



Senate Fiscal Agency
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**BILL ANALYSIS**

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House Bill 5376 (Substitute S-1 as reported by the Committee of the Whole)
Sponsor: Representative Bruce Caswell
House Committee: Education
Senate Committee: Education

CONTENT

The bill would amend the Revised School Code 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.

MCL 380.1267

Legislative Analyst: Claire Layman

FISCAL IMPACT

The bill 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.

Date Completed: 6-30-04

Fiscal Analyst: Joe Carrasco