



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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Senate Bill 1051 (as introduced 3-28-12)  
Sponsor: Senator Joe Hune  
Committee: Education

Date Completed: 9-11-12

### **CONTENT**

The bill would amend the Revised School Code to prohibit a board member of a school district, intermediate school district (ISD), or public school academy (PSA) from voting on a contract or other financial transaction that required board approval, if the board member believed or had reason to believe that he or she had a conflict of interest with regard to that contract or transaction.

Additionally, if a board member or his or her family member had a financial interest in the contract or other financial transaction, or were an employee of the district, ISD, or PSA, that board member would be presumed to have a conflict of interest. The bill would define "family member" as a spouse, child, sibling, sibling's spouse or child, parent, or parent's spouse, and would include these relationships as created by adoption or marriage.

Proposed MCL 380.1203

### **FISCAL IMPACT**

The fiscal impact on school districts, ISDs, and charter schools is indeterminate. To the extent a board member or members' conflict of interest currently hinders the cost effectiveness of a school board's decisions over contracts and financial transactions, the bill could result in cost savings for those districts, ISDs, or charter schools.

Fiscal Analyst: Cameron S. Mock

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