

REORGANIZATION OF SCHOOL DISTRICTS (EXCERPT)
Act 239 of 1967

388.719 Reorganized school district; assumption of bonded indebtedness of original school district; effect; certification, levy of taxes; election.

Sec. 9.

Any time after 3 years following reorganization, the reorganized district, or that district which has succeeded to the largest share of the attached district's state equalized valuation, may assume the obligation of the bonded indebtedness incurred after December 8, 1932, of the original district which has become a part of the reorganization and pay the same from the proceeds of a debt retirement tax levy spread uniformly over the territory of the reorganized or successor district whenever the electors of the reorganized or successor district shall have approved an increase in the limitation on taxes for that purpose and the school tax electors of the district have approved the assumption of such bonded indebtedness. Assumption of the bonded indebtedness of an original school district shall not release the territory of the original district from the final responsibility of paying the obligation or rescind the increase in the limitation on taxes pledged to the bond issue or available to it in the original district, nor be construed as so doing. When the bonded indebtedness of an original district has been so assumed, the board of the reorganized or successor district shall certify and order the levy of taxes for the bonded indebtedness equivalent in terms of money to those required by the terms under which the indebtedness was originally incurred and carry out all provisions of the original bond contract. The election to assume the bonded indebtedness of an attached district may be held at any time after 3 years following the effective date of reorganization when a proposal is placed before the school tax electors to increase the bonded indebtedness of the combined district.

History: 1967, Act 239, Imd. Eff. July 12, 1967