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BILL  ANALYSIS

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Senate Bill 1229 (as introduced 3-16-10)  
Sponsor: Senator Ron Jelinek  
Committee: Reforms and Restructuring

Date Completed: 3-16-10

### **CONTENT**

Senate Bill would amend the Revised School Code to require intermediate school districts (ISDs) to provide all pupil transportation services to their constituent local districts and charter schools that choose to provide busing to their students, beginning July 1, 2010. The bill also would prohibit the local districts and charters from directly providing such busing.

The bill would allow an ISD to charge its constituent districts and charters using its transportation services a fee, but that fee could not exceed the cost to the ISD of providing the service. An ISD could contract for transportation services, and employ staff, but only after obtaining competitive bids. In addition, an ISD could not enter into or renew a contract or collective bargaining agreement without first obtaining competitive bids. The bids would be required for any service worth more than \$20,000, adjusted for inflation in future years.

The Department of Education would be required to develop and make available a model competitive bid process for pupil transportation services. This process could be modeled on the competitive bid process already established for construction projects.

MCL 38.1320 et al.

### **FISCAL IMPACT**

The fiscal impact of requiring intermediate school districts to provide transportation services to constituent districts and charter schools (that choose to offer transportation), and prohibiting school districts from providing that transportation, is indeterminate. The option to offer transportation services is already available to ISDs under current law. This legislation would force the consolidation of pupil transportation services, but whether this would result in savings or costs is unknown.

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