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Senate Bill 925 (Substitute S-3 as reported)
Senate Bill 926 (Substitute S-5 as reported)
Sponsor: Senator Buzz Thomas
Committee: Education

CONTENT

Senate Bill 925 (S-3) would create Part 6E (Schools of Excellence) of the Revised School Code to do the following:

- Allow an authorizing body (the board of a school district or intermediate school district, a community college, or a State public university) to issue a contract to organize and operate a school of excellence (SOE).
- Permit a person or entity that had operated a highly accredited public school academy or a public school in another state to receive a contract to organize and operate an SOE.
- Permit a limited number of contracts to be issued to a person or entity that did not meet that requirement, including at least three cyber schools.
- Require an entity organizing a cyber school to demonstrate the successful management of a cyber school in at least five other states, and meet other requirements.
- Require a cyber school to provide full-time instruction to pupils through online learning or other technology, be open to all pupils in the State, and offer all grades K to 12.
- Permit a person or entity, if a school district rejected an application for a contract to organize and operate an SOE, to petition the board to have the question of issuing a contract placed on the ballot in the next school election.
- Require a contract for an SOE to include the school's educational objectives, the method of monitoring its performance, and other information.
- Permit the authorizing body to revoke a contract if an SOE failed to meet its educational objectives or other grounds existed.
- Prohibit an SOE from charging tuition or discriminating in its admission policies on any basis that would be illegal if used by a school district.
- Require an SOE to use certificated teachers, with some exceptions.
- Require employees of an SOE authorized by a school district to be covered by the collective bargaining agreements that applied to district employees in similar classifications in non-SOE schools.
- Permit an SOE to compensate employees based on job performance, accomplishments, and job assignments in areas that are difficult to staff.

The bill also would include an SOE within the Code's definitions of "public school" and "public school academy".

Senate Bill 926 (S-5) would amend the State School Aid Act to require the Center for Educational Performance and Information, in cooperation with the Department of Education, to create and implement a teacher identifier system with the ability to match an individual teacher to pupils whom the teacher taught.

The two bills are tie-barred to one another and to Senate Bills 638, 965, 981, 982, and a bill that has not yet been introduced.

(Under Senate Bill 638, a teacher in a neighborhood public school (proposed by Senate Bill 636) would not be considered a teacher for the purpose of continuing tenure. Senate Bill 965 would require the Superintendent of Public Instruction to establish an alternative teacher certification process. Senate Bills 981 and 982 would provide for the designation of certain low-performing school districts as "turnaround school districts".)

MCL 308.5 et al. (S.B. 925)
388.1603 et al. (S.B. 926)

Legislative Analyst: Curtis Walker

FISCAL IMPACT

Senate Bill 925 (S-3): To the extent that the creation of schools of excellence yielded more students who were either retained in school or brought back into the public school system when they otherwise would have dropped out, the State would incur higher school aid budget costs, equal to the number of these students multiplied by the per-pupil foundation allowance. To the extent that students in public schools simply transferred from one school to another, there would be no State costs, though individual school districts' finances would be affected by the pupil migration.

The Department of Education would incur costs in administering the additional contract applications, similar to costs incurred now by the Charter Schools unit at the Department.

As mentioned above, local school districts whose pupils decided to transfer to a new school of excellence would see declining revenue based on how many students transferred. This is similar to the phenomenon that exists under current law with respect to public school academies (i.e., charter schools).

Senate Bill 926 (S-5): The bill would have no fiscal impact on State or local government.

Date Completed: 12-2-09

Fiscal Analyst: Kathryn Summers

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.