## SENATE BILL NO. 210

February 2, 1999, Introduced by Senators STEIL, STILLE, HAMMERSTROM and SCHUETTE and referred to the Committee on Appropriations.

A bill to amend 1976 PA 451, entitled

"The revised school code,"

by amending sections 502 and 504 (MCL 380.502 and 380.504), section 502 as amended by 1995 PA 289 and section 504 as amended by 1994 PA 416.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 502. (1) A public school academy shall be organized and administered under the direction of a board of directors in accordance with this part and with bylaws adopted by the board of directors. A public school academy corporation shall be organized under the nonprofit corporation act, Act No. 162 of the Public Acts of 1982, being sections 450.2101 to 450.3192 of the Public Acts of 1982, being sections 450.2101 to 450.3192 of the Michigan Compiled Laws 1982 PA 162, MCL 450.2101 TO 450.3192, except that a public school academy corporation is not required to comply with sections 170 to 177 of Act No. 327 of the Public 1 Acts of 1931, being sections 450.170 to 450.177 of the Michigan 2 Compiled Laws 1931 PA 327, MCL 450.170 TO 450.177. To the 3 extent disqualified under the state or federal constitution, a 4 public school academy shall not be organized by a church or other 5 religious organization and shall not have any organizational or 6 contractual affiliation with or constitute a church or other 7 religious organization.

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

(a) The board of a school district that operates grades K to 12 12. However, the board of a school district shall not issue a 13 contract for a public school academy to operate outside the 14 school district's boundaries, and a public school academy autho-15 rized by the board of a school district shall not operate outside 16 that school district's boundaries.

(b) An intermediate school board. However, the board of an intermediate school district shall not issue a contract for a public school academy to operate outside the intermediate school district's boundaries, and a public school academy authorized by the board of an intermediate school district shall not operate outside that intermediate school district's boundaries.

(c) The board of a community college. However, except as otherwise provided in this subdivision, the board of a community college shall not issue a contract for a public school academy to operate in a school district organized as a school district of the first class, a public school academy authorized by the board

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1 of a community college shall not operate in a school district 2 organized as a school district of the first class, the board of a 3 community college shall not issue a contract for a public school 4 academy to operate outside the boundaries of the community col-5 lege district, and a public school academy authorized by the 6 board of a community college shall not operate outside the bound-7 aries of the community college district. The board of a commu-8 nity college also may issue a contract for not more than 1 public 9 school academy to operate on the grounds of an active or closed 10 federal military installation located outside the boundaries of 11 the community college district, or may operate a public school 12 academy itself on the grounds of such a federal military instal-13 lation, if the federal military installation is not located 14 within the boundaries of any community college district and the 15 community college has previously offered courses on the grounds 16 of the federal military installation for at least 10 years.

(d) The governing board of a state public university.
18 However, the combined total number of contracts <u>for public</u>
19 school academies issued by all state public universities FOR
20 PUBLIC SCHOOL ACADEMIES OTHER THAN PUBLIC SCHOOL ACADEMIES
21 LOCATED IN A SCHOOL DISTRICT THAT, AS OF THE TIME THE CONTRACT IS
22 ISSUED, HAS AT LEAST 2,000 PUPILS OR 50% OF ITS MEMBERSHIP ELIGI23 BLE FOR THE FEDERAL FREE OR REDUCED PRICE LUNCH PROGRAM shall not
24 exceed <u>85 through 1996</u>, and, after the initial evaluation under
25 section 501a, shall not exceed 100 through 1997, 125 through
26 1998, or 150. thereafter. Further, the total number of
27 contracts issued by any 1 state public university FOR PUBLIC

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1 SCHOOL ACADEMIES OTHER THAN PUBLIC SCHOOL ACADEMIES LOCATED IN A 2 SCHOOL DISTRICT THAT, AS OF THE TIME THE CONTRACT IS ISSUED, HAS 3 AT LEAST 2,000 PUPILS OR 50% OF ITS MEMBERSHIP ELIGIBLE FOR THE 4 FEDERAL FREE OR REDUCED PRICE LUNCH PROGRAM shall not exceed -50 5 through 1996, and thereafter shall not exceed 50% of the maximum 6 combined total number that may be issued under this subdivision 7 75.

8 (3) To obtain a contract to organize and operate 1 or more
9 public school academies, 1 or more persons or an entity may apply
10 to an authorizing body described in subsection (2). The applica11 tion shall include at least all of the following:

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

13 (b) Subject to the resolution adopted by the authorizing 14 body under section 503(4), a list of the proposed members of the 15 board of directors of the public school academy and a description 16 of the qualifications and method for appointment or election of 17 members of the board of directors.

18 (c) The proposed articles of incorporation, which shall19 include at least all of the following:

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

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

**25** (*iii*) The name of the authorizing body.

26 (*iv*) The proposed time when the articles of incorporation27 will be effective.

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

3 (d) A copy of the proposed bylaws of the public school4 academy.

5 (e) Documentation meeting the application requirements of6 the authorizing body, including at least all of the following:

7 (i) The governance structure of the public school academy.
8 (ii) A copy of the educational goals of the public school
9 academy and the curricula to be offered and methods of pupil
10 assessment to be used by the public school academy. To the
11 extent applicable, the progress of the pupils in the public
12 school academy shall be assessed using at least a Michigan educa13 tion assessment program (MEAP) test or an assessment instrument
14 developed under section 1279 for a state-endorsed high school
15 diploma.

16 (*iii*) The admission policy and criteria to be maintained by 17 the public school academy. The admission policy and criteria 18 shall comply with section 504. This part of the application also 19 shall include a description of how the applicant will provide to 20 the general public adequate notice that a public school academy 21 is being created and adequate information on the admission 22 policy, criteria, and process.

23 (*iv*) The school calendar and school day schedule.

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

25 (f) Descriptions of staff responsibilities and of the public26 school academy's governance structure.

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(g) For an application to the board of a school district, an
 intermediate school board, or board of a community college,
 identification of the local and intermediate school districts in
 which the public school academy will be located.

5 (h) An agreement that the public school academy will comply
6 with the provisions of this part and, subject to the provisions
7 of this part, with all other state law applicable to public
8 bodies and with federal law applicable to public bodies or school
9 districts.

10 (i) For a public school academy authorized by a school dis-11 trict, an assurance that employees of the public school academy 12 will be covered by the collective bargaining agreements that 13 apply to other employees of the school district employed in simi-14 lar classifications in schools that are not public school 15 academies.

16 (j) A description of and address for the proposed physical17 plant in which the public school academy will be located.

18 (4) An authorizing body shall oversee, or shall contract
19 with an intermediate school district, community college, or state
20 public university to oversee, each public school academy operat21 ing under a contract issued by the authorizing body. The over22 sight shall be sufficient to ensure that the authorizing body can
23 certify that the public school academy is in compliance with
24 statute, rules, and the terms of the contract.

(5) If the state board finds that an authorizing body is not
engaging in appropriate continuing oversight of 1 or more public
school academies operating under a contract issued by the

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1 authorizing body, the state board may suspend the power of the 2 authorizing body to issue new contracts to organize and operate 3 public school academies. A contract issued by the authorizing 4 body during the suspension is void. A contract issued by the 5 authorizing body before the suspension is not affected by the 6 suspension.

7 (6) An authorizing body shall not charge a fee, or require 8 reimbursement of expenses, for considering an application for a 9 contract, for issuing a contract, or for providing oversight of a 10 contract for a public school academy in an amount that exceeds a 11 combined total of 3% of the total state school aid received by 12 the public school academy in the school year in which the fees or 13 expenses are charged. An authorizing body may provide other 14 services for a public school academy and charge a fee for those 15 services, but shall not require such an arrangement as a condi-16 tion to issuing the contract authorizing the public school 17 academy.

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

Sec. 504. (1) A public school academy may be located in all or part of an existing public school building. A public school academy shall not operate at a site other than the single site requested for the configuration of grades that will use the site, s specified in the application required under section 502 and in the contract.

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(2) A public school academy shall not charge tuition. and
 EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3), A PUBLIC SCHOOL
 ACADEMY shall not discriminate in its pupil admissions policies
 or practices on the basis of intellectual or athletic ability,
 measures of achievement or aptitude, status as a handicapped
 person, or any other basis that would be illegal if used by a
 school district. However, a public school academy may limit
 admission to pupils who are within a particular range of age or
 grade level or on any other basis that would be legal if used by

(3) IF IT IS STATED IN THE CONTRACT AUTHORIZING A PUBLIC
SCHOOL ACADEMY THAT THE PUBLIC SCHOOL ACADEMY IS ESTABLISHED SPECIFICALLY FOR ENROLLING 1 OF THE FOLLOWING TYPES OF PUPILS, THE
PUBLIC SCHOOL ACADEMY MAY LIMIT ENROLLMENT ONLY TO THOSE PUPILS:
(A) PUPILS WHOSE PRIMARY DISABILITY HAS BEEN DETERMINED TO
BE A SPECIFIC LEARNING DISABILITY OR ANOTHER PARTICULAR CHARACTERISTIC OR SET OF CHARACTERISTICS RECOGNIZED UNDER SPECIAL EDUCATION RULES OF THE STATE BOARD.

(B) PUPILS PLACED IN THE PUBLIC SCHOOL ACADEMY BY A COURT.
(4) -(3) Except for a foreign exchange student who is not a
21 United States citizen, a public school academy shall not enroll a
22 pupil who is not a resident of this state. Enrollment in the
23 public school academy may be open to all individuals who reside
24 in this state who meet the admission policy and shall be open to
25 all pupils who reside within the geographic boundaries, if any,
26 of the authorizing body as described in section 502(2)(a) to (c)
27 who meet the admission policy, except that admission to a public

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1 school academy authorized by the board of a community college to 2 operate, or operated by the board of a community college, on the 3 grounds of a federal military installation, as described in sec-4 tion 502(2)(c), shall be open to all pupils who reside in the 5 county in which the federal military installation is located. 6 For a public school academy authorized by a state public univer-7 sity, enrollment shall be open to all pupils who reside in this 8 state who meet the admission policy. If there are more applica-9 tions to enroll in the public school academy than there are 10 spaces available, pupils shall be selected to attend using a 11 random selection process. However, a public school academy may 12 give enrollment priority to a sibling of a pupil enrolled in the 13 public school academy. A public school academy shall allow any 14 pupil who was enrolled in the public school academy in the imme-15 diately preceding school year to enroll in the public school 16 academy in the appropriate grade unless the appropriate grade is 17 not offered at that public school academy.

18 (5) (4) A public school academy may include any grade up 19 to grade 12 or any configuration of those grades, including kin-20 dergarten and early childhood education, as specified in its 21 contract. If specified in its contract, a public school academy 22 may also operate an adult basic education program, adult high 23 school completion program, or general education development test-24 ing preparation program. The authorizing body may approve amend-25 ment of a contract with respect to ages of pupils or grades 26 offered.

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