

# HOUSE BILL No. 5099

October 19, 2011, Introduced by Rep. Hobbs and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled  
"The revised school code,"  
(MCL 380.1 to 380.1852) by adding sections 503d, 523d, and 553d.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           **SEC. 503D. (1) BEGINNING WITH MANAGEMENT AGREEMENTS DESCRIBED**  
2 **IN THIS SECTION THAT ARE ENTERED INTO OR RENEWED AFTER THE**  
3 **EFFECTIVE DATE OF THIS SECTION, IF A PUBLIC SCHOOL ACADEMY ENTERS**  
4 **INTO OR RENEWS A MANAGEMENT AGREEMENT WITH AN EDUCATIONAL**  
5 **MANAGEMENT ORGANIZATION TO CARRY OUT THE OPERATIONS OF THE PUBLIC**  
6 **SCHOOL ACADEMY, BOTH OF THE FOLLOWING APPLY:**

7           **(A) THE EDUCATIONAL MANAGEMENT ORGANIZATION SHALL NOT CANCEL**  
8 **OR TERMINATE THE MANAGEMENT AGREEMENT DURING A SCHOOL YEAR.**

9           **(B) THE PUBLIC SCHOOL ACADEMY SHALL ENSURE THAT THE MANAGEMENT**  
10 **AGREEMENT INCLUDES APPROPRIATE PROVISIONS TO PREVENT THE**

1 CANCELLATION OR TERMINATION OF THE MANAGEMENT AGREEMENT DURING A  
2 SCHOOL YEAR.

3 (2) IF AN EDUCATIONAL MANAGEMENT ORGANIZATION CANCELS OR  
4 TERMINATES A MANAGEMENT AGREEMENT WITH A PUBLIC SCHOOL ACADEMY  
5 DURING A SCHOOL YEAR, THE PUBLIC SCHOOL ACADEMY SHALL REPORT THE  
6 CANCELLATION OR TERMINATION TO ITS AUTHORIZING BODY AND TO THE  
7 DEPARTMENT. IF THE DEPARTMENT RECEIVES A NOTICE UNDER THIS  
8 SUBSECTION OF A CANCELLATION OR TERMINATION OF A MANAGEMENT  
9 AGREEMENT BY AN EDUCATIONAL MANAGEMENT ORGANIZATION DURING A SCHOOL  
10 YEAR, THE DEPARTMENT SHALL PUBLISH ON ITS WEBSITE A NOTICE TO  
11 PUBLIC SCHOOL ACADEMIES AND AUTHORIZING BODIES THAT THE EDUCATIONAL  
12 MANAGEMENT ORGANIZATION HAS CANCELED OR TERMINATED A MANAGEMENT  
13 AGREEMENT DURING A SCHOOL YEAR, AND SHALL COMPILE AND MAINTAIN ON  
14 ITS WEBSITE A LIST OF EDUCATIONAL MANAGEMENT ORGANIZATIONS THAT  
15 HAVE CANCELED OR TERMINATED A MANAGEMENT AGREEMENT DURING A SCHOOL  
16 YEAR.

17 (3) A PUBLIC SCHOOL ACADEMY SHALL NOT ENTER INTO A MANAGEMENT  
18 AGREEMENT WITH AN EDUCATIONAL MANAGEMENT ORGANIZATION THAT IS ON  
19 THE LIST UNDER SUBSECTION (2) OF EDUCATIONAL MANAGEMENT  
20 ORGANIZATIONS THAT HAVE CANCELLED OR TERMINATED A MANAGEMENT  
21 AGREEMENT DURING A SCHOOL YEAR.

22 (4) AS USED IN THIS SECTION:

23 (A) "EDUCATIONAL MANAGEMENT ORGANIZATION" MEANS AN ENTITY THAT  
24 ENTERS INTO A MANAGEMENT AGREEMENT WITH A PUBLIC SCHOOL ACADEMY.

25 (B) "ENTITY" MEANS A PARTNERSHIP, NONPROFIT OR BUSINESS  
26 CORPORATION, OR ANY OTHER ASSOCIATION, CORPORATION, TRUST, OR OTHER  
27 LEGAL ENTITY.

1 (C) "MANAGEMENT AGREEMENT" MEANS AN AGREEMENT TO PROVIDE  
2 COMPREHENSIVE EDUCATIONAL, ADMINISTRATIVE, MANAGEMENT, OR  
3 INSTRUCTIONAL SERVICES OR STAFF TO A PUBLIC SCHOOL ACADEMY.

4 SEC. 523D. (1) BEGINNING WITH MANAGEMENT AGREEMENTS DESCRIBED  
5 IN THIS SECTION THAT ARE ENTERED INTO OR RENEWED AFTER THE  
6 EFFECTIVE DATE OF THIS SECTION, IF AN URBAN HIGH SCHOOL ACADEMY  
7 ENTERS INTO OR RENEWS A MANAGEMENT AGREEMENT WITH AN EDUCATIONAL  
8 MANAGEMENT ORGANIZATION TO CARRY OUT THE OPERATIONS OF THE URBAN  
9 HIGH SCHOOL ACADEMY, BOTH OF THE FOLLOWING APPLY:

10 (A) THE EDUCATIONAL MANAGEMENT ORGANIZATION SHALL NOT CANCEL  
11 OR TERMINATE THE MANAGEMENT AGREEMENT DURING A SCHOOL YEAR.

12 (B) THE URBAN HIGH SCHOOL ACADEMY SHALL ENSURE THAT THE  
13 MANAGEMENT AGREEMENT INCLUDES APPROPRIATE PROVISIONS TO PREVENT THE  
14 CANCELLATION OR TERMINATION OF THE MANAGEMENT AGREEMENT DURING A  
15 SCHOOL YEAR.

16 (2) IF AN EDUCATIONAL MANAGEMENT ORGANIZATION CANCELS OR  
17 TERMINATES A MANAGEMENT AGREEMENT WITH AN URBAN HIGH SCHOOL ACADEMY  
18 DURING A SCHOOL YEAR, THE URBAN HIGH SCHOOL ACADEMY SHALL REPORT  
19 THE CANCELLATION OR TERMINATION TO ITS AUTHORIZING BODY AND TO THE  
20 DEPARTMENT. IF THE DEPARTMENT RECEIVES A NOTICE UNDER THIS  
21 SUBSECTION OF A CANCELLATION OR TERMINATION OF A MANAGEMENT  
22 AGREEMENT BY AN EDUCATIONAL MANAGEMENT ORGANIZATION DURING A SCHOOL  
23 YEAR, THE DEPARTMENT SHALL PUBLISH ON ITS WEBSITE A NOTICE TO URBAN  
24 HIGH SCHOOL ACADEMIES AND AUTHORIZING BODIES THAT THE EDUCATIONAL  
25 MANAGEMENT ORGANIZATION HAS CANCELED OR TERMINATED A MANAGEMENT  
26 AGREEMENT DURING A SCHOOL YEAR, AND SHALL MAINTAIN ON ITS WEBSITE A  
27 LIST OF EDUCATIONAL MANAGEMENT ORGANIZATIONS THAT HAVE CANCELED OR

1 TERMINATED A MANAGEMENT AGREEMENT DURING A SCHOOL YEAR.

2 (3) AN URBAN HIGH SCHOOL ACADEMY SHALL NOT ENTER INTO A  
3 MANAGEMENT AGREEMENT WITH AN EDUCATIONAL MANAGEMENT ORGANIZATION  
4 THAT IS ON THE LIST UNDER SUBSECTION (2) OF EDUCATIONAL MANAGEMENT  
5 ORGANIZATIONS THAT HAVE CANCELED OR TERMINATED A MANAGEMENT  
6 AGREEMENT DURING A SCHOOL YEAR.

7 (4) AS USED IN THIS SECTION:

8 (A) "EDUCATIONAL MANAGEMENT ORGANIZATION" MEANS AN ENTITY THAT  
9 ENTERS INTO A MANAGEMENT AGREEMENT WITH AN URBAN HIGH SCHOOL  
10 ACADEMY.

11 (B) "ENTITY" MEANS A PARTNERSHIP, NONPROFIT OR BUSINESS  
12 CORPORATION, OR ANY OTHER ASSOCIATION, CORPORATION, TRUST, OR OTHER  
13 LEGAL ENTITY.

14 (C) "MANAGEMENT AGREEMENT" MEANS AN AGREEMENT TO PROVIDE  
15 COMPREHENSIVE EDUCATIONAL, ADMINISTRATIVE, MANAGEMENT, OR  
16 INSTRUCTIONAL SERVICES OR STAFF TO AN URBAN HIGH SCHOOL ACADEMY.

17 SEC. 553D. (1) BEGINNING WITH MANAGEMENT AGREEMENTS DESCRIBED  
18 IN THIS SECTION THAT ARE ENTERED INTO OR RENEWED AFTER THE  
19 EFFECTIVE DATE OF THIS SECTION, IF A SCHOOL OF EXCELLENCE ENTERS  
20 INTO OR RENEWS A MANAGEMENT AGREEMENT WITH AN EDUCATIONAL  
21 MANAGEMENT ORGANIZATION TO CARRY OUT THE OPERATIONS OF THE SCHOOL  
22 OF EXCELLENCE, BOTH OF THE FOLLOWING APPLY:

23 (A) THE EDUCATIONAL MANAGEMENT ORGANIZATION SHALL NOT CANCEL  
24 OR TERMINATE THE MANAGEMENT AGREEMENT DURING A SCHOOL YEAR.

25 (B) THE SCHOOL OF EXCELLENCE SHALL ENSURE THAT THE MANAGEMENT  
26 AGREEMENT INCLUDES APPROPRIATE PROVISIONS TO PREVENT THE  
27 CANCELLATION OR TERMINATION OF THE MANAGEMENT AGREEMENT DURING A

1 SCHOOL YEAR.

2 (2) IF AN EDUCATIONAL MANAGEMENT ORGANIZATION CANCELS OR  
3 TERMINATES A MANAGEMENT AGREEMENT WITH A SCHOOL OF EXCELLENCE  
4 DURING A SCHOOL YEAR, THE SCHOOL OF EXCELLENCE SHALL REPORT THE  
5 CANCELLATION OR TERMINATION TO ITS AUTHORIZING BODY AND TO THE  
6 DEPARTMENT. IF THE DEPARTMENT RECEIVES A NOTICE UNDER THIS  
7 SUBSECTION OF A CANCELLATION OR TERMINATION OF A MANAGEMENT  
8 AGREEMENT BY AN EDUCATIONAL MANAGEMENT ORGANIZATION DURING A SCHOOL  
9 YEAR, THE DEPARTMENT SHALL PUBLISH ON ITS WEBSITE A NOTICE TO  
10 SCHOOLS OF EXCELLENCE AND AUTHORIZING BODIES THAT THE EDUCATIONAL  
11 MANAGEMENT ORGANIZATION HAS CANCELED OR TERMINATED A MANAGEMENT  
12 AGREEMENT DURING A SCHOOL YEAR, AND SHALL MAINTAIN ON ITS WEBSITE A  
13 LIST OF EDUCATIONAL MANAGEMENT ORGANIZATIONS THAT HAVE CANCELED OR  
14 TERMINATED A MANAGEMENT AGREEMENT DURING A SCHOOL YEAR.

15 (3) A SCHOOL OF EXCELLENCE SHALL NOT ENTER INTO A MANAGEMENT  
16 AGREEMENT WITH AN EDUCATIONAL MANAGEMENT ORGANIZATION THAT IS ON  
17 THE LIST UNDER SUBSECTION (2) OF EDUCATIONAL MANAGEMENT  
18 ORGANIZATIONS THAT HAVE CANCELED OR TERMINATED A MANAGEMENT  
19 AGREEMENT DURING A SCHOOL YEAR.

20 (4) AS USED IN THIS SECTION, "MANAGEMENT AGREEMENT" MEANS AN  
21 AGREEMENT TO PROVIDE COMPREHENSIVE EDUCATIONAL, ADMINISTRATIVE,  
22 MANAGEMENT, OR INSTRUCTIONAL SERVICES OR STAFF TO A SCHOOL OF  
23 EXCELLENCE.