

REVISED JUDICATURE ACT OF 1961 (EXCERPT)
Act 236 of 1961

600.6094 Recovery of judgment for damages against school district or intermediate school district.

Sec. 6094.

(1) Subject to subsection (5), if a final judgment for damages is entered against a school district or an intermediate school district and is not removed to another court, the treasurer of the school district or intermediate school district shall certify to the supervisor of the township and assessing officer of the township or municipality in which the school district or intermediate school district is located and to the secretary of the school district or intermediate school district the date and amount of the judgment and the name of the person in whose favor it was entered. If the judgment is removed to another court, the treasurer shall certify it immediately after the final determination of the judgment against the school district or intermediate school district.

(2) Subject to subsection (5), if the treasurer fails to certify a judgment for damages as required by subsection (1), the person in whose favor the judgment was entered or the person's personal representative or assigns may file a certificate of the clerk of the court that entered the judgment that contains the information that should have been certified by the treasurer.

(3) If a school district or intermediate school district against which a judgment for damages is entered is located in 2 or more townships or municipalities, a certificate under this section shall be delivered as provided in this section to the supervisor of each township and assessing officer of each township or municipality in which part of the school district or intermediate school district is located.

(4) An assessing officer who receives a certificate of a judgment under this section shall proceed to assess the amount of the judgment, with interest from the date of the judgment to the time when the warrant for the collection of the judgment will expire, upon the taxable property of the school district or intermediate school district, placing it on the next township assessment roll in the column for school taxes. The amount of the judgment shall be collected and returned in the same manner as other taxes of the school district or intermediate school district.

(5) This section does not apply to any of the following:

(a) A judgment entered in an action to enforce a contract that the school district or intermediate school district was not authorized to enter into under the laws of this state.

(b) A judgment entered in an action to enforce a contract to which the school district or intermediate school district is a party that provides for payment of money to a person other than this state, a public employee retirement system established by this state, or a state authority, if both of the following apply:

(i) The school district or intermediate school district is subject to a consent agreement under section 8 of the local financial stability and choice act, 2012 PA 436, MCL 141.1548.

(ii) The consent agreement does not require the school district or intermediate school district to obtain the approval of the state treasurer before the treasurer of the school district or intermediate school district certifies a judgment under this section.

(c) A judgment entered in an action to enforce a contract to which the school district or intermediate school district is a party and to which all of the following apply:

(i) The contract provides for 1 or more payments by the school district to a person other than this state, a public employee retirement system established by this state, or a state authority.

(ii) The total amount of the payments required under the contract by the school district or intermediate school district is more than \$100,000.00.

(iii) The school district or intermediate school district failed to make a payment required under the contract to the person within 90 days after the date required under the contract.

(iv) Either of the following applies:

(A) Within the 90-day period under subparagraph (iii), the person entitled to the payment did not provide written notice to the board and superintendent of the school district or intermediate school district and the state treasurer of the school district's or intermediate school district's failure to make the required payment and the person's intent to stop providing goods or services under the contract.

(B) After sending a notice described in sub-subparagraph (A), the person did not stop providing goods or services under the contract at the earliest time allowable under the contract.

(6) The state treasurer shall transmit an electronic copy of each notice received under subsection (5)(c)(iv)(A) to the chairperson of the house education committee, the chairperson of the senate education committee, the chairperson of the house appropriations subcommittee on school aid, and the chairperson of the senate appropriations subcommittee on school aid.

(7) The state treasurer and the school district or intermediate school district shall post an electronic copy of a notice sent under subsection (5)(c)(iv)(A) on the internet website of the department of treasury and of the school district or intermediate school district, respectively.

History: 1961, Act 236, Eff. Jan. 1, 1963 ;-- Am. 1974, Act 297, Eff. Apr. 1, 1975 ;-- Am. 2013, Act 185, Imd. Eff. Dec. 13, 2013