



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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House Bill 4166 (as passed by the House)  
Sponsor: Representative Mary Whiteford  
House Committee: Education Reform  
Senate Committee: Education

Date Completed: 10-3-17

### **CONTENT**

**The bill would repeal Sections 1742 and 1743 of the Revised School Code, which pertain to the employment of additional personnel to implement special education programs.**

Section 1742 requires an intermediate school board, when employing additional personnel to implement special education programs or services, to employ first an employee of a constituent district whose employment is discontinued because the constituent district is discontinuing the special education program or service for which the person was employed.

Section 1743 requires an intermediate school board, when providing special education programs and services that were previously provided by a State agency within the intermediate school district, before employing any additional personnel for purposes of implementing the special education program or service, to employ first a person of a State agency whose employment is discontinued because a State agency is discontinuing a special education program or service for which the person was employed.

The special education personnel employed under both provisions are generally entitled to all rights and benefits to which they would otherwise be entitled had they been employed by the constituent district or intermediate school board originally, except that the controlling board has the option to subject them to another probationary period of one year.

MCL 380.1742 & 380.1743

Legislative Analyst: Nathan Leaman

### **FISCAL IMPACT**

The bill would have little fiscal impact on the State and an indeterminate impact on intermediate school districts (ISDs). If Sections 1742 and 1743 were repealed, an ISD would no longer have to give preference to recently laid off special education employees from a discontinued special program or service at a constituent district or State agency in the ISD. This could result in lower employee costs by potentially allowing districts to hire employees with fewer years of service and lower salaries than personnel they otherwise might have to hire. Due to differences in ISDs and the closure of special education programs and services at a constituent district, it is impossible to accurately estimate the savings that ISDs would experience as a result of repealing Sections 1742 and 1743. Any overall savings at the ISD level would result in less reimbursement from the State, because the reimbursement amount is based on the costs to provide special education services. This would likely be minimal.

Fiscal Analyst: Cory Savino

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.