

## CONSOLIDATION OF EDUCATION SERVICES STUDY

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**House Bill 4592 (Substitute H-1)**

**Sponsor: Rep. Tim Melton**

**Committee: Education**

**Complete to 5-23-07**

## A SUMMARY OF HOUSE BILL 4592 (H-1) AS REPORTED FROM COMMITTEE

The bill would amend the Revised School Code to require that school district officials throughout the state conduct a study to identify opportunities for sharing services.

Under the bill, not later than six months after this legislation was enacted into law, the board of a school district would be required to submit a report on the results of its study to the intermediate school district, in a form prescribed by the Michigan Department of Education. A school district's study and report would have to address possibilities for sharing at least all of the following non-instructional services:

- Student transportation for all classes of students and all types of programs.
- Human resources administration.
- Procurement of supplies and other purchasing.
- Technology support services, including, but not limited to, information technology.
- Professional development.
- Accounting and other financial services.
- Legal services.
- Food and child nutritional services.
- Event management.
- Production printing and graphics.
- Shipping and receiving services.
- Any other services described in the code.
- Any other non-instructional services identified by the superintendent of public instruction.

The bill specifies that education services could be shared with other providers of similar services—such as an intermediate school district, or one or more other school districts or intermediate school districts, or other units of local government, or other programs designed to achieve cost savings.

The bill requires that in making its report, a school district include a detailed description of the school district's cost per pupil for each of the services listed.

Within three months of receiving the report, an intermediate school district would be required to compile the reports received from its constituent districts, and submit a summary report on service sharing to the Department of Education. Within two months

of receiving the report from the ISDs, the department would be required to compile the information, and submit a summary to the standing committees of the legislature having responsibility for education legislation.

### **FISCAL IMPACT:**

There would be an indeterminate increase in state costs. The Department of Education would incur costs associated with compiling the information submitted by the ISDs and submitting a report to the legislature.

There would be an indeterminate increase in local costs to the school districts for the cost of conducting the required study on sharing services, and to ISDs for the cost of compiling the information and submitting a summary to the Department of Education on the findings of the constituent districts.

### **POSITIONS:**

The Middle Cities Education Association supports the bill. (5-22-07)

Oakland Schools supports the bill in concept. (5-22-07)

Wayne RESA supports the bill in concept. (5-22-07)

Ottawa, Muskegon, and Kalamazoo ISDs support the bill. (5-22-07)

The Michigan Association of School Boards supports the bill in concept. (5-22-07)

The Michigan Elementary and Middle School Principals Association supports the bill in concept. (5-22-07)

The Michigan Education Association supports the bill. (5-22-07)

The Michigan Association of School Administrators supports the bill in concept. (5-22-07)

The Michigan Association of Intermediate School Administrators supports the bill in concept. (5-22-07)

The Detroit Public Schools are neutral on the bill. (5-22-07)

Michigan Small & Rural Schools is neutral on the bill. (5-22-07)

Allegan & VanBuren ISDs are neutral on the bill. (5-22-07)

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■ 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.