

# SENATE BILL No. 1167

November 10, 2016, Introduced by Senator COLBECK and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled "The revised school code," by amending sections 625a, 681, 705, 1211, 1611, 1612, 1613, and 1724a (MCL 380.625a, 380.681, 380.705, 380.1211, 380.1611, 380.1612, 380.1613, and 380.1724a), section 625a as added by 1994 PA 258, section 681 as amended by 2007 PA 45, section 705 as amended by 2016 PA 192, section 1211 as amended by 2012 PA 285, sections 1611 and 1612 as amended and section 1613 as added by 1982 PA 333, and section 1724a as amended by 2004 PA 415, and by adding section 1210; and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 625a. (1) Except as provided in section 705, beginning in  
2 1995, the board of an intermediate school district may levy ad  
3 valorem property taxes for operating purposes at a rate not to  
4 exceed 1.5 times the number of mills allocated to the intermediate

1 school district for those purposes in 1993 as provided for under  
2 the property tax limitation act, ~~Act No. 62 of the Public Acts of~~  
3 ~~1933, being sections 211.201 to 211.217a of the Michigan Compiled~~  
4 ~~Laws. 1933 PA 62, MCL 211.201 TO 211.217A.~~

5 (2) BEGINNING WITH TAXES LEVIED AFTER DECEMBER 31, 2016, THE  
6 REVENUE FROM TAXES LEVIED UNDER THIS SECTION SHALL BE FORWARDED TO  
7 THE STATE TREASURER FOR DEPOSIT ON AN EQUAL PRO RATA BASIS INTO THE  
8 EDUCATION SAVINGS ACCOUNTS OF PUPILS RESIDING IN THE INTERMEDIATE  
9 SCHOOL DISTRICT, AS PROVIDED UNDER SECTION 43(14) OF THE GENERAL  
10 PROPERTY TAX ACT, 1893 PA 206, MCL 211.43, TO BE USED BY EACH PUPIL  
11 TO PAY FOR ELIGIBLE SERVICES AUTHORIZED UNDER THE MICHIGAN PARENTAL  
12 CHOICE IN EDUCATION PROGRAM ACT.

13 Sec. 681. (1) An intermediate school district may establish an  
14 area career and technical education program and operate the program  
15 under sections 681 to 690 if approved by a majority of the  
16 intermediate school electors of the intermediate school district  
17 voting on the question. The election shall be called and conducted  
18 in accordance with this act and the Michigan election law. The  
19 establishment of the area career and technical education program  
20 may be rescinded by the same process.

21 (2) The question of establishing an area career and technical  
22 education program may be submitted to the intermediate school  
23 electors of an intermediate school district at a regular school  
24 election or at a special election held in each of the constituent  
25 districts. Subject to section 641 of the Michigan election law, MCL  
26 168.641, the intermediate school board shall determine the date of  
27 the election and shall give notice to the school district filing

1 official at least 60 days in advance of the date the ballot  
 2 question is to be submitted to the intermediate school electors.

3 (3) The ballot for referring the question of adopting sections  
 4 681 to 690 and establishing an area career and technical education  
 5 program to the intermediate school electors of an intermediate  
 6 school district shall be substantially in the following form:

7 "Shall \_\_\_\_\_ (legal name of intermediate school  
 8 district), state of Michigan, come under sections 681 to 690 of the  
 9 revised school code and establish an area career and technical  
 10 education program ~~which~~ **THAT** is designed to encourage the operation  
 11 of area career and technical education programs if the annual  
 12 property tax levied for this purpose is limited to \_\_\_\_\_ mills?

13 Yes ( )

14 No ( )".

15 (4) Beginning in 1995, and subject to section 625b, the number  
 16 of mills of ad valorem property taxes an intermediate school board  
 17 may levy for area career and technical education program operating  
 18 purposes under sections 681 to 690 is limited to the following:

19 (a) If the intermediate school district did not levy any  
 20 millage in 1993 for area career and technical education program  
 21 operating purposes under sections 681 to 690, the intermediate  
 22 school board, with the approval of the intermediate school  
 23 electors, may levy not more than 1 mill for those purposes.

24 (b) If the intermediate school district levied millage in 1993  
 25 for area career and technical education program operating purposes  
 26 under sections 681 to 690, the intermediate school board, with the  
 27 approval of the intermediate school electors, may levy mills for

1 those purposes at a rate not to exceed 1.5 times the number of  
2 mills authorized for those purposes in the intermediate school  
3 district in 1993. Approval of the intermediate school electors is  
4 not required for the levy under this subdivision of previously  
5 authorized mills until that authorization expires.

6 (5) ~~An~~ **SUBJECT TO SUBSECTION (10), AN** intermediate school  
7 district that levies a tax for area career and technical education  
8 program operating purposes shall not use proceeds from the tax for  
9 any purpose other than area career and technical education program  
10 operating purposes and shall submit to the department of treasury a  
11 copy of the audit report from the audit of the intermediate school  
12 district conducted under section 622a. If the department of  
13 treasury determines from the audit report that the proceeds from  
14 the tax have been used for a purpose other than area career and  
15 technical education program operating purposes, as defined under  
16 subsection (7), the department of treasury shall notify the  
17 intermediate school district of that determination. If the  
18 intermediate school district disputes the determination or claims  
19 that the situation has been corrected, within 15 days after receipt  
20 of the determination the intermediate school district may submit an  
21 appeal of the determination to the department of treasury. Within  
22 90 days after receipt of the appeal, the department of treasury  
23 shall consider the appeal and make a determination of whether the  
24 initial determination was correct or incorrect and of whether the  
25 situation has been corrected. If the department of treasury finds  
26 that the initial determination was correct and that the situation  
27 has not been corrected, then the department of treasury shall file

1 a copy of the report with the attorney general. The attorney  
2 general shall review the report and, if the attorney general  
3 considers it appropriate, shall commence or direct the prosecuting  
4 attorney for the county in which the violations occurred to  
5 commence appropriate proceedings against the intermediate school  
6 board or the official or employee. These proceedings shall include  
7 at least a civil action in a court of competent jurisdiction for  
8 the recovery of any public money determined by the audit to have  
9 been illegally expended and for the recovery of any public property  
10 determined by the audit to have been converted or misappropriated.

11 (6) If the attorney general determines from a report filed  
12 under subsection (5) that an intermediate school district has  
13 misspent tax proceeds as described in subsection (5) and notifies  
14 the intermediate school district of this determination, the  
15 intermediate school district shall repay to its area career and  
16 technical education program operating fund an amount equal to the  
17 amount the department of treasury determined under subsection (5)  
18 has been used for a purpose other than area career and technical  
19 education program operating purposes. The intermediate school  
20 district shall make this repayment from funds of the intermediate  
21 school district that lawfully may be used for making such a  
22 repayment.

23 (7) For the purposes of subsections (5) and (6), not later  
24 than January 1, 2008, the department and the department of  
25 treasury, in consultation with intermediate school districts, shall  
26 develop and make available to intermediate school districts a  
27 definition of area career and technical education program operating

1 purposes.

2 (8) An intermediate school district shall not hold more than 2  
3 elections in a calendar year concerning the authorization of a  
4 millage rate for area career and technical education program  
5 operating purposes under sections 681 to 690.

6 (9) Within 30 days after receiving the audit results, an  
7 intermediate school district shall publish the results of any audit  
8 conducted concerning the area career and technical education  
9 program on the intermediate school district's website. The results  
10 shall remain posted on the website for at least 6 months.

11 (10) **BEGINNING WITH TAXES LEVIED AFTER DECEMBER 31, 2016, THE**  
12 **PROCEEDS FROM TAXES LEVIED UNDER THIS SECTION SHALL BE FORWARDED TO**  
13 **THE STATE TREASURER FOR DEPOSIT ON AN EQUAL PRO RATA BASIS INTO THE**  
14 **EDUCATION SAVINGS ACCOUNTS OF PUPILS RESIDING IN THE INTERMEDIATE**  
15 **SCHOOL DISTRICT, AS PROVIDED UNDER SECTION 43(14) OF THE GENERAL**  
16 **PROPERTY TAX ACT, 1893 PA 206, MCL 211.43, TO BE USED BY EACH PUPIL**  
17 **TO PAY FOR ELIGIBLE SERVICES AUTHORIZED UNDER THE MICHIGAN PARENTAL**  
18 **CHOICE IN EDUCATION PROGRAM ACT.**

19 Sec. 705. (1) Beginning in 1997, and in each year after 1997,  
20 a regional enhancement property tax may be levied by an  
21 intermediate school district at a rate not to exceed 3 mills to  
22 enhance other state and local funding for local school district  
23 operations if approved by a majority of the intermediate school  
24 electors voting on the question.

25 (2) If a resolution requesting that the question of a regional  
26 enhancement property tax be submitted to the voters is adopted  
27 within a 180-day period and transmitted to the intermediate school

1 board by 1 or more boards of its constituent districts representing  
2 a majority of the combined membership of the constituent districts  
3 as of the most recent pupil membership count day and if those  
4 resolutions all contain an identical specified number of mills to  
5 be levied under this section and an identical specified number of  
6 years for which the tax shall be levied, the question of levying a  
7 regional enhancement property tax by the intermediate school  
8 district shall be placed on the ballot by the intermediate school  
9 district at the next regular school election held in each of the  
10 constituent districts. If the question is to be submitted to the  
11 intermediate school electors of an intermediate school district  
12 having a population of more than 1,400,000, the intermediate school  
13 board shall call a special election to be held at the next state  
14 primary or general election. If the resolution requirement is met  
15 more than 180 days before the next regular school district  
16 elections, and if requested in the resolutions, the intermediate  
17 school board shall submit the question of levying a regional  
18 enhancement property tax within the intermediate school district on  
19 the ballot at a special election called by the intermediate school  
20 board for that purpose not earlier than 90 days after the  
21 resolution requirements are met.

22 (3) ~~Not~~ **SUBJECT TO SUBSECTION (6), NOT** later than 10 days  
23 after receipt by the intermediate school district of the revenue  
24 from the regional enhancement property tax, the intermediate school  
25 district shall calculate and pay to each of its constituent  
26 districts an amount of the revenue calculated by dividing the total  
27 amount of the revenue by the combined membership of the constituent

1 districts within the intermediate school district, as of the most  
2 recent pupil membership count day, and multiplying that quotient by  
3 the constituent district's membership, as of the most recent pupil  
4 membership count day for which a final department-audited pupil  
5 count is available. If a constituent district has entered into an  
6 agreement with another school district or public entity to perform  
7 the functions and responsibilities of the constituent district for  
8 operating a public school of the constituent district, then for the  
9 purposes of this subsection the pupils in membership in that public  
10 school shall be considered to be in membership in the constituent  
11 district and a proportionate share of the revenue payable to the  
12 constituent district under this section shall be transferred by the  
13 constituent district to the school district or public entity  
14 performing the functions and responsibilities of the constituent  
15 district for operating the public school. The proportionate share  
16 of that revenue to be paid to that school district or public entity  
17 shall be determined according to the percentage of the constituent  
18 district's membership that is enrolled in the particular public  
19 school for the state fiscal year corresponding to the tax year.  
20 Revenue from a regional enhancement property tax under this section  
21 shall not be allocated or paid to a constituent district that does  
22 not operate a public school directly but retains a limited separate  
23 identity for purposes of section 12, 12b, 863, 903, or 947.

24 (4) Regional enhancement property tax under this section may  
25 be levied for a term not to exceed 20 years, as specified in the  
26 ballot question, and may be renewed for the same term with the  
27 approval of a majority of the intermediate school electors voting



1 on the question.

2 (5) The question of levying a regional enhancement property  
3 tax under this section shall be presented to the intermediate  
4 school electors as a separate question.

5 (6) BEGINNING WITH TAXES LEVIED AFTER DECEMBER 31, 2016, THE  
6 REVENUE FROM A REGIONAL ENHANCEMENT PROPERTY TAX LEVIED UNDER THIS  
7 SECTION SHALL BE FORWARDED TO THE STATE TREASURER FOR DEPOSIT ON AN  
8 EQUAL PRO RATA BASIS INTO THE EDUCATION SAVINGS ACCOUNTS OF PUPILS  
9 RESIDING IN THE INTERMEDIATE SCHOOL DISTRICT, AS PROVIDED UNDER  
10 SECTION 43(14) OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL  
11 211.43, TO BE USED BY EACH PUPIL TO PAY FOR ELIGIBLE SERVICES  
12 AUTHORIZED UNDER THE MICHIGAN PARENTAL CHOICE IN EDUCATION PROGRAM  
13 ACT.

14 SEC. 1210. (1) IN ORDER TO IMPLEMENT A SCHOOL FINANCING SYSTEM  
15 BASED ON PAYMENTS FROM EDUCATION SAVINGS ACCOUNTS UNDER THE  
16 MICHIGAN PARENTAL CHOICE IN EDUCATION PROGRAM ACT, NOT LATER THAN  
17 MARCH 1, 2017 THE BOARD OF A SCHOOL DISTRICT OR INTERMEDIATE SCHOOL  
18 DISTRICT OR BOARD OF DIRECTORS OF A PUBLIC SCHOOL ACADEMY SHALL  
19 SUBMIT TO THE DEPARTMENT OF TREASURY, IN THE FORM AND MANNER  
20 PRESCRIBED BY THE DEPARTMENT OF TREASURY, ALL OF THE FOLLOWING  
21 INFORMATION:

22 (A) A COMPLETE LISTING OF ALL SERVICES PROVIDED TO PUPILS BY  
23 THE SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL  
24 ACADEMY, BROKEN DOWN BY CORE INSTRUCTIONAL SERVICES, OTHER  
25 INSTRUCTIONAL SERVICES, SUPPLEMENTAL SERVICES, AND BACK OFFICE  
26 SERVICES. THE BOARD OR BOARD OF DIRECTORS SHALL MAP EACH OF THE  
27 SERVICES TO THE FUNDING SOURCE FOR THE SERVICE.

1 (B) A DETAILED BREAKDOWN OF THE FULLY BURDENED COSTS TO THE  
2 SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL  
3 ACADEMY FOR PROVIDING EACH OF THE SERVICES LISTED IN SUBDIVISION  
4 (A).

5 (C) THE CONTENT REQUIREMENTS AND COURSE DESCRIPTIONS  
6 MAINTAINED BY THE SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR  
7 PUBLIC SCHOOL ACADEMY FOR EACH COURSE OR SUBJECT OFFERED, BROKEN  
8 DOWN BY SUBJECT AREA AND GRADE LEVEL.

9 (D) ANY OTHER INFORMATION REQUESTED BY THE DEPARTMENT OF  
10 TREASURY RELATED TO SERVICES PROVIDED TO PUPILS BY THE SCHOOL  
11 DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY.

12 (2) NOT LATER THAN JUNE 1, 2017, BASED ON THE INFORMATION  
13 RECEIVED UNDER SUBSECTION (2), THE DEPARTMENT OF TREASURY SHALL  
14 PRESCRIBE ALL OF THE FOLLOWING FOR SCHOOL DISTRICTS, INTERMEDIATE  
15 SCHOOL DISTRICTS, AND PUBLIC SCHOOL ACADEMIES THAT RECEIVE FUNDING  
16 FROM EDUCATION SAVINGS ACCOUNTS CREATED UNDER THE MICHIGAN PARENTAL  
17 CHOICE IN EDUCATION SAVINGS PROGRAM ACT:

18 (A) MINIMUM REQUIREMENTS FOR ANNUAL COURSE LOADS FOR EACH  
19 COURSE OR SUBJECT AREA THAT IS SUPPORTED BY FUNDING FROM EDUCATION  
20 SAVINGS ACCOUNTS.

21 (B) MINIMUM REQUIREMENTS FOR COURSE DESCRIPTIONS FOR EACH  
22 COURSE OR SUBJECT AREA THAT IS SUPPORTED BY FUNDING FROM EDUCATION  
23 SAVINGS ACCOUNTS, INCLUDING A LISTING OF ANY NECESSARY ANY  
24 PREDECESSOR COURSES. THE MINIMUM REQUIREMENTS SHALL BE ESTABLISHED  
25 BASED ON STATE EDUCATIONAL STANDARDS.

26 (C) AN ENROLLMENT PROCESS FOR ENROLLING A PUPIL IN A COURSE OR  
27 SUBJECT AREA AND FUNDING THAT ENROLLMENT BY PAYMENT FROM THE

1 PUPIL'S EDUCATION SAVINGS ACCOUNT. THE ENROLLMENT PROCESS SHALL  
2 INCLUDE A PROCESS FOR MAKING DEFAULT SELECTIONS ON WHICH COURSES  
3 AND SUBJECT AREAS A PUPIL WILL BE ENROLLED IN IF THE PUPIL'S  
4 PARENTS CHOOSE NOT TO ENGAGE IN PROCESS OF CHOOSING THE COURSES AND  
5 SUBJECT AREAS FOR ENROLLMENT.

6 (3) THE DEPARTMENT OF TREASURY AND A SCHOOL DISTRICT,  
7 INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY SHALL ENSURE  
8 THAT PARENTS HAVE ACCESS TO DETAILED INFORMATION ON THE FULLY  
9 BURDENED COST OF EACH ELIGIBLE SERVICE, INCLUDING OVERHEAD FOR EACH  
10 ELIGIBLE SERVICE.

11 (4) BEGINNING WITH ENROLLMENT FOR THE 2017-2018 SCHOOL YEAR, A  
12 SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL  
13 ACADEMY SHALL PROVIDE TO PARENTS CLEAR INFORMATION ON WHICH  
14 ELIGIBLE SERVICES ARE AVAILABLE FROM THE SCHOOL DISTRICT,  
15 INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY.

16 (5) AS USED IN THIS SECTION, "ELIGIBLE SERVICE" MEANS A  
17 SERVICE THAT MAY BE PURCHASED USING AN EDUCATION SAVINGS ACCOUNT,  
18 AS PRESCRIBED BY THE DEPARTMENT OF TREASURY UNDER THE MICHIGAN  
19 PARENTAL CHOICE IN EDUCATION PROGRAM ACT.

20 Sec. 1211. (1) Except as otherwise provided in this section  
21 and section 1211c, the board of a school district shall levy not  
22 more than 18 mills for school operating purposes or the number of  
23 mills levied in 1993 for school operating purposes, whichever is  
24 less. A principal residence, qualified agricultural property,  
25 qualified forest property, supportive housing property, property  
26 occupied by a public school academy, and industrial personal  
27 property are exempt from the mills levied under this subsection

1 except for the number of mills by which that exemption is reduced  
2 under this subsection. Except as otherwise provided in subsection  
3 (9), the board of a school district that had a foundation allowance  
4 for the 1994-95 state fiscal year greater than \$6,500.00 may reduce  
5 the number of mills from which a principal residence, qualified  
6 agricultural property, qualified forest property, supportive  
7 housing property, property occupied by a public school academy, and  
8 industrial personal property are exempted under this subsection by  
9 up to the number of mills, as certified under section 1211a,  
10 required to be levied on a principal residence, qualified  
11 agricultural property, qualified forest property, supportive  
12 housing property, property occupied by a public school academy, and  
13 industrial personal property for the school district's combined  
14 state and local revenue per membership pupil for the school fiscal  
15 year ending in 1995 to be equal to the school district's foundation  
16 allowance for the state fiscal year ending in 1995, and the board  
17 also may levy in 1994 or a succeeding year that number of mills for  
18 school operating purposes on a principal residence, qualified  
19 agricultural property, qualified forest property, supportive  
20 housing property, property occupied by a public school academy, and  
21 industrial personal property.

22 (2) Subject to subsection (3), if the department of treasury  
23 determines that the maximum number of mills allowed to be levied  
24 under subsection (1) on all classes of property was not sufficient  
25 for a school district's combined state and local revenue per  
26 membership pupil for the school fiscal year ending in 1995 to be  
27 equal to the school district's foundation allowance for that school

1 fiscal year, the board of the school district may levy in 1994 or a  
2 succeeding year additional mills uniformly on all property up to  
3 the number of mills required for the school district's combined  
4 state and local revenue per membership pupil for the school fiscal  
5 year ending in 1995 to be equal to the school district's foundation  
6 allowance for the state fiscal year ending in 1995. However, the  
7 board of a school district described in this subsection, by board  
8 resolution, may elect to exempt each principal residence and all  
9 qualified agricultural property, qualified forest property,  
10 supportive housing property, property occupied by a public school  
11 academy, and industrial personal property located in the school  
12 district from some or all of the mills that the board is authorized  
13 to levy under this subsection.

14 (3) After 1994, the number of mills a school district may levy  
15 under this section on any class of property shall not exceed the  
16 lesser of the number of mills the school district was certified by  
17 the department of treasury under section 1211a to levy on that  
18 class of property under this section in 1994 or the number of mills  
19 required to be levied on that class of property under this section  
20 to ensure that the increase from the immediately preceding state  
21 fiscal year in the school district's combined state and local  
22 revenue per membership pupil, calculated as if the school district  
23 had levied the maximum number of mills the school district was  
24 allowed to levy under this section regardless of the number of  
25 mills the school district actually levied, does not exceed the  
26 lesser of the dollar amount of the increase in the basic foundation  
27 allowance under section 20 of the state school aid act of 1979, MCL

1 388.1620, from the immediately preceding state fiscal year or the  
2 percentage increase in the general price level in the immediately  
3 preceding calendar year. If the number of mills a school district  
4 is allowed to levy under this section in a year after 1994 is less  
5 than the number of mills the school district was allowed to levy  
6 under this section in the immediately preceding year, any reduction  
7 required by this subsection in the school district's millage rate  
8 shall be calculated by first reducing the number of mills the  
9 school district is allowed to levy under subsection (2) and then  
10 increasing the number of mills from which a principal residence,  
11 qualified agricultural property, qualified forest property,  
12 supportive housing property, property occupied by a public school  
13 academy, and industrial personal property are exempted under  
14 subsection (1).

15 (4) Commercial personal property is exempt from 12 of the  
16 mills levied under this section. However, if the number of mills  
17 from which industrial personal property is exempted for a specific  
18 school district is reduced under this section, then the number of  
19 mills from which commercial personal property is exempted for that  
20 school district shall be reduced by that same number of mills.

21 (5) Except as otherwise provided under this subsection,  
22 millage levied under this section must be approved by the school  
23 electors. For the purposes of this section, millage approved by the  
24 school electors before January 1, 1994 for which the authorization  
25 has not expired is considered to be approved by the school  
26 electors. With the approval of the state treasurer, a school  
27 district may pledge millage levied under this section for the

1 repayment of a loan under the emergency municipal loan act, 1980 PA  
2 243, MCL 141.931 to 141.942, money borrowed by the school district  
3 under section 1225, or the repayment of advances, overpayments, or  
4 other obligations of the school district to this state under  
5 section 15 of the state school aid act of 1979, MCL 388.1615.

6 (6) If a school district levies millage for school operating  
7 purposes that is in excess of the limits of this section, the  
8 amount of the resulting excess tax revenue shall be deducted from  
9 the school district's next regular tax levy.

10 (7) If a school district levies millage for school operating  
11 purposes that is less than the limits of this section, the board of  
12 the school district may levy at the school district's next regular  
13 tax levy an additional number of mills not to exceed the additional  
14 millage needed to make up the shortfall.

15 (8) A school district shall not levy mills allocated under the  
16 property tax limitation act, 1933 PA 62, MCL 211.201 to 211.217a,  
17 other than mills allocated to a school district of the first class  
18 or a school district that was previously a school district of the  
19 first class, for payment to a public library commission under  
20 section 11(4) of the property tax limitation act, 1933 PA 62, MCL  
21 211.211, after 1993.

22 (9) Beginning with taxes levied for 2011, if a school district  
23 had a foundation allowance for the 1994-95 state fiscal year  
24 greater than \$6,500.00 and if the school district's foundation  
25 allowance for the 2009-2010 state fiscal year was less than the  
26 basic foundation allowance prescribed for the 2009-2010 state  
27 fiscal year under section 20 of the state school aid act of 1979,

1 MCL 388.1620, the school district may not reduce the number of  
2 mills from which certain classes of property are exempted from the  
3 levy of millage under subsection (1) and may not levy that number  
4 of mills on those classes of property as would otherwise be allowed  
5 under subsection (1).

6 (10) BEGINNING WITH TAXES LEVIED AFTER DECEMBER 31, 2016, THE  
7 PROCEEDS FROM TAXES LEVIED UNDER THIS SECTION SHALL BE FORWARDED TO  
8 THE STATE TREASURER FOR DEPOSIT ON AN EQUAL PRO RATA BASIS INTO THE  
9 EDUCATION SAVINGS ACCOUNTS OF PUPILS RESIDING IN THE SCHOOL  
10 DISTRICT, AS PROVIDED UNDER SECTION 43(14) OF THE GENERAL PROPERTY  
11 TAX ACT, 1893 PA 206, MCL 211.43, TO BE USED BY EACH PUPIL TO PAY  
12 FOR ELIGIBLE SERVICES AUTHORIZED UNDER THE MICHIGAN PARENTAL CHOICE  
13 IN EDUCATION PROGRAM ACT.

14 (11) ~~(10)~~—As used in this section:

15 (a) "Combined state and local revenue per membership pupil"  
16 means that term as defined in section 20 of the state school aid  
17 act of 1979, MCL 388.1620.

18 (b) "Commercial personal property" means property classified  
19 as commercial personal property under section 34c of the general  
20 property tax act, 1893 PA 206, MCL 211.34c.

21 (c) "Foundation allowance" means a school district's  
22 foundation allowance as calculated under section 20 of the state  
23 school aid act of 1979, MCL 388.1620.

24 (d) "General price level" means that term as defined in  
25 section 33 of article IX of the state constitution of 1963.

26 (e) "Industrial personal property" means the following:

27 (i) Except as otherwise provided in subparagraph (ii),



1 property classified as industrial personal property under section  
2 34c of the general property tax act, 1893 PA 206, MCL 211.34c.

3 (ii) Beginning December 31, 2011, industrial personal property  
4 does not include a turbine powered by gas, steam, nuclear energy,  
5 coal, or oil the primary purpose of which is the generation of  
6 electricity for sale.

7 (f) "Membership" means that term as defined in section 6 of  
8 the state school aid act of 1979, MCL 388.1606.

9 (g) "Owner", "person", "principal residence", and "qualified  
10 agricultural property" mean those terms as defined in section 7dd  
11 of the general property tax act, 1893 PA 206, MCL 211.7dd.

12 (h) "Property occupied by a public school academy" means  
13 property occupied by a public school academy, urban high school  
14 academy, or school of excellence that is used exclusively for  
15 educational purposes.

16 (i) "Qualified forest property" means that term as defined in  
17 section 7jj of the general property tax act, 1893 PA 206, MCL  
18 211.7jj[1].

19 (j) "School operating purposes" includes expenditures for  
20 furniture and equipment, for alterations necessary to maintain  
21 school facilities in a safe and sanitary condition, for funding the  
22 cost of energy conservation improvements in school facilities, for  
23 deficiencies in operating expenses for the preceding year or  
24 preceding years, including, but not limited to, repayment of an  
25 emergency loan under the emergency municipal loan act, 1980 PA 243,  
26 MCL 141.931 to 141.942, and for paying the operating allowance due  
27 from the school district to a joint high school district in which

1 the school district is a participating school district under former  
2 part 3a. Taxes levied for school operating purposes do not include  
3 any of the following:

4 (i) Taxes levied by a school district for operating a  
5 community college under part 25.

6 (ii) Taxes levied under section 1212.

7 (iii) Taxes levied under section 1356 for eliminating an  
8 operating deficit.

9 (iv) Taxes levied for operation of a library under section  
10 1451 or for operation of a library established pursuant to 1913 PA  
11 261, MCL 397.261 to 397.262, that were not included in the  
12 operating millage reported by the district to the department as of  
13 April 1, 1993. However, a district may report to the department not  
14 later than April 1, 1994 the number of mills it levied in 1993 for  
15 a purpose described in this subparagraph that the school district  
16 does not want considered as operating millage and then that number  
17 of mills is excluded under this section from taxes levied for  
18 school operating purposes.

19 (v) Taxes paid by a school district of the first class or a  
20 school district that was previously a school district of the first  
21 class to a public library commission pursuant to section 11(4) of  
22 the property tax limitation act, 1933 PA 62, MCL 211.211.

23 (vi) Taxes levied under former section 1512 for operation of a  
24 community swimming pool. In addition, if a school district included  
25 the millage it levied in 1993 for operation of a community swimming  
26 pool as part of its operating millage reported to the department  
27 for 1993, the school district may report to the department not

1 later than June 17, 1994 the number of mills it levied in 1993 for  
2 operation of a community swimming pool that the school district  
3 does not want considered as operating millage and then that number  
4 of mills is excluded under this section from taxes levied for  
5 school operating purposes.

6 (k) "Supportive housing property" means real property  
7 certified as supportive housing property under chapter 3B of the  
8 state housing development authority act of 1966, 1966 PA 346, MCL  
9 125.1459 to 125.1459a.

10 Sec. 1611. (1) Upon the approval of the city governing body  
11 before January 1, 1983, the board of a school district or  
12 intermediate school district situated in whole or in part in a city  
13 may certify either the total or 1/2 of the levy of school property  
14 taxes on the city portion of the school district or intermediate  
15 school district. If certified, or if approval of the city governing  
16 body is not given before January 1, 1983 and a city agrees or  
17 elects pursuant to section 1613 to collect either the total or 1/2  
18 of the levy of school taxes on the taxable property of the city  
19 portion of the school district or intermediate school district, the  
20 appropriate officials of that city in which the school district or  
21 intermediate school district is located shall assess, spread, and  
22 collect these school taxes and shall remit the collections to the  
23 school district, ~~or~~ intermediate school district, **OR STATE**  
24 **TREASURER** as provided in ~~Act No. 206 of the Public Acts of 1893,~~  
25 ~~being sections 211.1 to 211.157 of the Michigan Compiled Laws.~~**THE**  
26 **GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO 211.155.**

27 (2) Except where a city assessed and collected school taxes

1 pursuant to this section ~~prior to~~ **BEFORE** December 31, 1974,  
2 reasonable expenses incurred by the city in assessing and  
3 collecting the school taxes, to the extent that those expenses are  
4 in addition to the expenses of assessing and collecting other taxes  
5 at the same time and, except as otherwise agreed to by the city and  
6 school district or intermediate school district, exceed the amount  
7 of any fee and charge imposed by the city on collection of the  
8 school taxes, shall be billed to and paid by the school board ~~of~~  
9 ~~education~~ or intermediate school board. However, if these  
10 additional reasonable expenses are allowed by this section to a  
11 city exercising its option under section 1613(3), the following  
12 limitations shall apply:

13 (a) These additional reasonable expenses shall not exceed the  
14 amount specified in the statement required by section 1613(4)(b) as  
15 the actual cost of collection in addition to fees and charges  
16 authorized by section 1613(4)(g) that the treasurer of the school  
17 district, intermediate school district, or county has determined to  
18 be imposed.

19 (b) The total reasonable expenses, without deduction because  
20 the expense is part of the expense of assessing and collecting  
21 other taxes at the same time and including fees and charges imposed  
22 by the city on the collection of the school taxes, shall not exceed  
23 the amount specified in the statement required by section  
24 1613(4)(b) as the aggregate amount of the costs of collection the  
25 district has determined to incur itself or the county treasurer may  
26 receive from district payments and from fees and charges imposed  
27 pursuant to section 1613(4)(g).

1           (3) In proceedings for the assessment, spreading, and  
2 collection of taxes for school purposes in the school district or  
3 intermediate school district, and for the receipt and disbursement  
4 of money belonging to the school district or intermediate district,  
5 the city assessing officer, city clerk, and city treasurer of the  
6 city in which the school district or intermediate school district  
7 is situated ~~shall have like~~ **HAVE THE SAME** powers and duties as  
8 prescribed by the laws of this state for township supervisors,  
9 township clerks, and township treasurers.

10           (4) School taxes collected by a city ~~shall become~~ a lien  
11 against the property on which assessed in the same manner and on  
12 the same date as city taxes or, if the city approves the collection  
13 of school taxes on a date other than the date it collects the city  
14 taxes, on July 1. The school taxes ~~which~~ **THAT** are collected with  
15 the city taxes ~~shall be~~ **ARE** subject to the same penalties,  
16 interest, and collection charges as city taxes and shall be  
17 returned as delinquent to the county treasurer in the same manner  
18 and with the same interest, penalties, and fees as city taxes are  
19 returned. School taxes collected by a city pursuant to this section  
20 on a date other than a date it collects city taxes ~~shall be~~ **ARE**  
21 subject to the same fees and charges a city may impose under  
22 section 44 of ~~Act No. 206 of the Public Acts of 1893, being section~~  
23 ~~211.44 of the Michigan Compiled Laws.~~ **THE GENERAL PROPERTY TAX ACT,**  
24 **1893 PA 206, MCL 211.44.** School taxes collected pursuant to this  
25 section on or before September 14 of each year by a city that  
26 collects school taxes on a date other than the date it collects  
27 city taxes shall be without interest, but ~~such~~ **THOSE** taxes

1 collected after September 14 in each year shall bear interest at  
2 the rate imposed by section 59 of ~~Act No. 206 of the Public Acts of~~  
3 ~~1893, being section 211.59 of the Michigan Compiled Laws, THE~~  
4 **GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.59**, on delinquent  
5 property tax levies ~~which~~**THAT** became a lien in the same year. All  
6 interest and penalties that are imposed ~~prior to~~**BEFORE** the date  
7 these taxes are returned delinquent and that are attributable to  
8 school taxes other than collection fees ~~shall~~ belong to the school  
9 district or intermediate school district. The collection fees if  
10 imposed shall be retained by the city.

11 Sec. 1612. (1) Upon the approval of a township board before  
12 January 1, 1983, the board of a school district or intermediate  
13 school district may certify either the total or 1/2 of the levy of  
14 school property taxes on the township portion of the school  
15 district or intermediate school district. If certified, or if  
16 approval of the township board is not given before January 1, 1983  
17 and pursuant to section 1613 a township elects or agrees to collect  
18 either the total or 1/2 of the total school taxes of a school  
19 district or intermediate school district located in the township,  
20 the township supervisor before June 30 of each year shall prepare  
21 the assessment and tax rolls and furnish these rolls to each  
22 affected township treasurer with the supervisor's collection  
23 warrant attached. ~~thereto.~~ Each township treasurer shall proceed to  
24 collect the taxes and remit the collections to the school district,  
25 ~~or~~ intermediate school district, **OR STATE TREASURER** as provided in  
26 ~~Act No. 206 of the Public Acts of 1893, as amended, being sections~~  
27 ~~211.1 to 211.157 of the Michigan Compiled Laws.~~ **UNDER THE GENERAL**

1 **PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO 211.155.** Except where a  
2 township assessed and collected school taxes pursuant to this  
3 section ~~prior to~~ **BEFORE** December 31, 1974, reasonable expenses  
4 incurred by the township in assessing and collecting the school  
5 taxes, to the extent that the expenses are in addition to the  
6 expenses of assessing and collecting any other taxes at the same  
7 time and, except as otherwise agreed to by the township and school  
8 district or intermediate school district, exceed the amount of any  
9 fees and charges imposed by the township on collection of the  
10 school taxes, shall be billed to and paid by the school board or  
11 intermediate school board. However, if these additional reasonable  
12 expenses are allowed by this section to a township exercising its  
13 option under section 1613(3), the following limitations ~~shall~~  
14 apply:

15 (a) These additional reasonable expenses shall not exceed the  
16 amount specified in the statement required by section 1613(4)(b) as  
17 the actual cost of collection in addition to fees and charges  
18 authorized by section 1613(4)(g) that the treasurer of the school  
19 district, intermediate school district, or county has determined to  
20 be imposed.

21 (b) The total reasonable expenses, without deduction because  
22 the expense is part of the expense of assessing and collecting  
23 other taxes at the same time and including fees and charges imposed  
24 by the township on the collection of the school taxes, shall not  
25 exceed the amount specified in the statement required by section  
26 1613(4)(b) as the aggregate amount of the costs of collection the  
27 district has determined to incur itself or the county treasurer may

1 receive from district payments and from fees and charges imposed  
2 pursuant to section 1613(4)(g).

3 (2) School taxes collected by a township ~~shall become~~ a lien  
4 against the property on which assessed on July 1. Taxes collected  
5 on or before September 14 in each year shall be without interest.  
6 Taxes collected after September 14 of any year shall bear interest  
7 at the rate imposed by section 59 of ~~Act No. 206 of the Public Acts~~  
8 ~~of 1893, being section 211.59 of the Michigan Compiled Laws, THE~~  
9 **GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.59**, on delinquent  
10 property tax levies ~~which THAT~~ became a lien in the same year. The  
11 school taxes ~~which are~~ collected by a township ~~shall be~~ **ARE** subject  
12 to the same fees and charges the township may impose under section  
13 44 of ~~Act No. 206 of the Public Acts of 1893, being section 211.44~~  
14 ~~of the Michigan Compiled Laws. THE GENERAL PROPERTY TAX ACT, 1893~~  
15 **PA 206, MCL 211.44**. All interest and penalties, other than  
16 collection fees, that are imposed ~~prior to~~ **BEFORE** the date these  
17 taxes are returned delinquent and that are attributable to school  
18 taxes ~~shall belong~~ to the school district or intermediate school  
19 district. Interest and, to the extent permitted by section 44 of  
20 ~~Act No. 206 of the Public Acts of 1893, THE GENERAL PROPERTY TAX~~  
21 **ACT, 1893 PA 206, MCL 211.44**, fees shall be included in the  
22 delinquent tax rolls returned to the county treasurer as of March 1  
23 of each year.

24 (3) ~~Act No. 206 of the Public Acts of 1893, as amended, shall~~  
25 ~~apply~~ **THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO**  
26 **211.155, APPLIES** to proceedings in relation to the assessment,  
27 spreading, and collection of taxes for school purposes in the



1 school district or intermediate school district, and to the powers  
2 and duties of the township supervisor and the township treasurer.

3       Sec. 1613. (1) By adoption of a resolution of its board before  
4 February 1, 1983, or before January 1 in any year ~~thereafter,~~ **AFTER**  
5 **1983**, a school district or intermediate school district may  
6 determine to impose a summer property tax levy, which resolution by  
7 its terms may be applicable until revoked by the board of the  
8 school district or intermediate school district or for levies in  
9 any year specified therein. **IN THE RESOLUTION.** For each year ~~such a~~  
10 **THE** resolution applies, the school district or intermediate school  
11 district that has adopted the resolution shall request, before  
12 February 1, 1983 or before January 1 in any year ~~thereafter,~~ **AFTER**  
13 **1983**, each city and township in which it is located to agree to  
14 collect the summer levy in that year of either the total or 1/2, as  
15 specified in the resolution, of the school property taxes. Notice  
16 of the meeting of the respective school ~~district~~ board or  
17 intermediate school ~~district~~ board at which this resolution will be  
18 offered for adoption shall be published by the **SCHOOL** district **OR**  
19 **INTERMEDIATE SCHOOL DISTRICT**, not less than 6 days before holding  
20 the meeting, in a newspaper of general circulation in the school  
21 district or intermediate school district. This notice shall specify  
22 the time, date, and place of the public meeting, shall be not less  
23 than 8 vertical inches and 4 horizontal inches, shall be in not  
24 less than 12-point type, shall be preceded by a headline in not  
25 less than 18-point type stating "Notice of a public meeting to  
26 institute a summer property tax levy", shall contain a concise  
27 statement of the contents and purpose of the proposed resolution,

1 and shall not be placed in that portion of the newspaper reserved  
2 for legal notices and classified advertisements. Upon receipt of  
3 the request, the governing body of the city or township shall  
4 negotiate the reasonable expenses for collection of the school  
5 district's or intermediate school district's summer property tax  
6 levy that the city or township may bill under section 1611 or 1612.  
7 If a city or township and the school district or intermediate  
8 school district reach an agreement within 30 days of receipt of the  
9 district's request for the collection of the district's summer  
10 property tax levy, including an agreement to the amount of  
11 reasonable expenses that the city or township may bill under  
12 section 1611 or 1612, section 1611 ~~shall govern~~ **GOVERNS** the other  
13 terms of a city's agreement and section 1612 ~~shall govern~~ **GOVERNS**  
14 the other terms of a township's agreement.

15 (2) If a city or township and the school district or  
16 intermediate school district fail to reach an agreement ~~pursuant to~~  
17 **UNDER** subsection (1) for the collection of the summer property tax  
18 levy of a school district or intermediate school district subject  
19 to subsection (3), the school district or intermediate school  
20 district then may negotiate, until April 1, a proposed agreement  
21 with the county treasurer to collect its summer property tax levy  
22 against property located in that city or township. If a proposed  
23 agreement with the county treasurer has not been reached by April  
24 1, the school district or intermediate school district may  
25 determine to serve as the property tax collecting unit and collect  
26 its own summer property tax levy against property in that city or  
27 township.

1           (3) If, pursuant to subsection (2), the school district or  
2 intermediate school district has determined to collect its own  
3 summer property tax levy or has reached a proposed agreement with a  
4 county treasurer on the collection of its summer property tax levy  
5 against property located in a city or township with which an  
6 agreement to collect this levy could not be made pursuant to  
7 subsection (1), the school district shall notify by April 15 that  
8 city or township of the terms of the statement required by  
9 subsection (4)(b) and the city or township ~~shall have~~**HAS** 15 days  
10 in which to exercise an option to collect the school district's or  
11 intermediate school district's summer property tax levy pursuant to  
12 the terms of section 1611 or 1612.

13           (4) Collection of all or part of a school district's or  
14 intermediate school district's property tax levy by a county  
15 treasurer or by the school district or intermediate school district  
16 shall comply with all of the following:

17           (a) Collection shall be either 1/2 or the total of the  
18 property tax levy against the properties, as specified for that  
19 year in the resolution of the **SCHOOL** district **OR INTERMEDIATE**  
20 **SCHOOL DISTRICT**.

21           (b) The actual cost of the collection ~~which~~ the school  
22 district or intermediate school district has agreed to incur itself  
23 or to pay the county treasurer that is in addition to any fees  
24 imposed pursuant to subdivision (g), and the aggregate amount of  
25 costs of collection the district has agreed to incur or the county  
26 treasurer may receive from district payments and from fees and  
27 charges imposed pursuant to subdivision (g) shall be stated in

1 writing and reported to the state treasurer.

2 (c) Before June 30 the county treasurer or, if the **SCHOOL**  
3 **DISTRICT OR INTERMEDIATE SCHOOL DISTRICT** is collecting its own  
4 summer property tax levy, the treasurer of the school district or  
5 intermediate school district shall spread the taxes being collected  
6 in terms of millages on the assessment roll, assess the amount of  
7 tax levied in proportion to the ~~state equalized valuation,~~ **TAXABLE**  
8 **VALUE,** and prepare a tax roll ~~which~~ **THAT** commands the appropriate  
9 treasurer to collect on July 1 the taxes indicated as due on the  
10 tax roll.

11 (d) Taxes authorized to be collected ~~shall~~ become a lien  
12 against the property on which assessed, and due from the owner of  
13 that property, on July 1.

14 (e) Taxes shall be collected on or before September 14 and all  
15 taxes and interest imposed pursuant to subdivision (f) unpaid  
16 before March 1 shall be returned as delinquent on March 1. Taxes  
17 delinquent under this subdivision shall be collected pursuant to  
18 ~~Act No. 206 of the Public Acts of 1893, as amended.~~ **THE GENERAL**  
19 **PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO 211.155.**

20 (f) Interest shall be added to taxes collected after September  
21 14 at that rate imposed by section 59 of ~~Act No. 206 of the Public~~  
22 ~~Acts of 1893, being section 211.59 of the Michigan Compiled Laws,~~  
23 **THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.59,** on  
24 delinquent property tax levies ~~which~~ **THAT** became a lien in the same  
25 year.

26 (g) All or a portion of fees or charges, or both, authorized  
27 under section 44 of ~~Act No. 206 of the Public Acts of 1893, being~~

1 ~~section 211.44 of the Michigan Compiled Laws,~~ **THE GENERAL PROPERTY**  
2 **TAX ACT, 1893 PA 206, MCL 211.44,** may be imposed on taxes paid  
3 before March 1 and shall be retained by the treasurer actually  
4 performing the collection of the summer property tax levy of the  
5 school district or intermediate school district, regardless of  
6 whether all or part of these fees or charges, or both, have been  
7 waived by the township or city.

8 (5) ~~An~~ **SUBJECT TO SUBSECTION (14), AN** agreement for the  
9 collection of a summer property tax levy of a school district or  
10 intermediate school district with a county treasurer shall include  
11 a schedule for delivering collections to the school district or  
12 intermediate school district.

13 (6) To the extent applicable and consistent with the  
14 requirements of this section, ~~the provisions of Act No. 206 of the~~  
15 ~~Public Acts of 1893, shall apply~~ **THE GENERAL PROPERTY TAX ACT, 1893**  
16 **PA 206, MCL 211.1 TO 211.155, APPLIES** to proceedings in relation to  
17 the assessment, spreading, and collection of taxes pursuant to this  
18 section. Additionally, in relation to the assessment, spreading,  
19 and collection of taxes pursuant to this section, the county  
20 treasurer or, if the district is collecting its own summer property  
21 tax levy, the treasurer of the school district or intermediate  
22 school district ~~shall have~~ **HAS THE SAME** powers and duties ~~similar~~  
23 ~~to~~ **AS** those prescribed by ~~Act No. 206 of the Public Acts of 1893,~~  
24 **THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO 211.155,**  
25 for township supervisors, township clerks, and township treasurers.  
26 However, this section ~~shall not be considered to~~ **DOES NOT** transfer  
27 any authority over the assessment of property.

1           (7) If a county treasurer or the treasurer of a school  
2 district or intermediate school district collects the summer  
3 property tax levy of the **SCHOOL** district **OR INTERMEDIATE SCHOOL**  
4 **DISTRICT**, the township or city shall deliver by June 1 a certified  
5 copy of the assessment roll containing ~~state-equalized valuations~~  
6 **TAXABLE VALUES** for each parcel of taxable property in the township  
7 or city to the treasurer collecting the summer property tax levy of  
8 the school district or intermediate school district. The county  
9 treasurer or the treasurer of a school district or intermediate  
10 school district receiving this certified copy of the assessment  
11 roll shall remit the necessary cost incident to the reproduction of  
12 the assessment roll to the township or city.

13           (8) A county treasurer or treasurer of a school district or  
14 intermediate school district collecting taxes pursuant to this  
15 section shall be bonded for tax collection in the same amount and  
16 in the same manner as a township treasurer would be for undertaking  
17 the duties prescribed by this section.

18           (9) An agreement for the collection of a summer property tax  
19 levy between a school district or intermediate school district and  
20 a county may cover summer collections for 2 years. If an agreement  
21 covers summer collections for 2 years, the resolution and request  
22 required by subsection (1), the notice required by subsection (2),  
23 and the option to reconsider provided by subsection (3) ~~shall-DO~~  
24 not apply for summer collections in the second year.

25           (10) If collections are made pursuant to this section by a  
26 county treasurer or by the treasurer of a school district or  
27 intermediate school district, all payments from a school district

1 or intermediate school district for collecting its summer property  
2 tax levy and all revenues generated from collection fees shall be  
3 deposited, when received or collected, in a current school tax  
4 collection fund, which fund shall be used by the county treasurer  
5 or treasurer of the school district or intermediate school district  
6 to pay for the cost of collecting the district's summer property  
7 tax levy. The current school tax collection fund shall be  
8 segregated from all other funds and once the current school tax  
9 collection fund has been established money shall not be withdrawn  
10 except upon an order, check, or draft of the collecting treasurer  
11 for the purpose of paying 1 or more of the following costs:

12 (a) The cost of special deputy treasurers and equipment  
13 directly involved in the collection of current property taxes.

14 (b) The cost of all services determined necessary by the  
15 collecting treasurer to collect the summer property tax levy of the  
16 school district or intermediate school district.

17 (c) The contract payments to any person, firm, or corporation  
18 employed by the collecting treasurer to assist in the collection of  
19 the current property taxes.

20 (11) All surplus money in a current school tax collection fund  
21 shall be invested by the collecting treasurer in any investment  
22 authorized by ~~Act No. 20 of the Public Acts of 1943, being sections~~  
23 ~~129.91 to 129.93 of the Michigan Compiled Laws. 1943 PA 20, MCL~~  
24 **129.91 TO 129.97A**. The county treasurer and the treasurer of a  
25 school district or intermediate school district shall publish, on  
26 March 1 of the year after the treasurer first collects the summer  
27 property tax levy of a school district or intermediate school

1 district and each year thereafter, an annual report on the status  
2 of the fund for the ~~last~~**MOST RECENT** year ending December 31. The  
3 report shall show the total charges, expenses, and year-end  
4 surplus.

5 (12) Money in the current school tax collection fund shall not  
6 be transferred to the general fund of the county, school district,  
7 or intermediate school district or made the subject of  
8 appropriation by the county, school district, or intermediate  
9 school district. Any surplus in a current school tax collection  
10 fund shall be used by the county treasurer, school district  
11 treasurer, or intermediate school district treasurer to reduce the  
12 following costs for the next summer property tax levy of a school  
13 district or intermediate school district that is collected by the  
14 county treasurer, school district treasurer, or intermediate school  
15 district treasurer:

16 (a) The costs of collection, in excess of fees and charges,  
17 incurred or paid pursuant to subsection (4) (b).

18 (b) The fees and charges imposed pursuant to subsection  
19 (4) (g).

20 (13) A city treasurer, township treasurer, county treasurer,  
21 school district treasurer, or intermediate school district  
22 treasurer that collects pursuant to this section, section 1611, or  
23 section 1612 the summer property tax levy of a school district or  
24 intermediate school district against property eligible for a  
25 deferral of summer property taxes under section 51 of ~~Act No. 206~~  
26 ~~of the Public Acts of 1893, being section 211.51 of the Michigan~~  
27 ~~Compiled Laws,~~**THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL**



1 211.51, and, if not otherwise eligible for deferral ~~thereunder,~~  
 2 **UNDER THAT SECTION**, against property classified as agricultural  
 3 real property if the gross receipts of the agricultural or  
 4 horticultural operations in the previous year or the average gross  
 5 receipts of such operations in the previous 3 years are not less  
 6 than the household income of the owner in the previous year shall  
 7 defer the collection of these summer property taxes without penalty  
 8 or interest until the following February 15 upon a filing by the  
 9 taxpayer of an intent to defer with the property tax collecting  
 10 treasurer in the same manner as provided by section 51 of ~~Act No.~~  
 11 ~~206 of the Public Acts of 1893.~~ **THE GENERAL PROPERTY TAX ACT, 1893**  
 12 **PA 206, MCL 211.51.** The treasurer of a city, township, school  
 13 district, intermediate school district, or county who collects the  
 14 summer property tax levy of a school district or intermediate  
 15 school district also shall comply with the publication and  
 16 assistance requirements of section 51 of ~~Act No. 206 of the Public~~  
 17 ~~Acts of 1893,~~ **THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL**  
 18 **211.51**, with respect to property eligible for a deferral under this  
 19 subsection.

20 (14) **BEGINNING WITH TAXES LEVIED AFTER DECEMBER 31, 2016, THE**  
 21 **REVENUE FROM TAXES COLLECTED UNDER THIS SECTION THAT WERE LEVIED**  
 22 **UNDER SECTION 625A, 681, 705, 1211, OR 1724A SHALL BE FORWARDED TO**  
 23 **THE STATE TREASURER FOR DEPOSIT ON AN EQUAL PRO RATA BASIS INTO THE**  
 24 **EDUCATION SAVINGS ACCOUNTS OF PUPILS RESIDING IN THE SCHOOL**  
 25 **DISTRICT OR INTERMEDIATE SCHOOL DISTRICT THAT LEVIED THAT TAX, AS**  
 26 **PROVIDED UNDER SECTION 43(14) OF THE GENERAL PROPERTY TAX ACT, 1893**  
 27 **PA 206, MCL 211.43, TO BE USED BY EACH PUPIL TO PAY FOR ELIGIBLE**

1 **SERVICES AUTHORIZED UNDER THE MICHIGAN PARENTAL CHOICE IN EDUCATION**  
2 **PROGRAM ACT.**

3       Sec. 1724a. (1) Beginning in 1995, and subject to section  
4 625b, the board of an intermediate school district may levy ad  
5 valorem property taxes for special education purposes under  
6 sections 1722 to 1729 at a rate not to exceed 1.75 times the number  
7 of mills of those taxes authorized in the intermediate school  
8 district in 1993. All or part of the millage levied under this  
9 section may be renewed as provided in this article. Approval of the  
10 intermediate school electors is not required for the levy under  
11 this section of previously authorized mills until that  
12 authorization expires.

13       (2) ~~An~~ **SUBJECT TO SUBSECTION (6), AN** intermediate school  
14 district that levies a tax for special education operating purposes  
15 shall not use proceeds from the tax for any purpose other than  
16 special education operating purposes and shall submit to the  
17 department of treasury a copy of the audit report from the audit of  
18 the intermediate school district conducted under section 622a. If  
19 the department of treasury determines from the audit report that  
20 the proceeds from the tax have been used for a purpose other than  
21 special education operating purposes, as defined under subsection  
22 (4), the department of treasury shall notify the intermediate  
23 school district of that determination. If the intermediate school  
24 district disputes the determination or claims that the situation  
25 has been corrected, within 15 days after receipt of the  
26 determination the intermediate school district may submit an appeal  
27 of the determination to the department of treasury. Within 90 days

1 after receipt of the appeal, the department of treasury shall  
2 consider the appeal and make a determination of whether the initial  
3 determination was correct or incorrect and of whether the situation  
4 has been corrected. If the department of treasury finds that the  
5 initial determination was correct and that the situation has not  
6 been corrected, then the department of treasury shall file a copy  
7 of the report with the attorney general. The attorney general shall  
8 review the report and, if the attorney general considers it  
9 appropriate, shall commence or direct the prosecuting attorney for  
10 the county in which the violations occurred to commence appropriate  
11 proceedings against the intermediate school board or the official  
12 or employee. These proceedings shall include at least a civil  
13 action in a court of competent jurisdiction for the recovery of any  
14 public money determined by the audit to have been illegally  
15 expended and for the recovery of any public property determined by  
16 the audit to have been converted or misappropriated.

17 (3) If the attorney general determines from a report filed  
18 under subsection (2) that an intermediate school district has  
19 misspent tax proceeds as described in subsection (2) and notifies  
20 the intermediate school district of this determination, the  
21 intermediate school district shall repay to its special education  
22 operating fund an amount equal to the amount the department of  
23 treasury determined under subsection (2) has been used for a  
24 purpose other than special education operating purposes. The  
25 intermediate school district shall make this repayment from funds  
26 of the intermediate school district that lawfully may be used for  
27 making such a repayment.

1 (4) For the purposes of subsections (2) and (3), the  
 2 department and the department of treasury, in consultation with  
 3 intermediate school districts, shall develop and make available to  
 4 intermediate school districts a definition of special education  
 5 operating purposes.

6 (5) An intermediate district shall not hold more than 2  
 7 elections in a calendar year concerning the authorization of a  
 8 millage rate for special education purposes under sections 1722 to  
 9 1729.

10 (6) BEGINNING WITH TAXES LEVIED AFTER DECEMBER 31, 2016, THE  
 11 PROCEEDS FROM TAXES LEVIED UNDER THIS SECTION SHALL BE FORWARDED TO  
 12 THE STATE TREASURER FOR DEPOSIT ON AN EQUAL PRO RATA BASIS INTO THE  
 13 EDUCATION SAVINGS ACCOUNTS OF PUPILS RESIDING IN THE INTERMEDIATE  
 14 SCHOOL DISTRICT WHO QUALIFY FOR SPECIAL EDUCATION PROGRAMS AND  
 15 SERVICES, AS PROVIDED UNDER SECTION 43(14) OF THE GENERAL PROPERTY  
 16 TAX ACT, 1893 PA 206, MCL 211.43, TO BE USED BY EACH PUPIL TO PAY  
 17 FOR ELIGIBLE SERVICES AUTHORIZED UNDER THE MICHIGAN PARENTAL CHOICE  
 18 IN EDUCATION PROGRAM ACT.

19 Enacting section 1. Part 18 of the revised school code, 1976  
 20 PA 451, MCL 380.1401 to 380.1416, is repealed effective August 1,  
 21 2017.

22 Enacting section 2. This amendatory act does not take effect  
 23 unless all of the following bills of the 98th Legislature are  
 24 enacted into law:

25 (a) Senate Bill No.\_\_\_\_ or House Bill No.\_\_\_\_ (request no.  
 26 05943'16).

27 (b) Senate Bill No.\_\_\_\_ or House Bill No.\_\_\_\_ (request no.

1 06480'16).

2 (c) Senate Bill No.\_\_\_\_ or House Bill No.\_\_\_\_ (request no.  
3 06483'16).

4 (d) Senate Bill No.\_\_\_\_ or House Bill No.\_\_\_\_ (request no.  
5 06484'16).