

K-12 Education Finance and Election Law

Miller Canfield's Education and Finance teams have decades of experience representing public schools on the legal aspects of their finance and election law matters.

Capital Improvement Financings

Our attorneys regularly serve as bond counsel to public schools and have worked extensively with schools on the issuance of bonds and other debt obligations used to finance various capital projects. We also have extensive knowledge of the federal tax law requirements for the issuance of public-school debt on a tax-exempt basis. The types of financings we have handled include the following:

- Voted, unlimited tax general obligation bonds
- Refunding bonds
- Non-voted limited tax general obligation bonds
- Energy conservation bonds (including solar and other renewable energy projects)
- Bonds for sinking fund-eligible projects
- Qualified Zone Academy Bonds (QZABs) and other tax-credit bonds
- Installment purchase agreements (IPAs)/ finance leases.
- Arbitrage rebate analysis under federal tax law and IRS audits.

School Bond Qualification and Loan Program (SBQLP)

We assist our public-school clients with the qualification of their voter-approved bonds under the State's SBQLP which includes the following:

- Preliminary and final qualification process and timing
- Consultation on the advantages and disadvantages of participating in the SBQLP
- Borrowing process under the SBQLP

Operating Cash Flow Borrowings

We also regularly assist our public-school clients in the financing of their operating cash flow requirements, including the issuance of State Aid notes ("SAN") through the Michigan Finance Authority ("MFA") or directly with local banks and other lenders, the establishment of lines of credit ("LOC") and issuance of tax anticipation notes ("TAN").

Building and Site Sinking Fund Millage

- Navigating the school election process
- Reviewing the allowable uses of sinking fund proceeds
- Bond financing for sinking fund-eligible projects

Continued

Operating Millages under Proposal A

- Navigating the school election process
- Developing renewal and replacement proposals
- Headlee rollback restorations and voter-approved millage cushion
- Hold-harmless millages
- County-wide enhancement millages

School Elections

- Development of bond, operating, sinking fund and enhancement millage proposals
- Compliance with Michigan election laws
- Compliance with the Michigan Campaign Finance Act
- Consultation on the selection of an election date

Representative Matters

Bond Refunding

We have acted as bond counsel for many of our public-school clients issuing refunding bonds to refinance existing bonds. Many of these refundings have included the refinancing of a school's debt under the SBQLP. These refundings have saved taxpayers a significant amount of debt service.

Operating Millage Replacement and Headlee Cushion

Due to the continued rise in property values around the state, many public schools have experienced Headlee rollbacks to their operating millages, often resulting in significant lost operating revenues. We have worked with many of our public-school clients that have experienced a rollback, assisting them with a request for voter approval to replace the existing operating millage or to restore the rollback and to add a cushion to protect against future rollbacks.

Sinking Fund Replacement Proposal

Beginning in 2017, the eligible uses for a Sinking Fund were expanded to include technology and security related equipment. We have worked with several of our school clients to request voter approval for a replacement sinking fund proposal in order to take advantage of these new eligible uses for the sinking fund.

Enhancement Millages

We represented the Macomb ISD on the recent voter approval of the Macomb County enhancement millage and Wayne RESA on the recent voter renewal of the Wayne County enhancement millage.