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House Bill 5458 (Substitute H-2 as passed by the House)  
Sponsor: Representative David Woodward  
House Committee: Education  
Senate Committee: Education

Date Completed: 6-10-04

### **CONTENT**

**The bill would amend the Revised School Code to require that constituent school districts approve an intermediate school district's (ISD's) budget.**

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.

By June 1 of each year, the ISD board must submit its budget for review to a meeting of one board member named from each constituent district. The bill would delete this requirement. 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, the constituent district boards would have to submit to the ISD board any of their 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. By June 15, the ISD board would have to submit the proposed budget for review and approval to a meeting consisting of one board member from each constituent district. At the meeting, the president of the ISD board would have to preside and the secretary of the ISD board would keep the minutes. Approval of the proposed ISD budget would have to be by majority vote of the representatives of the constituent districts present at the meeting.

MCL 380.624

Legislative Analyst: Claire Layman

### **FISCAL IMPACT**

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

Fiscal Analyst: Joe Carrasco

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