

Legislative Analysis



ISD BUDGETS: APPROVAL BY CONSTITUENT DISTRICTS

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House Bill 5458

Sponsor: Rep. David Woodward

Committee: Education

Complete to 2-17-04

A SUMMARY OF HOUSE BILL 5458 AS INTRODUCED 2-4-04

House Bill 5458 would amend the Revised School Code to require that constituent school districts approve an intermediate school district's budget.

Currently under the law, an intermediate school board prepares an annual general fund operating budget, and files the budget with the county clerk of each county in which the intermediate school district (ISD) is located. Each county clerk delivers the budget to the county tax allocation board, in the same manner as other school district budgets are handled. Then not later than June 1 of each year, the intermediate school board submits the budget, for review, to a meeting of one board member named from each constituent district. At that meeting, the president of the intermediate board presides, and the intermediate secretary keeps the minutes. House Bill 5458 would modify this oversight protocol to require, instead, that the intermediate district board's budget be approved by each constituent district.

More specifically, the bill requires that before May 1 of each year, an intermediate school board submit its proposed budget for the next fiscal year to the board of each constituent district for review. Then, not later than May 15, each constituent district board would be required to adopt and submit to the intermediate board a resolution that either approves or disapproves the intermediate board's budget, listing specific objections and proposed changes.

The bill specifies that if the intermediate board received one (or more) resolution(s) disapproving its proposed budget, then not later than June 1 the intermediate board would revise the budget, taking into account the objections and proposed changes. Then also by June 1, the intermediate board would submit the proposed budget for review and approval to a meeting consisting of one board member from each constituent district. At the meeting, the president of the intermediate board would preside, and the intermediate secretary would keep minutes. Under the bill, approval of the proposed intermediate budget would be by a majority of the representatives of the constituent districts who were present at the meeting.

MCL 380.624

FISCAL IMPACT:

This bill would have no state or local fiscal impact.

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