

Legislative Analysis



INTERMEDIATE SCHOOL DISTRICT ACCOUNTABILITY

Mitchell Bean, Director
Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4338 as enrolled
Public Act 234 of 2004
Sponsor: Rep. Ruth Johnson

House Bill 4947 as enrolled
Public Act 233 of 2004
Sponsor: Rep. John Gleason

House Bill 5376 as enrolled
Public Act 232 of 2004
Sponsor: Rep. Bruce Caswell

House Committee: Education
Senate Committee: Education

Complete to 2-25-05

A SUMMARY OF HOUSE BILLS 4338, 4947, AND 5376 AS ENROLLED

The bills would amend the Revised School Code to do the following:

- Require an ISD's constituent school districts to review its annual budget.
- Allow voters to recall, and constituent districts to remove, ISD board members.
- Establish a procedure for the designation of a school district's representative to the body electing intermediate school board members.
- Require a school board to direct its representative to vote for a specific candidate.
- Require the meeting of the electoral body to be an open meeting as prescribed by the Open Meetings Act.
- Require ISDs to competitively bid their construction contracts if the project cost exceeds \$17,932.

A more detailed explanation of each bill follows.

House Bill 4338 would amend the Revised School Code (MCL 380.613 and 380.624) to permit citizens to recall an intermediate school district (ISD) board member, and authorize constituent school districts to remove an ISD board member. Additionally, the bill would require that constituent school districts review an ISD's budget and then adopt a resolution supporting or disapproving it. Under the bill, a member of an ISD board

elected by members of constituent school districts would be subject to recall by the voters residing in that intermediate school district. The voters also could recall an ISD board member who was appointed to fill a vacancy. A recall vote would have to comply with Chapter 36 of the Michigan Election Law.

The bill would permit constituent district boards to remove from office an intermediate school board member elected by the districts' representatives, or a member appointed to fill a vacancy. A member would be removed from office if at least a majority of constituent district boards, plus one, adopted resolutions requesting removal of the member, and filed those resolutions within 60 days with the secretary of the intermediate school board.

Beginning July 1, 2005, all ISD board officers would have to be members of the intermediate school board. (Currently, the secretary and treasurer need not be members of the ISD board.)

By May 1 of each year, the ISD board would have to submit its proposed budget for the next school fiscal year to the board of each constituent district for review. By June 1, each constituent district board would have to review the proposed budget, adopt a board resolution expressing its support for or disapproval of the proposed budget, and submit to the ISD board any specific objections or proposed changes to the budget. If the ISD board received any specific objections or proposed changes, it would have to consider them.

Finally, an intermediate school board would be required to establish a policy requiring board approval of all travel outside the state by board members, and employees reimbursed by the ISD.

House Bill 4947 would amend the Revised School Code (MCL 380.614) to change the way ISD board members are selected by their constituent school districts.

Under the Code, intermediate school district (ISD) board members are elected biennially by a body composed of one member of each constituent school district. The members are designated by the board of each constituent district. Under the bill, the constituent district's designee would not have to be a board member. The bill also specifies the board of a constituent school district would have to designate its representative to the electoral body by resolution, adopted at least 21 days before the ISD board election. The resolution also would have to identify the candidate the board supported for each position to be filled on the ISD board, and direct its representative to vote for that person, at least on the first ballot taken by the electoral body.

The constituent district board would have to consider the resolution at not fewer than two public meetings before adopting it. The resolution would have to be adopted by majority vote of the members serving on the board.

House Bill 5376 would amend the Revised School Code (MCL 380.1267) to do the following:

- Require an intermediate school district (ISD) board to obtain competitive bids before beginning construction on a new or existing school building.
- Extend to an ISD construction bid the requirements that presently govern bids sought by a school board or a public school academy (PSA).
- Require an ISD board, a school board, and a PSA board of directors to post an advertisement for a bid on either the Department of Management and Budget website or a website maintained by a school organization, in addition to posting an advertisement in a newspaper.
- Require any advertisement for bids to state that the bid would have to be accompanied by a sworn and notarized statement disclosing any familial relationship existing between the bidder and any member of the school board, ISD board, or PSA board of directors, the school superintendent, the ISD superintendent, or the chief executive officer of the PSA.
- Increase the cost of a construction project that triggers the competitive bid requirements from \$12,500 to \$17,932.

FISCAL IMPACT:

House Bill 4338 and House Bill 4947 would have no fiscal impact on state or local government.

House Bill 5376 could result in a minimal cost to the state if the Department of Management and Budget had to hire additional staff (at least part-time) to set up and maintain the school construction website. The bill would have no fiscal impact on local government.

Legislative Analyst: J. Hunault
Fiscal Analysts: Mary Ann Cleary
Laurie Cummings

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.