

HOUSE BILL No. 5392

March 5, 2014, Introduced by Rep. Heise and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled
"The revised school code,"
(MCL 380.1 to 380.1852) by adding section 1353.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 1353. (1) SUBJECT TO SUBSECTION (3), A SCHOOL DISTRICT
2 MAY USE ANY UNEXPENDED BALANCE OF THE PROCEEDS OF THE SALE OF ANY
3 SCHOOL DISTRICT BONDS, ISSUED BEFORE OR AFTER THE EFFECTIVE DATE OF
4 THIS SECTION, REMAINING AFTER SUBSTANTIAL COMPLETION OF THE
5 PROJECT, NOT TO EXCEED 15% OF THE AMOUNT OF THE BOND ISSUE, FOR
6 SCHOOL CONSTRUCTION, SCHOOL BUSES, EQUIPMENT, TECHNOLOGY, OR SITE
7 ACQUISITION OR DEVELOPMENT, IF THAT USE IS APPROVED BY THE
8 SUPERINTENDENT OF PUBLIC INSTRUCTION.

9 (2) SUBJECT TO SUBSECTION (3), UPON COMPLETION OF THE PROJECT
10 FOR WHICH SCHOOL DISTRICT BONDS WERE APPROVED BY THE SCHOOL
11 ELECTORS AND TO THE EXTENT THE UNEXPENDED BALANCE OF PROCEEDS OF

1 THE SALE OF THE BONDS HAS NOT BEEN USED UNDER SUBSECTION (1), THE
2 SCHOOL DISTRICT SHALL USE THE UNEXPENDED BALANCE OF PROCEEDS OF THE
3 SALE OF THE BONDS FOR 1 OR BOTH OF THE FOLLOWING:

4 (A) THE REDEMPTION OF CALLABLE BONDS, OR, BEFORE THE FIRST
5 CALL DATE ONLY, FOR PURCHASING THE BONDS ON THE OPEN MARKET AT NOT
6 MORE THAN THE FAIR MARKET VALUE.

7 (B) TO REDUCE THE AMOUNT REQUIRED TO BE LEVIED TO MEET THE
8 PRINCIPAL AND INTEREST ON THE BONDS AS THEY BECOME DUE.

9 (3) SUBSECTIONS (1) AND (2) DO NOT APPLY TO SCHOOL DISTRICT
10 BONDS QUALIFIED BY THE DEPARTMENT OF TREASURY UNDER THE SCHOOL BOND
11 QUALIFICATION, APPROVAL, AND LOAN ACT, 2005 PA 92, MCL 388.1921 TO
12 388.1939.