

HOUSE BILL No. 4164

February 5, 2003, Introduced by Reps. Minore, Wojno, Gielegem and Lipsey and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending section 503 (MCL 380.503), as amended by 1995 PA
289.

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
10 school academies within the boundaries of the school district and

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

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

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

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

26 (a) The educational goals the public school academy is to
27 achieve and the methods by which it will be held accountable. To

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

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

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

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

13 (e) For a public school academy authorized by a school
14 district **or intermediate school district**, an agreement that
15 employees of the public school academy will be covered by the
16 collective bargaining agreements that apply to employees of the
17 school district **or intermediate school district, as applicable,**
18 employed in similar classifications in schools **or programs** that
19 are not public school 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~~ **1965**
15 **PA 166, MCL 408.551 to 408.558.**

16 (e) Sections 1134, 1135, 1146, 1153, 1263(3), 1267, and
17 1274.

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

1 authority.

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

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

1 permission of the authorizing body in each instance of
2 condemnation and only after just compensation has been determined
3 and paid.