

**House Bill 4935**  
**Sponsor: Rep. Ruth Johnson**  
**Committee: Education**

**Complete to 8-28-03**

**A SUMMARY OF HOUSE BILL 4935 AS INTRODUCED 7-2-03**

House Bill 4935 would amend the Revised School Code to allow the electors of an intermediate school district (ISD) to vote for removal of the ISD board, and appointment of a reform board.

The bill specifies that an ISD would be placed under the governance of a reform board if a majority of the intermediate school electors voting on the question approved the change in governance of the ISD. The question of placing the ISD under the governance of a reform board would be placed on the ballot, if either of the following occurred: a) the intermediate school board was petitioned to place the question on the ballot by a number of intermediate school electors at least equal to 10 percent of the number of votes cast for governor within the ISD at the most recent gubernatorial election; or b) within a 120-day period, the school boards of more than one-half of the constituent districts of the ISD submitted resolutions to the intermediate school board requesting that the question be placed on the ballot. The bill specifies that the ISD would submit the question to the electors at the next regular school election occurring at least 90 days after receiving the petition, or the last of the resolutions. However, if the petition or all of the resolutions called for a special election on the question, then the question would be submitted at the special election not earlier than 90 days or later than 120 days after receiving the petition or the last of the resolutions. If the question of dissolving an ISD is approved, then the following provisions would apply.

If the question of placing an ISD under the governance of a reform board was approved, then not later than 30 days after the election, the state superintendent of public instruction and the superintendents of the constituent districts would be required to appoint a reform board for the affected school district. A reform board would consist of three members appointed by the superintendent of public instruction and four members appointed jointly by the superintendents of the ISD's constituent districts. The bill specifies that a person who was a current member of the intermediate school board of the ISD would not be eligible for appointment as a member of the reform board. Further, at least a majority of the members of the reform board would be required to be school electors of the ISD.

Under the bill, a member of the reform board would serve at the will of the official or group who appointed him or her. The term of appointed members would be four years (except that of the members first appointed by the state superintendent, one would be appointed for a term of two years, and two would be appointed for a term of four years, and among those appointed by the superintendents of the constituent district superintendents, two would be appointed for a term of two years, and two would be appointed for a term of four years). If a

member of the reform board was removed from office by the official or group who appointed the member, or was unable to complete his or her term, the appointing official or group would appoint a successor for the balance of the unexpired term. At the end of a member's term, the official or group who appointed the member would appoint a successor, or reappoint the member.

The bill specifies that the superintendent of public instruction would call the first meeting of the reform board and designate its chairperson. (If there were a vacancy in the office of chairperson, then the state superintendent would designate a successor.) At the first meeting of the reform board, its members could elect other officers as they considered necessary or appropriate. After the first meeting, the board would meet at least monthly, or more frequently either at the call of the chair, or if requested to do so by four or more members. A majority of the members of the reform board would constitute a quorum for the transaction of business; however, a majority of the members present and serving would be required for official action of the board. Members of the board would serve without compensation, but they could be reimbursed for their actual and necessary expenses incurred in the performance of their official duties as members of the board.

Under the bill, if the question of placing an ISD under the governance of a reform board was approved, then beginning 30 days after the election, the powers and duties of the ISD's board and of its officers would be suspended unless and until a new intermediate board had been elected. Beginning 30 days after the election, all of the following would apply:

- all provisions of the act that would otherwise apply to the ISD's board or to the ISD's superintendent would apply to the reform board, and the reform board could immediately exercise all the powers and duties otherwise vested by law in the ISD board and in its officers, and all powers and duties of the ISD superintendent; and

- the reform board would accede to all the rights, duties, and obligations of the ISD's board, including but not limited to, all of the following: authority over the expenditure of all intermediate school district funds, including proceeds from bonded indebtedness and other funds dedicated to capital projects; rights and obligations under collective bargaining agreements and employment contracts entered into by the intermediate school board; rights to prosecute and defend litigation; obligations under any judgments entered against the intermediate school board; rights and obligations under statute, rule, and common law; and the authority to delegate any of the reform board's powers and duties to one or more designees, with proper supervision by the reform board.

In addition to its other powers, the reform board could terminate any contract entered into by the ISD board, except for a collective bargaining agreement. However, this provision would not allow any termination or diminishment of obligations to pay debt service on legally authorized bonds. A contract terminated by the reform board would be void.

Beginning 30 days after the election, each employee of the ISD whose position was not covered by a collective bargaining agreement would be employed at the will of the reform board.

The bill specifies that a reform board could employ or contract with an intermediate superintendent or other administrative officials for the ISD.

Under the bill, neither the state superintendent, the state, the reform board, nor an intermediate superintendent or other appointed official would be liable for any obligation of or claim against an ISD resulting from an action taken to call the election and create the reform board.

After five years following the reform board's appointment, the question of whether to retain the reform board, and also the authority of the state superintendent and local superintendents to appoint the reform board would automatically be placed on the ballot in the ISD, at the next regular June school election occurring at least 90 days after the five years expired. The bill specifies the form the question must take.

If the question was approved by a majority of the ISD electors voting, the reform board would continue in place in the ISD, the authority of the state superintendent and the ISD's constituent district superintendents to appoint members would continue, and the question would not be placed on the ballot again for five years. However, the question could be placed on the ballot again in five years if petitions calling for the question were filed with the county clerk for the county in which the majority of the territory of the ISD was located, not sooner than four years after the election, if the petitions were signed by a number of intermediate school electors of the ISD at least equal to 10 percent of the number of votes cast within that county for secretary of state in the most recent November general election in which a secretary of state had been elected. If the petitions were verified, the question would be on the ballot in the ISD at the next November general election occurring at least five years after the question was most recently on the ballot, and at least 90 days after the petitions were verified.

If the question was not approved by a majority of the intermediate school electors voting, then the reform board would arrange for selection of a new elected intermediate school board. This election would be at a special election held as soon as practicable, but not sooner than 90 days after the election. Effective on the next July 1 following the election, the new intermediate school board of the ISD would serve as the governing body of the ISD, and this intermediate board and its officers would be fully vested with all the powers and duties that those officials had before the appointment of the reform board. Also effective on the next July 1, the powers of the reform board established for the ISD and of all officials appointed, would cease, and also effective on the next July 1, the provisions of this law concerning the call for an election to appoint a reform board would not apply to the ISD.

MCL 380.601a et al.

Analyst: J. Hunault

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.