



Senate Fiscal Agency  
P. O. Box 30036  
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383  
Fax: (517) 373-1986  
TDD: (517) 373-0543

House Bill 5458 (Substitute S-1 as reported)  
Sponsor: Representative David Woodward  
House Committee: Education  
Senate Committee: Education

### **CONTENT**

The bill would amend the Revised School Code to require that constituent school districts review an intermediate school district's (ISD's) budget and then adopt a resolution supporting or disapproving it.

Under the Code, by April 1 of each year, an ISD board must prepare an annual general fund operating budget and file it with the clerk of the county in which the ISD is located. The county clerk must deliver the budget to the county tax allocation board in the same manner as other school district budgets are handled. The bill would retain these requirements.

The bill also would delete a requirement that, by June 1 of each year, the ISD board submit its budget for review to a meeting of one board member named from each constituent district. Instead, an ISD board would have to have its proposed budget reviewed and approved by its constituent district each year as described below.

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 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 and proposed changes to the budget. If the ISD board received any specific objections or proposed changes, it would have to consider them.

MCL 380.624

Legislative Analyst: Claire Layman

### **FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 6-29-04

Fiscal Analyst: Joe Carrasco