

HOUSE BILL No. 4162

February 5, 2003, Introduced by Reps. Sheen, Ward, Hoogendyk, Caswell, Vander Veen, Nitz, LaJoy, Drolet, Middaugh and Van Regenmorter and referred to the Committee on Employment Relations, Training and Safety.

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending sections 503 and 1311e (MCL 380.503 and 380.1311e),
section 503 as amended by 1995 PA 289 and section 1311e as added
by 1999 PA 23.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 503. (1) An authorizing body is not required to issue
2 a contract to any person or entity. Public school academy
3 contracts shall be issued on a competitive basis taking into
4 consideration the resources available for the proposed public
5 school academy, the population to be served by the proposed
6 public school academy, and the educational goals to be achieved
7 by the proposed public school academy.

8 (2) If a person or entity applies to the board of a school
9 district for a contract to organize and operate 1 or more public

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1 school academies within the boundaries of the school district and
2 the board does not issue the contract, the person or entity may
3 petition the board to place the question of issuing the contract
4 on the ballot to be decided by the school electors of the school
5 district. The petition shall contain all of the information
6 required to be in the contract application under section 502(3)
7 and shall be signed by a number of school electors of the school
8 district equal to at least 15% of the total number of school
9 electors of that school district. The petition shall be filed
10 with the secretary of the board. If the board receives a
11 petition meeting the requirements of this subsection, the board
12 shall place the question of issuing the contract on the ballot at
13 its next annual school election held at least 60 days after
14 receiving the petition. If a majority of the school electors of
15 the school district voting on the question vote to issue the
16 contract, the board shall issue the contract.

17 (3) Within 10 days after issuing a contract for a public
18 school academy, the board of the authorizing body shall submit to
19 the ~~state board~~ **superintendent of public instruction** a copy of
20 the contract and of the application under section 502.

21 (4) An authorizing body shall adopt a resolution establishing
22 the method of selection, length of term, and number of members of
23 the board of directors of each public school academy subject to
24 its jurisdiction.

25 (5) A contract issued to organize and administer a public
26 school academy shall contain at least all of the following:

27 (a) The educational goals the public school academy is to

1 achieve and the methods by which it will be held accountable. To
2 the extent applicable, the pupil performance of a public school
3 academy shall be assessed using at least a Michigan education
4 assessment program (MEAP) test or an assessment instrument
5 developed under section 1279. ~~for a state endorsed high school~~
6 ~~diploma.~~

7 (b) A description of the method to be used to monitor the
8 public school academy's compliance with applicable law and its
9 performance in meeting its targeted educational objectives.

10 (c) A description of the process for amending the contract
11 during the term of the contract.

12 (d) All of the matters set forth in the application for the
13 contract.

14 (e) For a public school academy authorized by a school
15 district, an agreement that employees of the public school
16 academy will be covered by the collective bargaining agreements
17 that apply to employees of the school district employed in
18 similar classifications in schools that are not public school
19 academies.

20 (f) Procedures for revoking the contract and grounds for
21 revoking the contract, including at least the grounds listed in
22 section 507.

23 (g) A description of and address for the proposed physical
24 plant in which the public school academy will be located.

25 (h) Requirements and procedures for financial audits. The
26 financial audits shall be conducted at least annually by a
27 certified public accountant in accordance with generally accepted

1 governmental auditing principles.

2 (6) A public school academy shall comply with all applicable
3 law, including all of the following:

4 (a) The open meetings act, ~~Act No. 267 of the Public Acts of~~
5 ~~1976, being sections 15.261 to 15.275 of the Michigan Compiled~~
6 ~~Laws~~ **1976 PA 267, MCL 15.261 to 15.275.**

7 (b) The freedom of information act, ~~Act No. 442 of the~~
8 ~~Public Acts of 1976, being sections 15.231 to 15.246 of the~~
9 ~~Michigan Compiled Laws~~ **1976 PA 442, MCL 15.231 to 15.246.**

10 (c) ~~Act No. 336 of the Public Acts of 1947, being~~
11 ~~sections 423.201 to 423.217 of the Michigan Compiled Laws~~ **1947**
12 **PA 336, MCL 423.201 to 423.217.**

13 ~~(d) Act No. 166 of the Public Acts of 1965, being~~
14 ~~sections 408.551 to 408.558 of the Michigan Compiled Laws.~~

15 **(d) —(e)—** Sections 1134, 1135, 1146, 1153, 1263(3), 1267, and
16 1274.

17 (7) A public school academy and its incorporators, board
18 members, officers, employees, and volunteers have governmental
19 immunity as provided in section 7 of ~~Act No. 170 of the Public~~
20 ~~Acts of 1964, being section 691.1407 of the Michigan Compiled~~
21 ~~Laws~~ **1964 PA 170, MCL 691.1407.** An authorizing body and its
22 board members, officers, and employees are immune from civil
23 liability, both personally and professionally, for any acts or
24 omissions in authorizing a public school academy if the
25 authorizing body or the person acted or reasonably believed he or
26 she acted within the authorizing body's or the person's scope of
27 authority.

1 (8) A public school academy is exempt from all taxation on
2 its earnings and property. Instruments of conveyance to or from
3 a public school academy are exempt from all taxation including
4 taxes imposed by ~~Act No. 134 of the Public Acts of 1966, being~~
5 ~~sections 207.501 to 207.513 of the Michigan Compiled Laws 1966~~
6 **PA 134, MCL 207.501 to 207.513.** A public school academy may not
7 levy ad valorem property taxes or any other tax for any purpose.
8 However, operation of 1 or more public school academies by a
9 school district or intermediate school district does not affect
10 the ability of the school district or intermediate school
11 district to levy ad valorem property taxes or any other tax.

12 (9) A public school academy may acquire by purchase, gift,
13 devise, lease, sublease, installment purchase agreement, land
14 contract, option, or by any other means, hold and own in its own
15 name buildings and other property for school purposes, and
16 interests therein, and other real and personal property,
17 including, but not limited to, interests in property subject to
18 mortgages, security interests, or other liens, necessary or
19 convenient to fulfill its purposes. For the purposes of
20 condemnation, a public school academy may proceed under the
21 uniform condemnation procedures act, ~~Act No. 87 of the Public~~
22 ~~Acts of 1980, being sections 213.51 to 213.77 of the Michigan~~
23 ~~Compiled Laws 1980 PA 87, MCL 213.51 to 213.75,~~ excluding
24 sections 6 to 9 of that act, ~~being sections 213.56 to 213.59 of~~
25 ~~the Michigan Compiled Laws MCL 213.56 to 213.59,~~ or other
26 applicable statutes, but only with the express, written
27 permission of the authorizing body in each instance of

1 condemnation and only after just compensation has been determined
2 and paid.

3 Sec. 1311e. (1) An authorizing body is not required to
4 issue a contract to any person or entity. Contracts for strict
5 discipline academies shall be issued on a competitive basis
6 taking into consideration the resources available for the
7 proposed strict discipline academy, the population to be served
8 by the proposed strict discipline academy, and the educational
9 goals to be achieved by the proposed strict discipline academy.

10 (2) If a person or entity applies to the board of a school
11 district for a contract to organize and operate 1 or more strict
12 discipline academies within the boundaries of the school district
13 and the board does not issue the contract, the person or entity
14 may petition the board to place the question of issuing the
15 contract on the ballot to be decided by the school electors of
16 the school district. The petition shall contain all of the
17 information required to be in the contract application under
18 section 1311d and shall be signed by a number of school electors
19 of the school district equal to at least 15% of the total number
20 of school electors of that school district. The petition shall
21 be filed with the secretary of the board. If the board receives
22 a petition meeting the requirements of this subsection, the board
23 shall place the question of issuing the contract on the ballot at
24 its next annual school election held at least 60 days after
25 receiving the petition. If a majority of the school electors of
26 the school district voting on the question vote to issue the
27 contract, the board shall issue the contract.

1 (3) Within 10 days after issuing a contract for a strict
2 discipline academy, the board of the authorizing body shall
3 submit to the state board a copy of the contract and of the
4 application under section 1311d.

5 (4) An authorizing body shall adopt a resolution establishing
6 the method of selection, length of term, and number of members of
7 the board of directors of each strict discipline academy subject
8 to its jurisdiction.

9 (5) A contract issued to organize and administer a strict
10 discipline academy shall contain at least all of the following:

11 (a) The educational goals the strict discipline academy is to
12 achieve and the methods by which it will be held accountable. To
13 the extent applicable, the pupil performance of a strict
14 discipline academy shall be assessed using at least a Michigan
15 education assessment program (MEAP) test or an assessment
16 instrument developed under section 1279. ~~for a state-endorsed~~
17 ~~high school diploma.~~

18 (b) A description of the method to be used to monitor the
19 strict discipline academy's compliance with applicable law and
20 its performance in meeting its targeted educational objectives.

21 (c) A description of the process for amending the contract
22 during the term of the contract.

23 (d) All of the matters set forth in the application for the
24 contract.

25 (e) For a strict discipline academy authorized by a school
26 district, an agreement that employees of the strict discipline
27 academy will be covered by the collective bargaining agreements

1 that apply to employees of the school district employed in
2 similar classifications in schools that are not strict discipline
3 academies.

4 (f) Procedures for revoking the contract and grounds for
5 revoking the contract, including at least the grounds listed in
6 section 1311/.

7 (g) A description of and address for the proposed physical
8 plant in which the strict discipline academy will be located.

9 (h) Requirements and procedures for financial audits. The
10 financial audits shall be conducted at least annually by a
11 certified public accountant in accordance with generally accepted
12 governmental auditing principles.

13 (6) A strict discipline academy shall comply with all
14 applicable law, including all of the following:

15 (a) The open meetings act, 1976 PA 267, MCL 15.261 to
16 15.275.

17 (b) The freedom of information act, 1976 PA 442, MCL 15.231
18 to 15.246.

19 (c) 1947 PA 336, MCL 423.201 to 423.217.

20 ~~(d) 1965 PA 166, MCL 408.551 to 408.558.~~

21 ~~(d) —(e)—~~ Sections 1134, 1135, 1146, 1153, 1263(3), 1267, and
22 1274.

23 ~~(e) —(f)—~~ Except for part 6a, all provisions of this act that
24 explicitly apply to public school academies established under
25 part 6a.

26 (7) A strict discipline academy and its incorporators, board
27 members, officers, employees, and volunteers have governmental

1 immunity as provided in section 7 of 1964 PA 170, MCL 691.1407.
2 An authorizing body and its board members, officers, and
3 employees are immune from civil liability, both personally and
4 professionally, for any acts or omissions in authorizing a strict
5 discipline academy if the authorizing body or the person acted or
6 reasonably believed he or she acted within the authorizing body's
7 or the person's scope of authority.

8 (8) A strict discipline academy is exempt from all taxation
9 on its earnings and property. Instruments of conveyance to or
10 from a strict discipline academy are exempt from all taxation
11 including taxes imposed by 1966 PA 134, MCL 207.501 to 207.513.
12 A strict discipline academy may not levy ad valorem property
13 taxes or any other tax for any purpose. However, operation of 1
14 or more strict discipline academies by a school district or
15 intermediate school district does not affect the ability of the
16 school district or intermediate school district to levy ad
17 valorem property taxes or any other tax.

18 (9) A strict discipline academy may acquire by purchase,
19 gift, devise, lease, sublease, installment purchase agreement,
20 land contract, option, or by any other means, hold and own in its
21 own name buildings and other property for school purposes, and
22 interests therein, and other real and personal property,
23 including, but not limited to, interests in property subject to
24 mortgages, security interests, or other liens, necessary or
25 convenient to fulfill its purposes. For the purposes of
26 condemnation, a strict discipline academy may proceed under the
27 uniform condemnation procedures act, 1980 PA 87, MCL 213.51 to

1 213.75, excluding sections 6 to 9 of that act, MCL 213.56 to
2 213.59, or other applicable statutes, but only with the express,
3 written permission of the authorizing body in each instance of
4 condemnation and only after just compensation has been determined
5 and paid.