



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bill 204 (Substitute S-3 as reported)
Sponsor: Senator Stephanie Chang
Committee: Education

CONTENT

The bill would amend the Revised School Code to require the board of a school district or intermediate school district (ISD) or board of directors of a public school academy (PSA) to adopt and implement a policy that would prescribe procedures that the school district, ISD, or PSA would have to follow before closing a school building, by July 31, 2026.

Proposed MCL 380.1258

BRIEF RATIONALE

The board of a school district or ISD or the board of directors of a PSA may decide to close a school for a variety of reasons, such as low enrollment or financial issues; however, testimony before the Senate Committee on Education indicates that schools' closures disrupt their communities, especially if a school is closed during the school year. School employees must suddenly search for new jobs, while parents must find new schools for their children to attend. Some believe that parents and school employees should receive advance notice of a school closure to prepare. Accordingly, it has been suggested that the State enact standards for school closure policies.

Legislative Analyst: Abby Schneider

FISCAL IMPACT

The bill would have no fiscal impact on the Michigan Department of Education.

The bill would have no fiscal impact on the State, and it would have a negative fiscal impact on districts, ISDs, and PSAs, although the amount of the cost is unknown. Many of the bill's requirements would codify and standardize existing practices. To the extent that a district, ISD, or PSA would not otherwise have done certain reporting or notifications, compliance would require additional administrative costs.

The bill also would set limits on when a building could be closed. If the requirements of the bill forced a district, ISD, or PSA to keep a building open longer than it would have otherwise, there could be additional costs, although the amount of any additional cost would depend on the characteristics of the building, student body, and district.

Date Completed: 6-20-25

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