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY IF THE
11 SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL
12 ACADEMY IS REQUIRED TO SUBMIT AN ENHANCED DEFICIT ELIMINATION PLAN
13 UNDER SUBSECTION (6).

14 (6) IF, BASED UPON INFORMATION INCLUDED IN A PERIODIC
15 FINANCIAL STATUS REPORT REQUIRED UNDER SECTION 1219, A PREPLAN
16 FINANCIAL REPORT REQUIRED UNDER THIS SECTION, A DEFICIT ELIMINATION
17 PLAN REQUIRED UNDER THIS SECTION, OR A REQUEST BY THE
18 SUPERINTENDENT OF PUBLIC INSTRUCTION, THE STATE TREASURER
19 DETERMINES THAT A SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR
20 PUBLIC SCHOOL ACADEMY IS SUBJECT TO RAPIDLY DETERIORATING FINANCIAL
21 CIRCUMSTANCES, PERSISTENTLY DECLINING ENROLLMENT, OR OTHER
22 INDICATORS OF FINANCIAL STRESS LIKELY TO RESULT IN RECURRING
23 OPERATING DEFICITS OR RECURRING FINANCIAL STRESS WITHIN THE SCHOOL
24 DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY,
25 THE STATE TREASURER MAY REQUIRE THE SCHOOL DISTRICT, INTERMEDIATE
26 SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY TO SUBMIT AN ENHANCED
27 DEFICIT ELIMINATION PLAN IN THE FORM AND MANNER DETERMINED BY THE

1 DEPARTMENT OF TREASURY. AN ENHANCED DEFICIT ELIMINATION PLAN SHALL
2 PROVIDE FOR THE RESOLUTION OF THE DETERIORATING FINANCIAL
3 CIRCUMSTANCES, PERSISTENTLY DECLINING ENROLLMENT, OR OTHER
4 INDICATORS OF RECURRING OPERATING DEFICITS OR RECURRING FINANCIAL
5 STRESS AND IS SUBJECT TO APPROVAL BY THE STATE TREASURER. AS A
6 CONDITION OF APPROVING THE ENHANCED DEFICIT ELIMINATION PLAN, THE
7 STATE TREASURER MAY REQUIRE A SCHOOL DISTRICT, INTERMEDIATE SCHOOL
8 DISTRICT, OR PUBLIC SCHOOL ACADEMY REQUIRED TO SUBMIT AN ENHANCED
9 DEFICIT ELIMINATION PLAN UNDER THIS SECTION TO ENTER INTO A
10 FINANCIAL RECOVERY AGREEMENT WITH THE STATE TREASURER. A FINANCIAL
11 RECOVERY AGREEMENT MAY PROVIDE FOR, BUT IS NOT LIMITED TO, ALL OF
12 THE FOLLOWING:

13 (A) ASSISTANCE AND GUIDANCE FROM THE DEPARTMENT OF TREASURY
14 AND OTHER STATE DEPARTMENTS AND AGENCIES.

15 (B) A FINANCIAL AND OPERATING PLAN FOR THE SCHOOL DISTRICT,
16 INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY.

17 (C) THE APPOINTMENT OF A LOCAL AUDITOR OR INSPECTOR, OR BOTH.

18 (D) REMEDIAL MEASURES OR OTHER ACTION UNDER THIS ACT NECESSARY
19 TO ADDRESS THE FINANCIAL CIRCUMSTANCES OF THE SCHOOL DISTRICT,
20 INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY.

21 (E) THE REQUIRED RETENTION BY THE SCHOOL DISTRICT,
22 INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY OF A
23 CONSULTANT OR 1 OR MORE OTHER EXPERTS FOR THE PURPOSE OF ASSISTING
24 THE SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL
25 ACADEMY TO ACHIEVE THE GOALS AND OBJECTIVES OF THE FINANCIAL
26 RECOVERY AGREEMENT.

27 (7) BEFORE A SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR

1 PUBLIC SCHOOL ACADEMY SUBMITS AN ENHANCED DEFICIT ELIMINATION PLAN
2 TO THE STATE TREASURER UNDER SUBSECTION (6), THE BOARD OF THE
3 SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT OR BOARD OF
4 DIRECTORS OF THE PUBLIC SCHOOL ACADEMY SHALL APPROVE THE PLAN. IF A
5 SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL
6 ACADEMY IS REQUIRED TO SUBMIT AN ENHANCED DEFICIT ELIMINATION PLAN
7 UNDER SUBSECTION (6), SOME OR ALL OF THE MONEY PAYABLE TO THE
8 SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL
9 ACADEMY UNDER THE STATE SCHOOL AID ACT OF 1979 MAY BE WITHHELD AND
10 RELEASED AS PROVIDED UNDER SECTION 102 OF THE STATE SCHOOL AID ACT
11 OF 1979, MCL 388.1702. WHEN APPROVING AN ENHANCED DEFICIT
12 ELIMINATION PLAN, THE STATE TREASURER MAY ESTABLISH THE PERIOD OF
13 TIME WITHIN WHICH A SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT,
14 OR PUBLIC SCHOOL ACADEMY MUST ELIMINATE ITS DEFICIT AND MAY SET
15 SPECIAL CONDITIONS THAT THE SCHOOL DISTRICT, INTERMEDIATE SCHOOL
16 DISTRICT, OR PUBLIC SCHOOL ACADEMY MUST MEET WHILE THE DEFICIT
17 ELIMINATION PLAN IS IN EFFECT.

18 (8) TO ASSURE GREATER COORDINATION AND EFFECTIVE PARTNERSHIPS
19 IN THE DEVELOPMENT AND IMPLEMENTATION OF AN ENHANCED DEFICIT
20 ELIMINATION PLAN UNDER SUBSECTION (6), WHEN ADMINISTERING
21 SUBSECTIONS (6), (7), AND (10), THE DEPARTMENT OF TREASURY SHALL
22 CONSULT WITH ALL OF THE FOLLOWING:

23 (A) THE DEPARTMENT.

24 (B) THE SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR
25 PUBLIC SCHOOL ACADEMY REQUIRED TO SUBMIT AN ENHANCED DEFICIT
26 ELIMINATION PLAN UNDER SUBSECTION (6).

27 (C) FOR A SCHOOL DISTRICT REQUIRED TO SUBMIT AN ENHANCED

1 DEFICIT ELIMINATION PLAN UNDER SUBSECTION (6), THE INTERMEDIATE
2 SUPERINTENDENT OF THE INTERMEDIATE SCHOOL DISTRICT IN WHICH THE
3 SCHOOL DISTRICT IS LOCATED.

4 (D) FOR A PUBLIC SCHOOL ACADEMY REQUIRED TO SUBMIT AN ENHANCED
5 DEFICIT ELIMINATION PLAN UNDER SUBSECTION (6), THE AUTHORIZING BODY
6 OF THE PUBLIC SCHOOL ACADEMY.

7 (9) AFTER THE STATE TREASURER APPROVES AN ENHANCED DEFICIT
8 ELIMINATION PLAN FOR A SCHOOL DISTRICT, INTERMEDIATE SCHOOL
9 DISTRICT, OR PUBLIC SCHOOL ACADEMY, THE SCHOOL DISTRICT,
10 INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY SHALL POST
11 THE ENHANCED DEFICIT ELIMINATION PLAN ON THE SCHOOL DISTRICT'S,
12 INTERMEDIATE SCHOOL DISTRICT'S, OR PUBLIC SCHOOL ACADEMY'S WEBSITE.

13 (10) IF A SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR
14 PUBLIC SCHOOL ACADEMY IS REQUIRED TO SUBMIT AN ENHANCED DEFICIT
15 ELIMINATION PLAN UNDER SUBSECTION (6), THE SCHOOL DISTRICT,
16 INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY SHALL SUBMIT
17 TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION AND THE STATE TREASURER
18 AN ENHANCED MONTHLY MONITORING REPORT ON REVENUE, EXPENDITURES,
19 CASH FLOW, DEBT, OTHER LIABILITIES, ASSETS, BUDGET AMENDMENTS,
20 PUPIL MEMBERSHIP, AND OTHER DATA RELATING TO THE FINANCES OF THE
21 SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL
22 ACADEMY IN A FORM AND MANNER PRESCRIBED BY THE DEPARTMENT OF
23 TREASURY AND SHALL POST THESE REPORTS ON ITS WEBSITE.

24 (11) AS USED IN THIS SECTION:

25 (A) "AUTHORIZING BODY" MEANS AN AUTHORIZING BODY FOR A PUBLIC
26 SCHOOL ACADEMY UNDER THIS ACT.

27 (B) "DEFICIT ELIMINATION PLAN" MEANS A PLAN REQUIRED UNDER

1 THIS SECTION FOR THE ELIMINATION OF A DEFICIT THAT SETS FORTH
2 ACTIONS TO BE TAKEN TO ELIMINATE THE DEFICIT WITHIN THE TIME PERIOD
3 PRESCRIBED BY THE DEPARTMENT.

4 (C) "DEFICIT FUND BALANCE" MEANS THAT TERM AS DEFINED IN THE
5 MICHIGAN PUBLIC SCHOOL ACCOUNTING MANUAL PUBLISHED BY THE
6 DEPARTMENT.

7 (D) "ENHANCED DEFICIT ELIMINATION PLAN" MEANS MEASURES
8 REQUIRED BY THE STATE TREASURER UNDER THIS SECTION TO ADDRESS THE
9 FINANCIAL CONDITIONS WITHIN A SCHOOL DISTRICT, INTERMEDIATE SCHOOL
10 DISTRICT, OR PUBLIC SCHOOL ACADEMY AND RESOLVE ANY DEFICIT WITHIN
11 THE TIME PERIOD PRESCRIBED BY THE STATE TREASURER.

12 (E) "PREPLAN FINANCIAL REPORT" MEANS A REPORT ON THE FINANCIAL
13 CONDITIONS WITHIN A SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT,
14 OR PUBLIC SCHOOL ACADEMY REQUIRED UNDER THIS SECTION AND SUBMITTED
15 IN A FORM AND MANNER PRESCRIBED BY THE STATE TREASURER, WHICH MAY
16 INCLUDE, BUT IS NOT LIMITED TO, FINANCIAL DATA AND OTHER
17 INFORMATION ON LIABILITIES, PAYMENTS, ENROLLMENT, BORROWING, AND
18 OTHER CRITERIA RELATING TO THE FINANCIAL CONDITIONS WITHIN A SCHOOL
19 DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY.

20 Enacting section 1. This amendatory act does not take effect
21 unless all of the following bills of the 97th Legislature are
22 enacted into law:

23 (a) Senate Bill No.954

24 .

25 (b) Senate Bill No.951

26 .

27 (c) Senate Bill No.957

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