



Senate Fiscal Agency  
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**BILL ANALYSIS**

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House Bill 4592 (Substitute S-1 as reported by the Committee of the Whole)

Sponsor: Representative Tim Melton

House Committee: Education

Senate Committee: Education

**CONTENT**

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

- Require each intermediate school district (ISD) to study opportunities for its constituent districts to share services with other providers of similar services, such as the ISD, other districts or ISDs, other local units, and other programs designed to achieve cost savings.
- Require the board and officials of each constituent district to cooperate with the ISD in its study.
- Require each ISD, within six months after the bill's effective date, to submit a report on the results of its study to the Michigan Department of Education (MDE).
- Require the MDE, within two months after receiving the ISDs' reports, to compile the information from them and submit a summary to the legislative standing committees responsible for education legislation.

An ISD's study and report would have to address possibilities for sharing, at least, pupil transportation, human resources administration, purchasing, technology support, professional development, financial and legal services, food and child nutritional services, event management, production printing and graphics, and shipping and receiving. An ISD's report also would have to describe the average cost per pupil for each of those services.

The bill would require ISDs to use funds allocated to them under Section 81 of the State School Aid Act to comply with these requirements.

Proposed MCL 380.761

Legislative Analyst: Suzanne Lowe

**FISCAL IMPACT**

The Department of Education would see increased administrative costs under this legislation, resulting from the required compilation, summary, and presentation of intermediate school district reports.

Intermediate school districts would face the costs of conducting the required study on the sharing of noninstructional services by their constituent districts, and costs would arise from submitting a summary to the MDE.

Date Completed: 9-5-07

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Analysis available @ <http://www.michiganlegislature.org>

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