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BILL ANALYSIS

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House Bill 5475 (Substitute S-3 as reported by the Committee of the Whole)
Sponsor: Representative Ruth Johnson
House Committee: Education
Senate Committee: Education

CONTENT

The bill would amend the Revised School Code to require every intermediate school district (ISD), by December 31 each year, to post on its website specified information for the preceding school year. An ISD would have to maintain the report on its website only for the most recent reporting period, but would have to retain paper copies of previous reports for at least 10 years. The bill also would require the Department of Education to include in its website a link to the page on each ISD's website containing the required report.

A report would have to include the amount of the ISD's budget, the number of its pupils and employees, and the number of constituent districts, public school academies, and nonpublic schools served by the district. A report also would have to include the following:

- Travel expenses that totaled over \$3,000 and were paid for with ISD funds, for each ISD board member or employee (subject to certain exceptions for in-State travel).
- A description of each contract or contract modification that obligated the ISD for more than a particular amount, and each contract entered into with an entity in which a board member or administrator, or a member of that person's family, was known by the ISD to have a monetary interest.
- All motor vehicles weighing 7,500 pounds or less that the ISD owned or leased.
- Costs incurred for fiber optic or cable equipment and related operating system software.
- The salary of, expense accounts provided for, and bonuses paid to employees whose compensation package had a value in the top 3% of the ISD's employees.
- Payments made to nonemployees for public relations, polling, lobbying, or legal services.
- The amount paid to other individuals to whom the ISD paid income over \$25,000, the services they provided, and the projects for which they were contracted.

The bill would take effect on July 1, 2006, and is tie-barred to House Bill 5627.

Proposed MCL 380.620

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have no fiscal impact on State government. Intermediate school districts would face increased staff time and reporting costs implementing this legislation. Some of the type and level of detailed information required to be collected under the bill currently might not be individually collected. Each ISD's level of detailed reporting and accounting, and the quantity of activities undertaken by each ISD that would have to be reported, would determine the final cost to the ISD of preparing a yearly report containing the information required under this legislation.

Date Completed: 11-9-04

Fiscal Analyst: Kathryn Summers-Coty

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

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