

SUBSTITUTE FOR  
SENATE BILL NO. 952

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

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

2 (A) THE DEPARTMENT OF TREASURY.

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

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

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

13 (3) NOT LATER THAN MARCH 1 OF EACH YEAR, THE DEPARTMENT SHALL  
14 PREPARE A REPORT OF DEFICITS INCURRED OR PROJECTED BY SCHOOL  
15 DISTRICTS, INTERMEDIATE SCHOOL DISTRICTS, AND PUBLIC SCHOOL  
16 ACADEMIES IN THE IMMEDIATELY PRECEDING FISCAL YEAR AND THE PROGRESS  
17 MADE IN REDUCING THOSE DEFICITS AND SUBMIT THE REPORT TO THE  
18 STANDING COMMITTEES OF THE LEGISLATURE RESPONSIBLE FOR K-12  
19 EDUCATION LEGISLATION, THE APPROPRIATIONS SUBCOMMITTEES OF THE  
20 LEGISLATURE RESPONSIBLE FOR K-12 SCHOOL AID APPROPRIATIONS, THE  
21 HOUSE AND SENATE FISCAL AGENCIES, THE STATE TREASURER, AND THE  
22 STATE BUDGET DIRECTOR. THE DEPARTMENT ALSO SHALL SUBMIT QUARTERLY  
23 INTERIM REPORTS CONCERNING THE PROGRESS MADE BY SCHOOL DISTRICTS,  
24 INTERMEDIATE SCHOOL DISTRICTS, AND PUBLIC SCHOOL ACADEMIES IN  
25 REDUCING THOSE DEFICITS TO THE STANDING COMMITTEES OF THE  
26 LEGISLATURE RESPONSIBLE FOR K-12 EDUCATION LEGISLATION, THE  
27 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. A SCHOOL  
17 DISTRICT MAY CONTRACT WITH ITS INTERMEDIATE SCHOOL DISTRICT OR  
18 ANOTHER ENTITY TO PROVIDE THE MONTHLY MONITORING REPORT.

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

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

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

1 SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY TO SUBMIT AN ENHANCED  
2 DEFICIT ELIMINATION PLAN IN THE FORM AND MANNER DETERMINED BY THE  
3 DEPARTMENT OF TREASURY. IF A DEFICIT FOR A SCHOOL DISTRICT,  
4 INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY HAS NOT BEEN  
5 COMPLETELY ELIMINATED WITHIN 5 YEARS AFTER IT SUBMITTED ITS INITIAL  
6 DEFICIT ELIMINATION PLAN, THE STATE TREASURER SHALL REQUIRE THE  
7 SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL  
8 ACADEMY TO SUBMIT AN ENHANCED DEFICIT ELIMINATION PLAN UNDER THIS  
9 SUBSECTION. AN ENHANCED DEFICIT ELIMINATION PLAN SHALL PROVIDE FOR  
10 THE RESOLUTION OF THE DETERIORATING FINANCIAL CIRCUMSTANCES,  
11 PERSISTENTLY DECLINING ENROLLMENT, OR OTHER INDICATORS OF RECURRING  
12 OPERATING DEFICITS OR RECURRING FINANCIAL STRESS AND IS SUBJECT TO  
13 APPROVAL BY THE STATE TREASURER. AS A CONDITION OF APPROVING THE  
14 ENHANCED DEFICIT ELIMINATION PLAN, THE STATE TREASURER MAY REQUIRE  
15 A SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL  
16 ACADEMY REQUIRED TO SUBMIT AN ENHANCED DEFICIT ELIMINATION PLAN  
17 UNDER THIS SECTION TO ENTER INTO A FINANCIAL RECOVERY AGREEMENT  
18 WITH THE STATE TREASURER. A FINANCIAL RECOVERY AGREEMENT MAY  
19 PROVIDE FOR, BUT IS NOT LIMITED TO, ALL OF THE FOLLOWING:

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

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

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

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

1           (E) THE REQUIRED RETENTION BY THE SCHOOL DISTRICT,  
2 INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY OF A  
3 CONSULTANT OR 1 OR MORE OTHER EXPERTS FOR THE PURPOSE OF ASSISTING  
4 THE SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL  
5 ACADEMY TO ACHIEVE THE GOALS AND OBJECTIVES OF THE FINANCIAL  
6 RECOVERY AGREEMENT.

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

25           (8) TO ASSURE GREATER COORDINATION AND EFFECTIVE PARTNERSHIPS  
26 IN THE DEVELOPMENT AND IMPLEMENTATION OF AN ENHANCED DEFICIT  
27 ELIMINATION PLAN UNDER SUBSECTION (6), WHEN ADMINISTERING



1 SUBSECTIONS (6), (7), AND (10), THE DEPARTMENT OF TREASURY SHALL  
2 CONSULT WITH ALL OF THE FOLLOWING:

3 (A) THE DEPARTMENT.

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

7 (C) FOR A SCHOOL DISTRICT REQUIRED TO SUBMIT AN ENHANCED  
8 DEFICIT ELIMINATION PLAN UNDER SUBSECTION (6), THE INTERMEDIATE  
9 SUPERINTENDENT OF THE INTERMEDIATE SCHOOL DISTRICT IN WHICH THE  
10 SCHOOL DISTRICT IS LOCATED.

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

14 (9) AFTER THE STATE TREASURER APPROVES AN ENHANCED DEFICIT  
15 ELIMINATION PLAN FOR A SCHOOL DISTRICT, INTERMEDIATE SCHOOL  
16 DISTRICT, OR PUBLIC SCHOOL ACADEMY, THE SCHOOL DISTRICT,  
17 INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY SHALL POST  
18 THE ENHANCED DEFICIT ELIMINATION PLAN ON THE SCHOOL DISTRICT'S,  
19 INTERMEDIATE SCHOOL DISTRICT'S, OR PUBLIC SCHOOL ACADEMY'S WEBSITE.

20 (10) IF A SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR  
21 PUBLIC SCHOOL ACADEMY IS REQUIRED TO SUBMIT AN ENHANCED DEFICIT  
22 ELIMINATION PLAN UNDER SUBSECTION (6), THE SCHOOL DISTRICT,  
23 INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY SHALL SUBMIT  
24 TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION AND THE STATE TREASURER  
25 AN ENHANCED MONTHLY MONITORING REPORT ON REVENUE, EXPENDITURES,  
26 CASH FLOW, DEBT, OTHER LIABILITIES, ASSETS, BUDGET AMENDMENTS,  
27 PUPIL MEMBERSHIP, AND OTHER DATA RELATING TO THE FINANCES OF THE

1 SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL  
2 ACADEMY IN A FORM AND MANNER PRESCRIBED BY THE DEPARTMENT OF  
3 TREASURY AND SHALL POST THESE REPORTS ON ITS WEBSITE.

4 (11) AS USED IN THIS SECTION:

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

7 (B) "DEFICIT ELIMINATION PLAN" MEANS A PLAN REQUIRED UNDER  
8 THIS SECTION FOR THE ELIMINATION OF A DEFICIT THAT SETS FORTH  
9 ACTIONS TO BE TAKEN TO ELIMINATE THE DEFICIT WITHIN THE TIME PERIOD  
10 PRESCRIBED BY THE DEPARTMENT.

11 (C) "DEFICIT FUND BALANCE" MEANS THAT TERM AS DEFINED IN THE  
12 MICHIGAN PUBLIC SCHOOL ACCOUNTING MANUAL PUBLISHED BY THE  
13 DEPARTMENT.

14 (D) "ENHANCED DEFICIT ELIMINATION PLAN" MEANS MEASURES  
15 REQUIRED BY THE STATE TREASURER UNDER THIS SECTION TO ADDRESS THE  
16 FINANCIAL CONDITIONS WITHIN A SCHOOL DISTRICT, INTERMEDIATE SCHOOL  
17 DISTRICT, OR PUBLIC SCHOOL ACADEMY AND RESOLVE ANY DEFICIT WITHIN  
18 THE TIME PERIOD PRESCRIBED BY THE STATE TREASURER.

19 (E) "PREPLAN FINANCIAL REPORT" MEANS A REPORT ON THE FINANCIAL  
20 CONDITIONS WITHIN A SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT,  
21 OR PUBLIC SCHOOL ACADEMY REQUIRED UNDER THIS SECTION AND SUBMITTED  
22 IN A FORM AND MANNER PRESCRIBED BY THE STATE TREASURER, WHICH MAY  
23 INCLUDE, BUT IS NOT LIMITED TO, FINANCIAL DATA AND OTHER  
24 INFORMATION ON LIABILITIES, PAYMENTS, ENROLLMENT, BORROWING, AND  
25 OTHER CRITERIA RELATING TO THE FINANCIAL CONDITIONS WITHIN A SCHOOL  
26 DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL ACADEMY.

27 Enacting section 1. This amendatory act does not take effect

1 unless all of the following bills of the 97th Legislature are  
2 enacted into law:

3 (a) Senate Bill No. 951.

4 (b) Senate Bill No. 954.

5 (c) Senate Bill No. 957.