



Senate Fiscal Agency  
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## BILL ANALYSIS



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House Bill 5796 (as reported without amendment)  
Sponsor: Representative Phil Potvin  
House Committee: Education  
Senate Committee: Education

**CONTENT**

The bill would repeal Section 1766 of the Revised School Code, which requires the board of a constituent district, when employing additional personnel to implement special education programs and services, to hire first an employee of the intermediate school district (ISD) in which it is located whose employment is discontinued because the ISD or State agency located within the district is discontinuing the special education program or service for which the person was employed.

The special education personnel employed under this provision are generally entitled to all rights and benefits to which they would otherwise be entitled had they been employed by the constituent school district originally.

MCL 380.1766

Legislative Analyst: Jeff Mann

**FISCAL IMPACT**

The bill would have a minimal fiscal impact on the State and potential savings to certain districts. The bill would remove the priority on hiring special education program employees from current ISD special education employees. This scenario is most likely occur if an ISD is dissolved and consolidated with another ISD, or a district ceases to participate in the ISD. Under the bill, districts would be free to hire additional staff in these situations as they saw fit, which could result in some savings if a district would have had to hire a teacher with many years of services and a high salary. Since ISD consolidation and discontinuation of services are currently rare, the bill would have a minimal impact; however, if these activities did increase, then some districts could experience savings. If the savings were significant, then the State also could experience savings, since the State pays for a portion of special education costs.

Date Completed: 12-7-16

Fiscal Analyst: Cory Savino