

SENATE BILL No. 899

December 1, 1999, Introduced by Senator STILLE and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled "The revised school code," by amending sections 501, 501a, 502, 503, 504, 504a, 505, 505a, 507, and 1596 (MCL 380.501, 380.501a, 380.502, 380.503, 380.504, 380.504a, 380.505, 380.505a, 380.507, and 380.1596), sections 501, 502, 503, 504a, and 507 as amended and section 501a as added by 1995 PA 289 and sections 504 and 505 as amended and section 505a as added by 1994 PA 416, and by adding sections 502a, 503b, 505b, 1259, and 1597.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 501. (1) TO IMPROVE THE PUBLIC ELEMENTARY AND SECOND-
2 ARY SCHOOLS OF THIS STATE, PUBLIC SCHOOL ACADEMIES MAY BE ESTAB-
3 LISHED WITHIN THIS STATE'S SYSTEM OF PUBLIC SCHOOLS, AS PROVIDED
4 UNDER THIS PART, AS AN EFFECTIVE MEANS OF ACHIEVING 1 OR MORE OF
5 THE FOLLOWING PURPOSES:

1 (A) TO IMPROVE PUPIL ACHIEVEMENT FOR ALL PUPILS, INCLUDING,
2 BUT NOT LIMITED TO, EDUCATIONALLY DISADVANTAGED PUPILS, BY
3 IMPROVING THE LEARNING ENVIRONMENT.

4 (B) TO STIMULATE INNOVATIVE TEACHING METHODS.

5 (C) TO CREATE NEW PROFESSIONAL OPPORTUNITIES FOR TEACHERS IN
6 A NEW TYPE OF PUBLIC SCHOOL IN WHICH THE SCHOOL STRUCTURE AND
7 EDUCATIONAL PROGRAM CAN BE INNOVATIVELY DESIGNED AND MANAGED AT
8 THE SCHOOL SITE LEVEL.

9 (D) TO ACHIEVE SCHOOL ACCOUNTABILITY FOR PUPIL EDUCATIONAL
10 OUTCOMES BY PLACING FULL RESPONSIBILITY FOR PERFORMANCE AT THE
11 SCHOOL SITE LEVEL.

12 (E) TO PROVIDE PARENTS AND PUPILS WITH GREATER CHOICES AMONG
13 PUBLIC SCHOOLS, BOTH WITHIN AND OUTSIDE THEIR EXISTING SCHOOL
14 DISTRICTS.

15 (F) TO DETERMINE WHETHER STATE EDUCATIONAL FUNDS CAN BE MORE
16 EFFECTIVELY, EFFICIENTLY, AND EQUITABLY UTILIZED BY ALLOCATING
17 FUNDS ON A PER PUPIL BASIS DIRECTLY TO THE SCHOOL RATHER THAN
18 THROUGH SCHOOL DISTRICT ADMINISTRATION.

19 (G) TO ENSURE THE SAFETY OF TEACHERS AND PUPILS IN PUBLIC
20 SCHOOLS BY AUTHORIZING PUBLIC SCHOOL ACADEMIES AND CHARTERED EDU-
21 CATIONAL CLINICS TO PROVIDE DISCIPLINARY EDUCATIONAL PROGRAMS FOR
22 PUPILS EXPELLED FROM SCHOOL.

23 (2) ~~(1)~~ A public school academy is a public school under
24 section 2 of article VIII of the state constitution of 1963, is a
25 school district for the purposes of section 11 of article IX of
26 the state constitution of 1963 and for the purposes of
27 section 1225, and is subject to the leadership and general

1 supervision of the state board over all public education under
2 section 3 of article VIII of the state constitution of 1963. A
3 public school academy is a body corporate and is a governmental
4 agency. The powers granted to a public school academy under this
5 part constitute the performance of essential public purposes and
6 governmental functions of this state.

7 (3) ~~-(2)-~~ As used in this part:

8 (a) "Authorizing body" means any of the following that
9 issues a contract as provided in this part:

10 (i) The board of a school district that operates grades K to
11 12.

12 (ii) An intermediate school board.

13 (iii) The board of a community college.

14 (iv) The governing board of a state public university.

15 (v) TWO OR MORE ENTITIES DESCRIBED IN SUBPARAGRAPHS (i) TO
16 (iv) ACTING JOINTLY PURSUANT TO AN INTERLOCAL AGREEMENT AUTHO-
17 RIZED UNDER THE URBAN COOPERATION ACT OF 1967, 1967 (EX SESS)
18 PA 7, MCL 124.501 TO 124.512.

19 (vi) ONE OR MORE OF THE ENTITIES DESCRIBED IN SUBPARAGRAPHS
20 (i) TO (v) ACTING JOINTLY WITH A COUNTY, CITY, TOWNSHIP, VILLAGE,
21 OR FEDERALLY RECOGNIZED INDIAN TRIBE PURSUANT TO AN INTERLOCAL
22 AGREEMENT AUTHORIZED UNDER THE URBAN COOPERATION ACT OF 1967,
23 1967 (EX SESS) PA 7, MCL 124.501 TO 124.512.

24 (vii) THE STATE PUBLIC SCHOOL ACADEMY BOARD ESTABLISHED IN
25 SECTION 502A.

1 (b) "Certificated teacher" means an individual who holds a
2 valid teaching certificate issued by the state board under
3 section 1531.

4 (c) "Community college" means a community college organized
5 under the community college act of 1966, ~~Act No. 331 of the~~
6 ~~Public Acts of 1966, being sections 389.1 to 389.195 of the~~
7 ~~Michigan Compiled Laws~~ 1966 PA 331, MCL 389.1 TO 389.195, or a
8 federal tribally controlled community college that is recognized
9 under the tribally controlled community college assistance act of
10 1978, Public Law 95-471, 92 Stat. 1325, and is determined by the
11 department to meet the requirements for accreditation by a recog-
12 nized regional accrediting body.

13 (d) "Contract" means the executive act taken by an authoriz-
14 ing body that evidences the authorization of a public school
15 academy and that establishes, subject to the constitutional
16 powers of the state board and applicable law, the written instru-
17 ment executed by an authorizing body conferring certain rights,
18 franchises, privileges, and obligations on a public school acade-
19 my, as provided by this part, and confirming the status of a
20 public school academy as a public school in this state.

21 (e) "Entity" means a partnership, nonprofit or business cor-
22 poration, labor organization, or any other association, corpora-
23 tion, trust, or other legal entity.

24 (f) "State public university" means a university described
25 in section 4, 5, or 6 of article VIII of the state constitution
26 of 1963.

1 Sec. 501a. (1) ~~Not later than 1 year after the effective~~
2 ~~date of this section, and at least annually thereafter, the state~~
3 ~~board~~ AT LEAST ANNUALLY, THE SUPERINTENDENT OF PUBLIC
4 INSTRUCTION shall submit a comprehensive report, with findings
5 and recommendations, to the house and senate STANDING committees
6 on education. The report shall evaluate public school academies
7 generally, including, but not limited to, an evaluation of
8 whether public school academies are fulfilling the purposes spec-
9 ified in section ~~511(1)~~ 501.

10 (2) The report REQUIRED UNDER SUBSECTION (1) also shall con-
11 tain, for each public school academy, a copy of the academy's
12 mission statement, attendance statistics and dropout rate, aggre-
13 gate assessment test scores, AND projections of financial
14 stability. ~~, and number of and comments on supervisory visits by~~
15 ~~the authorizing body.~~

16 Sec. 502. (1) A public school academy shall be organized
17 and administered under the direction of a board of directors in
18 accordance with this part and with bylaws adopted by the board of
19 directors. A public school academy corporation shall be orga-
20 nized under the nonprofit corporation act, ~~Act No. 162 of the~~
21 ~~Public Acts of 1982, being sections 450.2101 to 450.3192 of the~~
22 ~~Michigan Compiled Laws~~ 1982 PA 162, MCL 450.2101 TO 450.3192,
23 except that a public school academy corporation is not required
24 to comply with sections 170 to 177 of ~~Act No. 327 of the Public~~
25 ~~Acts of 1931, being sections 450.170 to 450.177 of the Michigan~~
26 ~~Compiled Laws~~ 1931 PA 327, MCL 450.170 TO 450.177. To the
27 extent disqualified under the state or federal constitution, a

1 public school academy shall not be organized by a church or other
2 religious organization and shall not have any organizational or
3 contractual affiliation with or constitute a church or other
4 religious organization.

5 (2) Any of the following may act as an authorizing body to
6 issue a contract to organize and operate 1 or more public school
7 academies under this part:

8 (a) The board of a school district that operates grades K to
9 12. ~~However~~ EXCEPT WHEN ACTING JOINTLY WITH ANOTHER ENTITY AS
10 DESCRIBED IN SUBDIVISION (E) OR (F), the board of a school dis-
11 trict shall not issue a contract for a public school academy to
12 operate outside the school district's boundaries, and a public
13 school academy authorized by the board of a school district shall
14 not operate outside that school district's boundaries.

15 (b) An intermediate school board. ~~However~~ EXCEPT WHEN
16 ACTING JOINTLY WITH ANOTHER ENTITY AS DESCRIBED IN SUBDIVISION
17 (E) OR (F), the board of an intermediate school district shall
18 not issue a contract for a public school academy to operate out-
19 side the intermediate school district's boundaries, and a public
20 school academy authorized by the board of an intermediate school
21 district shall not operate outside that intermediate school
22 district's boundaries.

23 (c) The board of a community college. ~~However, except~~
24 EXCEPT as otherwise provided in this subdivision OR WHEN ACTING
25 JOINTLY WITH ANOTHER ENTITY AS DESCRIBED IN SUBDIVISION (E) OR
26 (F), the board of a community college shall not issue a contract
27 for a public school academy to operate ~~in a school district~~

~~1 organized as a school district of the first class, a public~~
~~2 school academy authorized by the board of a community college~~
~~3 shall not operate in a school district organized as a school dis-~~
~~4 trict of the first class, the board of a community college shall~~
~~5 not issue a contract for a public school academy to operate out-~~
~~6 side the boundaries of the community college district, and a~~
~~7 public school academy authorized by the board of a community col-~~
~~8 lege shall not operate outside the boundaries of the community~~
~~9 college district. The board of a community college also may~~
~~10 issue a contract for not more than 1~~ A public school academy to
~~11 operate on the grounds of an active or closed federal military~~
~~12 installation located~~ AT A LOCATION outside the boundaries of the
~~13 community college district IF THAT LOCATION IS NOT WITHIN THE~~
~~14 BOUNDARIES OF ANY OTHER COMMUNITY COLLEGE DISTRICT, or may oper-~~
~~15 ate a public school academy itself on the grounds of such a fed-~~
~~16 eral military installation, if the federal military installation~~
~~17 is not located within the boundaries of any community college~~
~~18 district and the community college has previously offered courses~~
~~19 on the grounds of the federal military installation for at least~~
~~20 10 years~~ AT A LOCATION THAT IS NOT WITHIN THE BOUNDARIES OF ANY
~~21 OTHER COMMUNITY COLLEGE DISTRICT. ALSO, THE BOARD OF A COMMUNITY~~
~~22 COLLEGE MAY ISSUE A CONTRACT AUTHORIZING A PUBLIC SCHOOL ACADEMY~~
~~23 AS A MIDDLE COLLEGE OFFERING CLASSES FOR BOTH HIGH SCHOOL AND~~
~~24 COLLEGE CREDIT AND MAY INTEGRATE PROGRAMS OF THE COMMUNITY COL-~~
~~25 LEGE INTO THE MIDDLE COLLEGE PUBLIC SCHOOL ACADEMY.~~

26 (d) The governing board of a state public university.
27 ~~However, the combined total number of contracts for public~~

~~1 school academies issued by all state public universities shall
2 not exceed 85 through 1996, and, after the initial evaluation
3 under section 501a, shall not exceed 100 through 1997, 125
4 through 1998, or 150 thereafter. Further, the total number of
5 contracts issued by any 1 state public university shall not
6 exceed 50 through 1996, and thereafter shall not exceed 50% of
7 the maximum combined total number that may be issued under this
8 subdivision.~~ THE GOVERNING BOARD OF A STATE PUBLIC UNIVERSITY
9 MAY AUTHORIZE A PUBLIC SCHOOL ACADEMY AS A UNIVERSITY SCHOOL THAT
10 PROVIDES SPECIALIZED PROGRAMS TO ASSIST PUPILS IN THE UNIVERSITY
11 SCHOOL TO MEET ADMISSIONS CRITERIA OF THE STATE PUBLIC
12 UNIVERSITY.

13 (E) TWO OR MORE ENTITIES DESCRIBED IN SUBDIVISIONS (A) TO
14 (D) ACTING JOINTLY PURSUANT TO AN INTERLOCAL AGREEMENT AUTHORIZED
15 UNDER THE URBAN COOPERATION ACT OF 1967, 1967 (EX SESS) PA 7,
16 MCL 124.501 TO 124.512.

17 (F) ONE OR MORE OF THE ENTITIES DESCRIBED IN SUBDIVISIONS
18 (A) TO (E) ACTING JOINTLY WITH A COUNTY, CITY, TOWNSHIP, VILLAGE,
19 OR FEDERALLY RECOGNIZED INDIAN TRIBE PURSUANT TO AN INTERLOCAL
20 AGREEMENT AUTHORIZED UNDER THE URBAN COOPERATION ACT OF 1967,
21 1967 (EX SESS) PA 7, MCL 124.501 TO 124.512.

22 (G) THE STATE PUBLIC SCHOOL ACADEMY BOARD ESTABLISHED IN
23 SECTION 502A.

24 (3) To obtain a contract to organize and operate 1 or more
25 public school academies, 1 or more persons or an entity may apply
26 to an authorizing body described in subsection (2). HOWEVER, A
27 STATE DEPARTMENT OR AGENCY OR A FEDERALLY RECOGNIZED INDIAN TRIBE

1 MAY APPLY FOR A CONTRACT ONLY TO THE STATE PUBLIC SCHOOL ACADEMY
2 BOARD CREATED IN SECTION 502A. The application shall include at
3 least all of the following:

4 (a) Identification of the applicant for the contract.

5 (b) Subject to the resolution adopted by the authorizing
6 body under section ~~503(4)~~ 503, a list of the proposed members
7 of the board of directors of the public school academy and a
8 description of the qualifications and method for appointment or
9 election of members of the board of directors.

10 (c) ~~The~~ SUBJECT TO THE REQUIREMENTS OF THE AUTHORIZING
11 BODY, THE proposed articles of incorporation, which shall include
12 at least all of the following:

13 (i) The name of the proposed public school academy.

14 (ii) The purposes for the public school academy
15 corporation. This language shall provide that the public school
16 academy is incorporated pursuant to this part and that the public
17 school academy corporation is a governmental entity.

18 (iii) The name of the authorizing body.

19 (iv) The proposed time when the articles of incorporation
20 will be effective.

21 (v) Other matters considered expedient to be in the articles
22 of incorporation.

23 (vi) IF APPLICABLE, WHETHER THE PUBLIC SCHOOL ACADEMY WILL
24 BE ORGANIZED AS A CHARTERED EDUCATIONAL CLINIC OR WILL OPERATE A
25 DISCIPLINARY EDUCATIONAL PROGRAM.

26 (d) ~~A~~ SUBJECT TO THE REQUIREMENTS OF THE AUTHORIZING BODY,
27 A copy of the proposed bylaws of the public school academy.

1 (e) Documentation meeting the application requirements of
2 the authorizing body, including at least all of the following:

3 (i) The governance structure of the public school academy.

4 (ii) A copy of the educational goals of the public school
5 academy and the curricula to be offered and methods of pupil
6 assessment to be used by the public school academy. To the
7 extent applicable, the progress of the pupils in the public
8 school academy shall be assessed using at least a Michigan educa-
9 tion assessment program (MEAP) test or an assessment instrument
10 developed under section 1279 for a state-endorsed high school
11 diploma.

12 (iii) The admission policy and criteria to be maintained by
13 the public school academy. The admission policy and criteria
14 shall comply with section 504. This part of the application also
15 shall include a description of how the applicant will provide to
16 the general public adequate notice that a public school academy
17 is being created and adequate information on the admission
18 policy, criteria, and process.

19 (iv) The school calendar and school day schedule.

20 (v) The age or grade range of pupils to be enrolled.

21 (f) Descriptions of staff responsibilities and of the public
22 school academy's governance structure.

23 (g) For an application to the board of a school district, an
24 intermediate school board, or board of a community college, iden-
25 tification of the local and intermediate school districts in
26 which the public school academy will be located.

1 (h) An agreement that the public school academy will comply
2 with the provisions of this part and, subject to the provisions
3 of this part, with all other state law applicable to public
4 bodies and with federal law applicable to public bodies or school
5 districts. THIS AGREEMENT DOES NOT RELIEVE ANOTHER GOVERNMENTAL
6 ENTITY OF ITS ENFORCEMENT OR SUPERVISORY RESPONSIBILITY UNDER ANY
7 OTHER LAW.

8 (i) For a public school academy authorized by a school dis-
9 trict, an assurance that employees of the public school academy
10 will be covered by the collective bargaining agreements that
11 apply to other employees of the school district employed in simi-
12 lar classifications in schools that are not public school
13 academies.

14 (j) A description of and address for the proposed physical
15 plant in which the public school academy will be located.

16 (K) THE NAME AND PRINCIPAL OFFICERS OF ANY MANAGEMENT COM-
17 PANY EXPECTED TO BE INVOLVED IN OPERATING THE PUBLIC SCHOOL
18 ACADEMY.

19 (4) An authorizing body shall oversee, or shall contract
20 with an intermediate school district, community college, or state
21 public university to oversee, THE BOARD OF DIRECTORS OF each
22 public school academy operating under a contract issued by the
23 authorizing body. ~~The oversight shall be sufficient to ensure~~
24 ~~that the authorizing body can certify that the public school~~
25 ~~academy is in compliance with statute, rules, and the terms of~~
26 ~~the contract.~~ THE AUTHORIZING BODY IS RESPONSIBLE FOR OVERSEEING
27 COMPLIANCE BY THE PUBLIC SCHOOL ACADEMY BOARD OF DIRECTORS WITH

1 THE CONTRACT AND ALL APPLICABLE LAW. THIS SUBSECTION DOES NOT
2 RELIEVE ANOTHER GOVERNMENTAL ENTITY OF ITS ENFORCEMENT OR SUPER-
3 VISORY RESPONSIBILITY UNDER ANY OTHER LAW.

4 (5) If the ~~state board~~ SUPERINTENDENT OF PUBLIC
5 INSTRUCTION finds that an authorizing body is not engaging in
6 appropriate continuing oversight of 1 or more public school acad-
7 emies operating under a contract issued by the authorizing body,
8 the ~~state board~~ SUPERINTENDENT OF PUBLIC INSTRUCTION may sus-
9 pend the power of the authorizing body to issue new contracts to
10 organize and operate public school academies. A contract issued
11 by the authorizing body during the suspension is void. A con-
12 tract issued by the authorizing body before the suspension is not
13 affected by the suspension.

14 (6) An authorizing body shall not charge a fee, or require
15 reimbursement of expenses, for considering an application for a
16 contract, for issuing a contract, or for providing oversight of a
17 contract for a public school academy in an amount that exceeds a
18 combined total of 3% of the total state school aid received by
19 the public school academy in the school year in which the fees or
20 expenses are charged. An authorizing body may provide other
21 services for a public school academy and charge a fee for those
22 services, but shall not require such an arrangement as a condi-
23 tion to issuing the contract authorizing the public school
24 academy.

25 (7) A public school academy shall be presumed to be legally
26 organized if it has exercised the franchises and privileges of a
27 public school academy for at least 2 years.

1 (8) AN AUTHORIZING BODY MAY ENTER INTO AN INTERGOVERNMENTAL
2 AGREEMENT WITH ANOTHER AUTHORIZING BODY TO ISSUE PUBLIC SCHOOL
3 ACADEMY CONTRACTS. AT A MINIMUM, THE AGREEMENT SHALL FURTHER THE
4 PURPOSES SET FORTH IN SECTION 501 AND SHALL SPECIFY WHICH AUTHO-
5 RIZING BODY SHALL ISSUE THE CONTRACT AND WHICH AUTHORIZING BODY
6 WILL BE RESPONSIBLE FOR MONITORING COMPLIANCE BY THE PUBLIC
7 SCHOOL ACADEMY BOARD OF DIRECTORS WITH THE CONTRACT AND ALL
8 APPLICABLE LAW AS REQUIRED UNDER SUBSECTION (4).

9 SEC. 502A. (1) THE STATE PUBLIC SCHOOL ACADEMY BOARD IS
10 CREATED AS AN AUTONOMOUS AGENCY WITHIN THE DEPARTMENT.

11 (2) THE STATE PUBLIC SCHOOL ACADEMY BOARD SHALL CONSIST OF 7
12 MEMBERS APPOINTED BY THE GOVERNOR WITH THE ADVICE AND CONSENT OF
13 THE SENATE.

14 (3) THE MEMBERS FIRST APPOINTED TO THE STATE PUBLIC SCHOOL
15 ACADEMY BOARD SHALL BE APPOINTED WITHIN 60 DAYS AFTER THE EFFEC-
16 TIVE DATE OF THIS SECTION.

17 (4) MEMBERS OF THE STATE PUBLIC SCHOOL ACADEMY BOARD SHALL
18 SERVE FOR TERMS OF 4 YEARS OR UNTIL A SUCCESSOR IS APPOINTED,
19 WHICHEVER IS LATER, EXCEPT THAT OF THE MEMBERS FIRST APPOINTED 1
20 SHALL SERVE FOR 1 YEAR, 2 SHALL SERVE FOR 2 YEARS, AND 2 SHALL
21 SERVE FOR 3 YEARS.

22 (5) IF A VACANCY OCCURS ON THE STATE PUBLIC SCHOOL ACADEMY
23 BOARD, THE GOVERNOR SHALL MAKE AN APPOINTMENT FOR THE UNEXPIRED
24 TERM IN THE SAME MANNER AS THE ORIGINAL APPOINTMENT.

25 (6) THE GOVERNOR MAY REMOVE A MEMBER OF THE STATE PUBLIC
26 SCHOOL ACADEMY BOARD FOR INCOMPETENCY, DERELICTION OF DUTY,

1 MALFEASANCE, MISFEASANCE, OR NONFEASANCE IN OFFICE, OR ANY OTHER
2 GOOD CAUSE.

3 (7) THE GOVERNOR SHALL DESIGNATE THE CHAIRPERSON OF THE
4 STATE PUBLIC SCHOOL ACADEMY BOARD. THE FIRST MEETING OF THE
5 STATE PUBLIC SCHOOL ACADEMY BOARD SHALL BE CALLED BY THE
6 CHAIRPERSON. AT THE FIRST MEETING, THE STATE PUBLIC SCHOOL ACAD-
7 EMY BOARD SHALL ELECT FROM AMONG ITS MEMBERS OTHER OFFICERS AS IT
8 CONSIDERS NECESSARY OR APPROPRIATE.

9 (8) A MAJORITY OF THE MEMBERS OF THE STATE PUBLIC SCHOOL
10 ACADEMY BOARD CONSTITUTE A QUORUM FOR THE TRANSACTION OF BUSINESS
11 AT A MEETING OF THE STATE PUBLIC SCHOOL ACADEMY BOARD. A MAJOR-
12 ITY OF THE MEMBERS PRESENT AND SERVING ARE REQUIRED FOR OFFICIAL
13 ACTION OF THE STATE PUBLIC SCHOOL ACADEMY BOARD.

14 (9) THE BUSINESS THAT THE STATE PUBLIC SCHOOL ACADEMY BOARD
15 MAY PERFORM SHALL BE CONDUCTED AT A PUBLIC MEETING OF THE STATE
16 PUBLIC SCHOOL ACADEMY BOARD HELD IN COMPLIANCE WITH THE OPEN
17 MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.

18 (10) A WRITING PREPARED, OWNED, USED, IN THE POSSESSION OF,
19 OR RETAINED BY THE STATE PUBLIC SCHOOL ACADEMY BOARD IN THE PER-
20 FORMANCE OF AN OFFICIAL FUNCTION IS SUBJECT TO THE FREEDOM OF
21 INFORMATION ACT, 1976 PA 442, MCL 15.231 TO 15.246.

22 (11) MEMBERS OF THE STATE PUBLIC SCHOOL ACADEMY BOARD SHALL
23 SERVE WITHOUT COMPENSATION. HOWEVER, MEMBERS OF THE STATE PUBLIC
24 SCHOOL ACADEMY BOARD MAY BE REIMBURSED FOR THEIR ACTUAL AND NEC-
25 ESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR OFFICIAL
26 DUTIES AS MEMBERS OF THE STATE PUBLIC SCHOOL ACADEMY BOARD.

1 (12) THE STATE PUBLIC SCHOOL ACADEMY BOARD MAY DO ALL OF THE
2 FOLLOWING:

3 (A) AUTHORIZE PUBLIC SCHOOL ACADEMY CONTRACTS AS PROVIDED
4 UNDER THIS PART. THE STATE PUBLIC SCHOOL ACADEMY BOARD HAS NO
5 AUTHORITY WITH RESPECT TO CONTRACTS ISSUED BY, OR PUBLIC SCHOOL
6 ACADEMIES AUTHORIZED BY, ANOTHER AUTHORIZING BODY.

7 (B) ESTABLISH PROCEDURES FOR PROCESSING APPLICATIONS, FOR
8 ISSUING CONTRACTS, AND FOR CONDUCTING OVERSIGHT OF PUBLIC SCHOOL
9 ACADEMIES AUTHORIZED BY THE STATE PUBLIC SCHOOL ACADEMY BOARD AND
10 THEIR BOARDS OF DIRECTORS. THE STATE PUBLIC SCHOOL ACADEMY BOARD
11 SHALL MAKE THESE PROCEDURES AVAILABLE ON THE INTERNET.

12 (C) ACT AS THE SOLE AUTHORIZING BODY FOR A STATE DEPARTMENT
13 OR AGENCY OR A FEDERALLY RECOGNIZED INDIAN TRIBE APPLYING FOR A
14 PUBLIC SCHOOL ACADEMY CONTRACT.

15 Sec. 503. (1) An authorizing body is not required to issue
16 a contract to any person or entity. Public school academy con-
17 tracts shall be issued on a competitive basis taking into consid-
18 eration the resources available for the proposed public school
19 academy, the population to be served by the proposed public
20 school academy, THE QUALIFICATIONS OF THE APPLICANT AND THE PRO-
21 POSED BOARD OF DIRECTORS TO OPERATE THE PROPOSED PUBLIC SCHOOL
22 ACADEMY, and the educational goals to be achieved by the proposed
23 public school academy.

24 (2) If a person or entity applies to the board of a school
25 district for a contract to organize and operate 1 or more public
26 school academies within the boundaries of the school district and
27 the board does not issue the contract, the person or entity may

1 petition the board to place the question of issuing the contract
2 on the ballot to be decided by the school electors of the school
3 district. The petition shall contain A CONCISE SUMMARY OF all of
4 the information required to be in the ~~contract~~ application
5 under section ~~502(3)~~ 502 and SHALL INDICATE THAT THE ENTIRE
6 APPLICATION IS AVAILABLE FOR PUBLIC INSPECTION AT THE SCHOOL
7 BOARD OFFICE. THE PETITION shall be signed by a number of school
8 electors of the school district equal to at least 15% of the
9 total number of school electors of that school district CASTING
10 BALLOTS FOR SCHOOL BOARD IN THE MOST RECENT SCHOOL ELECTION AT
11 WHICH SCHOOL BOARD MEMBERS WERE ELECTED. The petition shall be
12 filed with the secretary of the board. If the board receives a
13 petition meeting the requirements of this subsection, the board
14 shall EITHER APPROVE AND ISSUE THE CONTRACT OR place the question
15 of issuing the contract on the ballot at its next ~~annual~~
16 REGULAR school election held at least 60 days after receiving the
17 petition. If a majority of the school electors of the school
18 district voting on the question vote to issue the contract, the
19 board shall issue the contract.

20 (3) Within 10 days after issuing a contract for a public
21 school academy, the ~~board of the~~ authorizing body shall submit
22 to the state board a copy of the contract and of the application
23 under section 502.

24 (4) An authorizing body shall adopt a resolution establish-
25 ing the method of selection, THE METHOD OF REMOVAL OR
26 REPLACEMENT, length of term, and number of members of the board

1 of directors of each public school academy subject to its
2 jurisdiction.

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

5 (a) The educational goals the public school academy is to
6 achieve and the methods by which it will be held accountable. To
7 the extent applicable, the pupil performance of a public school
8 academy shall be assessed using at least a Michigan education
9 assessment program (MEAP) test or an assessment instrument devel-
10 oped under section 1279 for a state-endorsed high school
11 diploma.

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

15 (c) A description of the process for amending the contract
16 during the term of the contract.

17 ~~(d) All of the matters set forth in the application for the~~
18 ~~contract.~~

19 (D) ~~(e)~~ For a public school academy authorized by a school
20 district, an agreement that employees of the public school acad-
21 emy will be covered by the collective bargaining agreements that
22 apply to employees of the school district employed in similar
23 classifications in schools that are not public school academies.

24 (E) ~~(f)~~ Procedures for revoking the contract and grounds
25 for revoking the contract, including at least the grounds listed
26 in section 507.

1 (F) ~~(g)~~ A description of and address for ~~the~~ EACH
2 proposed physical plant in which the public school academy will
3 be located.

4 (G) ~~(h)~~ Requirements and procedures for financial audits.
5 The financial audits shall be conducted at least annually by a
6 certified public accountant in accordance with generally accepted
7 governmental auditing principles.

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

10 (a) The open meetings act, ~~Act No. 267 of the Public Acts~~
11 ~~of 1976, being sections 15.261 to 15.275 of the Michigan Compiled~~
12 ~~Laws~~ 1976 PA 267, MCL 15.261 TO 15.275.

13 (b) The freedom of information act, ~~Act No. 442 of the~~
14 ~~Public Acts of 1976, being sections 15.231 to 15.246 of the~~
15 ~~Michigan Compiled Laws~~ 1976 PA 442, MCL 15.231 TO 15.246.

16 (c) ~~Act No. 336 of the Public Acts of 1947, being~~
17 ~~sections 423.201 to 423.217 of the Michigan Compiled Laws~~ 1947
18 PA 336, MCL 423.201 TO 423.217.

19 (d) ~~Act No. 166 of the Public Acts of 1965, being~~
20 ~~sections 408.551 to 408.558 of the Michigan Compiled Laws~~ 1965
21 PA 166, MCL 408.551 TO 408.558.

22 (e) Sections 1134, 1135, 1146, 1153, 1263(3), 1267, and
23 1274.

24 (7) A public school academy and its incorporators, board
25 members, officers, employees, and volunteers have governmental
26 immunity as provided in section 7 of ~~Act No. 170 of the Public~~
27 ~~Acts of 1964, being section 691.1407 of the Michigan Compiled~~

1 ~~Laws~~ 1964 PA 170, MCL 691.1407. An authorizing body and its
2 board members, officers, and employees are immune from civil
3 liability, both personally and professionally, for any acts or
4 omissions in ~~authorizing a public school academy~~ CARRYING OUT A
5 FUNCTION PURSUANT TO THIS PART if the authorizing body or the
6 person acted or reasonably believed he or she acted within the
7 authorizing body's or the person's scope of authority.

8 (8) A public school academy is exempt from all taxation on
9 its earnings and property. Instruments of conveyance to or from
10 a public school academy are exempt from all taxation including
11 taxes imposed by ~~Act No. 134 of the Public Acts of 1966, being~~
12 ~~sections 207.501 to 207.513 of the Michigan Compiled Laws~~ 1966
13 PA 134, MCL 207.501 TO 207.513. PROPERTY OCCUPIED BY A PUBLIC
14 SCHOOL ACADEMY AND USED EXCLUSIVELY FOR EDUCATIONAL PURPOSES IS
15 EXEMPT FROM REAL AND PERSONAL PROPERTY TAXES. A public school
16 academy may not levy ad valorem property taxes or any other tax
17 for any purpose. However, operation of 1 or more public school
18 academies by a school district or intermediate school district
19 does not affect the ability of the school district or intermedi-
20 ate school district to levy ad valorem property taxes or any
21 other tax.

22 (9) A public school academy may acquire by purchase, gift,
23 devise, lease, sublease, installment purchase agreement, land
24 contract, option, or by any other means, hold and own in its own
25 name buildings and other property for school purposes, and inter-
26 ests therein, and other real and personal property, including,
27 but not limited to, interests in property subject to mortgages,

1 security interests, or other liens, necessary or convenient to
2 fulfill its purposes. For the purposes of condemnation, a public
3 school academy may proceed under the uniform condemnation proce-
4 dures act, ~~Act No. 87 of the Public Acts of 1980, being sections~~
5 ~~213.51 to 213.77 of the Michigan Compiled Laws~~ 1980 PA 87,
6 MCL 213.51 TO 213.75, excluding sections 6 to 9 of that act,
7 ~~being sections 213.56 to 213.59 of the Michigan Compiled Laws~~
8 MCL 213.56 TO 213.59, or other applicable statutes, but only with
9 the express, written permission of the authorizing body in each
10 instance of condemnation and only after just compensation has
11 been determined and paid.

12 (10) A MEMBER OF THE BOARD OF DIRECTORS OF A PUBLIC SCHOOL
13 ACADEMY IS A PUBLIC OFFICER AND, BEFORE ENTERING UPON THE DUTIES
14 OF THE OFFICE, SHALL TAKE THE CONSTITUTIONAL OATH OF OFFICE FOR
15 PUBLIC OFFICERS.

16 SEC. 503B. (1) IF A PUBLIC SCHOOL ACADEMY IS NO LONGER
17 AUTHORIZED TO OPERATE AS A PUBLIC SCHOOL ACADEMY UNDER THIS PART,
18 TITLE TO ALL REAL AND PERSONAL PROPERTY, INTERESTS IN REAL OR
19 PERSONAL PROPERTY, AND OTHER ASSETS OWNED BY THE PUBLIC SCHOOL
20 ACADEMY SHALL REVERT TO THIS STATE. ANY MONEY INCLUDED IN THOSE
21 ASSETS AND THE NET PROCEEDS FROM THE SALE OF THE PROPERTY OR
22 INTERESTS IN PROPERTY, AFTER PAYMENT OF ANY DEBT SECURED BY THE
23 PROPERTY OR INTEREST IN PROPERTY, SHALL BE DEPOSITED IN THE STATE
24 SCHOOL AID FUND.

25 (2) THIS SECTION DOES NOT IMPOSE ANY LIABILITY ON THIS STATE
26 OR ON AN AUTHORIZING BODY FOR ANY DEBT INCURRED BY A PUBLIC
27 SCHOOL ACADEMY.

1 Sec. 504. (1) A public school academy may be located in all
2 or part of an existing public school building. ~~A~~ UNLESS AUTHO-
3 RIZED IN THE CONTRACT, A public school academy shall not operate
4 at a site other than the single site requested for the configura-
5 tion of grades that will use the site, as specified in the
6 ~~application required under section 502 and in the~~ contract.

7 (2) A public school academy shall not charge tuition and,
8 EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, A PUBLIC SCHOOL
9 ACADEMY shall not discriminate in its pupil admissions policies
10 or practices on the basis of intellectual or athletic ability,
11 measures of achievement or aptitude, status as a handicapped
12 person, or any other basis that would be illegal if used by a
13 school district. However, a public school academy may limit
14 admission to pupils who are within a particular range of age or
15 grade level or on any other basis that would be legal if used by
16 a school district TO LIMIT ENROLLMENT IN A PARTICULAR SCHOOL OF
17 THE SCHOOL DISTRICT.

18 (3) A PUBLIC SCHOOL ACADEMY THAT IS ORGANIZED AS A CHARTERED
19 EDUCATIONAL CLINIC OR THAT OPERATES A DISCIPLINARY EDUCATIONAL
20 PROGRAM MAY LIMIT ENROLLMENT IN THE CLINIC OR PROGRAM TO PUPILS
21 MEETING THE ENROLLMENT REQUIREMENTS OF THE CLINIC OR PROGRAM AS
22 SET FORTH IN THE CONTRACT. IF IT IS STATED IN THE CONTRACT
23 AUTHORIZING THE PUBLIC SCHOOL ACADEMY, A PUBLIC SCHOOL ACADEMY
24 THAT IS A UNIVERSITY SCHOOL AS DESCRIBED IN SECTION 502(2)(D) OR
25 A MIDDLE COLLEGE AS DESCRIBED IN SECTION 502(2)(C) MAY LIMIT
26 ENROLLMENT TO PUPILS MEETING ENROLLMENT REQUIREMENTS SET FORTH IN
27 THE CONTRACT.

1 (4) ~~(3)~~ Except for a foreign exchange student who is not a
2 United States citizen, a public school academy shall not enroll a
3 pupil who is not a resident of this state. Enrollment in the
4 public school academy may be open to all individuals who reside
5 in this state who meet the admission policy and shall be open to
6 all pupils who reside within the geographic boundaries, if any,
7 of the authorizing body as described in section 502(2)(a) to (c)
8 who meet the admission policy. ~~, except that admission to a~~
9 ~~public school academy authorized by the board of a community col-~~
10 ~~lege to operate, or operated by the board of a community college,~~
11 ~~on the grounds of a federal military installation, as described~~
12 ~~in section 502(2)(c), shall be open to all pupils who reside in~~
13 ~~the county in which the federal military installation is~~
14 ~~located.~~ For a public school academy authorized by a state
15 public university, enrollment shall be open to all pupils who
16 reside in this state who meet the admission policy. ~~If~~

17 (5) SUBJECT TO SUBSECTION (6), IF there are more applica-
18 tions to enroll in the public school academy than there are
19 spaces available, pupils shall be selected to attend using a
20 random selection process. ~~However, a public school academy may~~
21 ~~give enrollment priority to a sibling of a pupil enrolled in the~~
22 ~~public school academy.~~ A public school academy shall allow any
23 pupil who was enrolled in the public school academy in the imme-
24 diately preceding school year to enroll in the public school
25 academy in the appropriate grade unless the appropriate grade is
26 not offered at that public school academy.

1 (6) A PUBLIC SCHOOL ACADEMY MAY GIVE ENROLLMENT PRIORITY TO
2 1 OR MORE OF THE FOLLOWING:

3 (A) A SIBLING OF A PUPIL ENROLLED IN THE PUBLIC SCHOOL
4 ACADEMY.

5 (B) A CHILD OF A PERSON WHO IS A MEMBER OF THE BOARD OF
6 DIRECTORS OF THE PUBLIC SCHOOL ACADEMY, WHO IS AN INCORPORATOR OF
7 THE PUBLIC SCHOOL ACADEMY CORPORATION, OR WHO IS EMPLOYED BY OR
8 AT THE PUBLIC SCHOOL ACADEMY. IF THE PUBLIC SCHOOL ACADEMY IS A
9 WORKPLACE PUBLIC SCHOOL ACADEMY UNDER SECTION 505B, THE PUBLIC
10 SCHOOL ACADEMY ALSO MAY GIVE ENROLLMENT PRIORITY TO A CHILD OF A
11 PERSON EMPLOYED BY THE BUSINESS OR CORPORATION IDENTIFIED IN THAT
12 SECTION. AS USED IN THIS SUBDIVISION, "CHILD" INCLUDES AN
13 ADOPTED CHILD OR A LEGAL WARD.

14 (7) ~~(4) A~~ SUBJECT TO THE TERMS OF THE CONTRACT AUTHORIZING
15 THE PUBLIC SCHOOL ACADEMY, A public school academy may include
16 any grade up to grade 12 or any configuration of those grades,
17 including kindergarten and early childhood education, as speci-
18 fied in its contract. If specified in its contract, a public
19 school academy may also operate an adult basic education program,
20 adult high school completion program, or general education devel-
21 opment testing preparation program. The authorizing body may
22 approve amendment of a contract with respect to ages of pupils or
23 grades offered. A PUBLIC SCHOOL ACADEMY MAY OPERATE A NONGRADED
24 SCHOOL UNDER SECTION 1596.

25 Sec. 504a. In addition to other powers set forth in this
26 part, a public school academy may take action to carry out the

1 purposes for which it was incorporated under this part,
2 including, but not limited to, all of the following:

3 (a) To sue and be sued in its name.

4 (b) ~~To~~ SUBJECT TO SECTION 503B, TO acquire, hold, and own
5 in its own name real and personal property, or interests in real
6 or personal property, for educational purposes by purchase, gift,
7 grant, devise, bequest, lease, sublease, installment purchase
8 agreement, land contract, option, or condemnation, and subject to
9 mortgages, security interests, or other liens; and to sell or
10 convey the property as the interests of the public school academy
11 require.

12 (c) To receive and disburse funds for lawful purposes.

13 (d) To enter into binding legal agreements with persons or
14 entities as necessary for the operation, management, FINANCING,
15 and maintenance of the public school academy.

16 (e) To incur temporary debt in accordance with
17 section 1225.

18 (f) To solicit and accept any grants or gifts for educa-
19 tional purposes and to establish or permit to be established on
20 its behalf 1 or more nonprofit corporations the purpose of which
21 is to assist the public school academy in the furtherance of its
22 public purposes.

23 Sec. 505. (1) Except as otherwise provided by law, a public
24 school academy shall use certificated teachers according to state
25 board rule.

1 (2) A public school academy operated by a state public
2 university or community college may use noncertificated
3 individuals to teach as follows:

4 (a) If the public school academy is ~~operated~~ AUTHORIZED by
5 THE GOVERNING BOARD OF a state public university, the public
6 school academy may use as a classroom teacher in any grade a fac-
7 ulty member who is employed ~~full-time~~ by the state public uni-
8 versity and who has been granted institutional tenure, ~~or~~ has
9 been designated as being on tenure track, OR SERVES ON THE FAC-
10 ULTY AND IS APPROVED by the state public university.

11 (b) For a public school academy ~~operated~~ AUTHORIZED by THE
12 BOARD OF a community college, the public school academy may use
13 as a classroom teacher a ~~full-time~~ member of the community col-
14 lege faculty who has at least 5 years' experience at that commu-
15 nity college in teaching the subject matter that he or she is
16 teaching at the public school academy.

17 (C) AN INSTRUCTOR IN A SKILLED TRADES APPRENTICE PROGRAM WHO
18 HAS AT LEAST 5 YEARS' EXPERIENCE IN TEACHING THE SUBJECT MATTER
19 THAT HE OR SHE IS TEACHING IN THE APPRENTICE PROGRAM.

20 (D) AN INSTRUCTOR WHO HAS AT LEAST 5 YEARS' EXPERIENCE
21 TEACHING IN AN APPROVED CONTINUING EDUCATION PROGRAM REQUIRED FOR
22 A LICENSEE UNDER THE OCCUPATIONAL CODE, 1980 PA 299, MCL 339.101
23 TO 339.2721, OR THE PUBLIC HEALTH CODE, 1978 PA 368, MCL 333.1101
24 TO 333.25211.

25 (E) ~~(c)~~ In any other situation in which a school district
26 is permitted under this act to use noncertificated teachers.

1 (3) A public school academy may develop and implement new
2 teaching techniques or methods or significant revisions to known
3 teaching techniques or methods, and shall report those to the
4 authorizing body and state board to be made available to the
5 public. A public school academy may use any instructional tech-
6 nique or delivery method that may be used by a school district.

7 Sec. 505a. ~~The board of a school district~~ AN AUTHORIZING
8 BODY may ~~grant~~ ISSUE a ~~charter~~ CONTRACT to an eligible entity
9 for a chartered educational clinic. The application requirements
10 and procedures for such a contract for a chartered educational
11 clinic are the same as for a contract for another public school
12 academy. A chartered educational clinic is a specialty public
13 school academy and shall only serve public school pupils
14 ~~described in this section during hours outside the pupil's~~
15 ~~normal class hours by providing special assistance for up to 3~~
16 ~~hours per week, pursuant to a written prescription by the princi-~~
17 ~~pal of the public school in which the pupil is regularly enrolled~~
18 ~~on recommendation of a teacher of the pupil~~ ENROLLED IN A DISCI-
19 PLINARY EDUCATION PROGRAM ESTABLISHED BY THE CHARTERED EDUCA-
20 TIONAL CLINIC PURSUANT TO SECTION 1596. A public school pupil
21 enrolled in grades K-12 who is in educational difficulty or is at
22 risk of falling seriously behind other pupils of his or her age
23 level, of not being advanced in grade level, or of dropping out
24 or being expelled from school may be served by a chartered educa-
25 tional clinic.

26 SEC. 505B. (1) IN ORDER TO INCREASE BUSINESS SUPPORT FOR
27 PUBLIC EDUCATION, TO REDUCE SCHOOL AND CLASSROOM OVERCROWDING

1 THROUGHOUT THIS STATE, AND TO OFFSET THE HIGH COSTS FOR
2 CONSTRUCTION OF EDUCATIONAL FACILITIES, THE LEGISLATURE INTENDS
3 TO ENCOURAGE THE FORMATION OF WORKPLACE PUBLIC SCHOOL ACADEMIES.

4 (2) EXCEPT AS PROVIDED IN SUBSECTION (3), A WORKPLACE PUBLIC
5 SCHOOL ACADEMY MAY BE ESTABLISHED AND SHALL BE ADMINISTERED IN
6 THE SAME MANNER AS A PUBLIC SCHOOL ACADEMY UNDER THIS PART. A
7 WORKPLACE PUBLIC SCHOOL ACADEMY IS AN INDEPENDENT PUBLIC SCHOOL
8 AND IS NOT A DIVISION OR PART OF ANY BUSINESS OR CORPORATION.
9 THE RELATIONSHIP BETWEEN A WORKPLACE PUBLIC SCHOOL ACADEMY AND A
10 BUSINESS OR CORPORATION SHALL BE BASED SOLELY ON THE AGREEMENTS
11 BETWEEN THE PARTIES FOR A SCHOOL SITE, START-UP FUNDS, AND
12 SHORT-TERM FINANCING.

13 (3) IN ORDER TO OBTAIN A CONTRACT TO OPERATE A WORKPLACE
14 PUBLIC SCHOOL ACADEMY UNDER THIS PART, AN APPLICANT MUST SUBMIT
15 AS PART OF THE APPLICATION UNDER SECTION 502, IN ADDITION TO THE
16 OTHER REQUIREMENTS OF THAT SECTION, THE FOLLOWING INFORMATION:

17 (A) THE NAME AND ADDRESS OF THE BUSINESS OR CORPORATION THAT
18 WILL PROVIDE THE PROPOSED WORKPLACE PUBLIC SCHOOL ACADEMY WITH A
19 SCHOOL SITE, START-UP FUNDS, AND SHORT-TERM FINANCING.

20 (B) THE NUMBER OF CHILDREN OF EMPLOYEES OF THE BUSINESS OR
21 CORPORATION WHO ARE INTERESTED IN ENROLLING IN THE PROPOSED WORK-
22 PLACE PUBLIC SCHOOL ACADEMY.

23 (C) A WRITTEN COMMITMENT FROM THE BUSINESS OR CORPORATION TO
24 PROVIDE THE SCHOOL FACILITY TO BE USED BY THE PROPOSED WORKPLACE
25 PUBLIC SCHOOL ACADEMY FOR A NOMINAL FEE.

26 (D) A WRITTEN COMMITMENT FROM THE BUSINESS OR CORPORATION TO
27 FINANCE OR PROVIDE THE PROPOSED WORKPLACE PUBLIC SCHOOL ACADEMY

1 WITH SUFFICIENT FUNDS TO COVER ALL START-UP COSTS AND SHORT TERM
2 FINANCING NEEDS.

3 (4) IF AN AUTHORIZING BODY DETERMINES THAT THE APPLICATION
4 SUBMITTED FOR A PUBLIC SCHOOL ACADEMY MEETS ALL OF THE CRITERIA
5 SET FORTH IN SUBSECTION (3) AND IF THE AUTHORIZING BODY DECIDES
6 TO ISSUE THE APPLICANT A CONTRACT FOR A PUBLIC SCHOOL ACADEMY,
7 THE AUTHORIZING BODY SHALL INCLUDE A PROVISION IN THE CONTRACT
8 DESIGNATING THE SCHOOL AS A WORKPLACE PUBLIC SCHOOL ACADEMY. THE
9 CONTRACT SHALL ALSO INCLUDE THE NAME OF THE BUSINESS OR CORPORA-
10 TION IDENTIFIED IN THE APPLICATION.

11 (5) IF A WORKPLACE PUBLIC SCHOOL ACADEMY IS REQUIRED UNDER
12 SECTION 504 TO HOLD A RANDOM SELECTION DRAWING, THE WORKPLACE
13 PUBLIC SCHOOL ACADEMY MAY GIVE ENROLLMENT PRIORITY TO A CHILD OF
14 AN EMPLOYEE OF THE BUSINESS OR CORPORATION IDENTIFIED UNDER
15 SUBSECTION (4) WHO SEEKS ENROLLMENT IN THE SCHOOL.
16 NOTWITHSTANDING ANY OTHER PROVISION IN THIS PART, A WORKPLACE
17 PUBLIC SCHOOL ACADEMY MAY NOT ENROLL MORE THAN 75% OF ITS PUPIL
18 POPULATION FROM AMONG THE CHILDREN OF EMPLOYEES OF THE BUSINESS
19 OR CORPORATION.

20 Sec. 507. (1) The authorizing body for a public school
21 academy is the fiscal agent for STATE SCHOOL AID FUNDS OF the
22 public school academy. A state school aid payment for a public
23 school academy shall be paid to the authorizing body that is the
24 fiscal agent for that public school academy, which shall then
25 forward the payment to the public school academy. An authorizing
26 body has the responsibility to oversee ~~a public school~~
27 ~~academy's~~ compliance BY A PUBLIC SCHOOL ACADEMY'S BOARD OF

1 DIRECTORS with the contract and all applicable law. A contract
2 issued under this part may be revoked by the authorizing body
3 that issued the contract if the authorizing body determines that
4 1 or more of the following has occurred:

5 (a) Failure of the public school academy to abide by and
6 meet the educational goals set forth in the contract.

7 (b) Failure of the public school academy to comply with all
8 applicable law.

9 (c) Failure of the public school academy to meet generally
10 accepted public sector accounting principles.

11 (d) The existence of 1 or more other grounds for revocation
12 as specified in the contract.

13 (2) The decision of an authorizing body to ISSUE, REISSUE,
14 OR revoke a contract under this section is solely within the dis-
15 cretion of the authorizing body, is final, and is not subject to
16 review by a court or any state agency. An authorizing body THAT
17 DOES NOT ISSUE OR REISSUE A CONTRACT, OR that revokes a contract,
18 under this section is not liable for that action to the public
19 school academy, public school academy corporation, a pupil of the
20 public school academy, the parent or guardian of a pupil of the
21 public school academy, or any other person.

22 (3) AN AUTHORIZING BODY MAY REMOVE OR SUSPEND A MEMBER OF A
23 BOARD OF DIRECTORS OF A PUBLIC SCHOOL ACADEMY FROM OFFICE FOR
24 GROSS NEGLIGENCE OF DUTY, CORRUPT CONDUCT IN OFFICE, KNOWING VIOLA-
25 TION OF A CONTRACT, OR FOR ANY OTHER MISFEASANCE OR MALFEASANCE
26 AND SHALL REPORT THE REASONS FOR A REMOVAL OR SUSPENSION UNDER
27 THIS SUBSECTION TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION.

1 SEC. 1259. (1) AT LEAST ANNUALLY, EACH SCHOOL DISTRICT,
2 INTERMEDIATE SCHOOL DISTRICT, AND PUBLIC SCHOOL ACADEMY SHALL
3 SUBMIT TO THE DEPARTMENT A LIST OF SCHOOL BUILDINGS OWNED BY THE
4 SCHOOL DISTRICT, INTERMEDIATE SCHOOL DISTRICT, OR PUBLIC SCHOOL
5 ACADEMY THAT ARE NOT BEING USED FOR INSTRUCTIONAL PURPOSES. IN
6 ADDITION, AT LEAST ANNUALLY, THE DIRECTOR OF THE DEPARTMENT OF
7 MANAGEMENT AND BUDGET SHALL SUBMIT TO THE DEPARTMENT A LIST OF
8 BUILDINGS OWNED BY THIS STATE THAT ARE NOT BEING USED. THE
9 DEPARTMENT SHALL COMPILE THIS INFORMATION, SORTED BY COUNTY, AND
10 SHALL MAKE THIS INFORMATION AVAILABLE TO ANY INTERESTED PERSON
11 UPON REQUEST.

12 (2) A PUBLIC SCHOOL ACADEMY MAY REQUEST A SCHOOL BOARD OR
13 INTERMEDIATE SCHOOL BOARD TO MAKE A SCHOOL BUILDING NOT BEING
14 USED BY THE SCHOOL DISTRICT OR INTERMEDIATE SCHOOL DISTRICT FOR
15 INSTRUCTIONAL PURPOSES AVAILABLE FOR USE BY THE PUBLIC SCHOOL
16 ACADEMY FOR A NOMINAL FEE. IF A SCHOOL BOARD OR INTERMEDIATE
17 SCHOOL BOARD REFUSES TO MAKE THE UNUSED SPACE AVAILABLE FOR USE
18 BY A PUBLIC SCHOOL ACADEMY, THE PUBLIC SCHOOL ACADEMY MAY APPEAL
19 THE DECISION OF THE SCHOOL BOARD OR INTERMEDIATE SCHOOL BOARD TO
20 THE SUPERINTENDENT OF PUBLIC INSTRUCTION. THE SUPERINTENDENT OF
21 PUBLIC INSTRUCTION, AFTER AN OPPORTUNITY FOR A HEARING, SHALL
22 DETERMINE WHETHER THE SCHOOL BUILDING SHOULD BE MADE AVAILABLE TO
23 THE PUBLIC SCHOOL ACADEMY FOR ITS USE AND MAY ORDER A SCHOOL
24 BOARD OR INTERMEDIATE SCHOOL BOARD TO COMPLY WITH THAT DECISION.

25 Sec. 1596. (1) The board of a school district ~~other than a~~
26 ~~primary school district~~ OR BOARD OF DIRECTORS OF A PUBLIC SCHOOL
27 ACADEMY may establish 1 or more ungraded schools OR DISCIPLINARY

1 EDUCATIONAL PROGRAMS for the instruction of certain pupils
 2 ~~classified~~ DESCRIBED in subsection (2). The board OR BOARD OF
 3 DIRECTORS may require the pupils to attend an ungraded school or
 4 a department of the school as the board OR BOARD OF DIRECTORS
 5 directs.

6 (2) ~~The following cases of persons, aged~~ A CHILD AGE 7 to
 7 ~~the~~ HIS OR HER sixteenth birthday ~~residing in the school dis-~~
 8 ~~trict shall be deemed~~ WHO MEETS 1 OR MORE OF THE FOLLOWING IS
 9 CONSIDERED A juvenile disorderly ~~persons~~ PERSON and in the
 10 judgment of the proper school authorities may be assigned to the
 11 ungraded school, ~~or~~ department, OR DISCIPLINARY EDUCATIONAL
 12 PROGRAM:

13 (a) ~~Class 1, habitual truants~~ A HABITUAL TRUANT from the
 14 school in which ~~they are~~ HE OR SHE IS enrolled as ~~pupils~~ A
 15 PUPIL.

16 (b) ~~Class 2, children~~ A CHILD who, while attending school,
 17 ~~are~~ IS incorrigibly turbulent, disobedient, and insubordinate,
 18 or who ~~are~~ IS immoral in conduct.

19 (c) ~~Class 3, children~~ A CHILD who ~~are~~ IS not attending
 20 school and who habitually ~~frequent~~ FREQUENTS streets and other
 21 public places, having no lawful business, employment, or
 22 occupation.

23 (D) A CHILD WHO HAS BEEN EXPELLED UNDER THIS ACT.

24 (3) A DISCIPLINARY EDUCATIONAL PROGRAM ESTABLISHED UNDER
 25 THIS SECTION MAY INCLUDE ANY OF THE FOLLOWING:

26 (A) DIRECT OPERATION BY THE SCHOOL DISTRICT OR PUBLIC SCHOOL
 27 ACADEMY.

1 (B) OPERATION UNDER A COOPERATIVE ARRANGEMENT WITH 1 OR MORE
2 OTHER SCHOOL DISTRICTS, PUBLIC SCHOOL ACADEMIES, FEDERALLY RECOG-
3 NIZED INDIAN TRIBES, OR GOVERNMENT AGENCIES.

4 (C) OPERATION ON OR OFF A REGULAR SCHOOL CAMPUS.

5 (D) INVOLVEMENT OF MENTAL HEALTH, SOCIAL SERVICES, COMMUNITY
6 HEALTH, AND CORRECTIONS AGENCIES.

7 (E) INVOLVEMENT OF JOB TRAINING AGENCIES AND PRIVATE AND
8 PUBLIC EMPLOYERS.

9 (F) PARTICIPATION OF A PUPIL'S PARENT OR LEGAL GUARDIAN.

10 (G) OPERATION OF A DISCIPLINARY EDUCATIONAL PROGRAM IN CON-
11 JUNCTION WITH RESIDENTIAL FACILITIES.

12 (H) PARTICIPATION BY A PUPIL IN REGULAR EDUCATIONAL PROGRAMS
13 BY MEANS OF DISTANCE LEARNING.

14 SEC. 1597. (1) NOT LATER THAN 1 YEAR AFTER THE EFFECTIVE
15 DATE OF THIS SECTION, AND AT LEAST ANNUALLY THEREAFTER, THE
16 SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL SUBMIT A COMPREHENSIVE
17 REPORT, WITH FINDINGS AND RECOMMENDATIONS, TO THE HOUSE AND
18 SENATE STANDING COMMITTEES ON EDUCATION. THE REPORT SHALL EVALU-
19 ATE THE AVAILABILITY OF DISCIPLINARY EDUCATIONAL PROGRAMS FOR
20 INDIVIDUALS EXPELLED FROM PUBLIC SCHOOLS.

21 (2) THE REPORT SHALL CONTAIN A SURVEY OF EXISTING OR PLANNED
22 DISCIPLINARY EDUCATIONAL PROGRAMS OF SCHOOL DISTRICTS, PUBLIC
23 SCHOOL ACADEMIES, OR AUTHORIZING BODIES AND AN IDENTIFICATION OF
24 SCHOOL DISTRICTS OR AREAS WHERE DISCIPLINARY EDUCATIONAL PROGRAMS
25 ARE NEEDED.

26 Enacting section 1. This amendatory act does not take
27 effect unless Senate Bill No. _____ or House Bill No. _____

1 (request no. 04446'99 a) of the 90th Legislature is enacted into
2 law.