

# SENATE BILL No. 173

February 21, 2017, Introduced by Senators ANANICH, HOPGOOD and BIEDA and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled "The revised school code," by amending sections 507, 528, 561, and 1311/ (MCL 380.507, 380.528, 380.561, and 380.1311/), sections 507, 528, and 561 as amended by 2016 PA 192 and section 1311/ as added by 1999 PA 23.

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

1           Sec. 507. (1) An authorizing body that issues a contract for a  
2 public school academy under this part shall do all of the  
3 following:

4           (a) Ensure that the contract and the application for the  
5 contract comply with the requirements of this part.

6           (b) Within 10 days after issuing the contract, submit to the

1 department a copy of the contract.

2 (c) Establish the method of selection, length of term, and  
3 number of members of the board of directors of each public school  
4 academy that it authorizes. The authorizing body shall ensure that  
5 the board of directors includes representation from the local  
6 community.

7 (d) Oversee each public school academy operating under a  
8 contract issued by the authorizing body. The oversight shall be  
9 sufficient to ensure that the board of directors is in compliance  
10 with the terms of the contract and with applicable law.

11 (e) Develop and implement a process for holding a public  
12 school academy accountable for meeting applicable academic  
13 performance standards set forth in the contract and for  
14 implementing corrective action for a public school academy that  
15 does not meet those standards.

16 (f) Take necessary measures to ensure that the board of  
17 directors of a public school academy operates independently of any  
18 educational management company involved in the operations of the  
19 public school academy.

20 (g) Oversee and ensure that the pupil admission process used  
21 by the public school academy is operated in a fair and open manner  
22 and is in compliance with the contract and this part.

23 (h) Ensure that the board of directors of the public school  
24 academy maintains and releases information as necessary to comply  
25 with applicable law.

26 (2) An authorizing body may enter into an agreement with 1 or  
27 more other authorizing bodies to carry out any function of an

1 authorizing body under this act.

2 (3) The authorizing body for a public school academy is the  
3 fiscal agent for the public school academy. A state school aid  
4 payment for a public school academy shall be paid to the  
5 authorizing body that is the fiscal agent for that public school  
6 academy, and the authorizing body shall then forward the payment to  
7 the public school academy. Within 30 days after a contract is  
8 submitted to the department by an authorizing body under subsection  
9 (1), the department shall issue a district code to the public  
10 school academy for which the contract was issued. If the department  
11 does not issue a district code within 30 days after a contract is  
12 filed, the state treasurer shall assign a temporary district code  
13 in order for the public school academy to receive funding under the  
14 state school aid act of 1979.

15 (4) A contract issued under this part may be revoked by the  
16 authorizing body if the authorizing body determines that 1 or more  
17 of the following have occurred:

18 (a) Failure of the public school academy to demonstrate  
19 improved pupil academic achievement for all groups of pupils or  
20 meet the educational goals set forth in the contract.

21 (b) Failure of the public school academy to comply with all  
22 applicable law.

23 (c) Failure of the public school academy to meet generally  
24 accepted public sector accounting principles and demonstrate sound  
25 fiscal stewardship.

26 (d) The existence of 1 or more other grounds for revocation as  
27 specified in the contract.

1           (5) Except for a public school academy that is an alternative  
2 school serving a special student population, if the state school  
3 reform/redesign officer determines that a public school academy  
4 site that has been operating for at least 4 years is among the  
5 lowest achieving 5% of all public schools in this state for the  
6 immediately preceding 3 school years, as determined under section  
7 1280c, not to include any individualized education plan subgroup,  
8 the state school reform/redesign officer shall notify the public  
9 school academy's authorizing body. Also, except for a public school  
10 academy that is an alternative school serving a special student  
11 population, after the accountability system under section 390 has  
12 been in effect in the community district for at least 3 full school  
13 years, if the state school reform/redesign officer determines that  
14 a public school academy site located in a community district has  
15 been assigned a grade of "F" under section 390 for the immediately  
16 preceding 3 school years, and is not currently undergoing  
17 reconstitution under this section, the state school reform/redesign  
18 officer shall notify the public school academy's authorizing body.  
19 Subject to subsection (6), if an authorizing body receives notice  
20 from the state school reform/redesign officer under this  
21 subsection, the authorizing body shall amend the public school  
22 academy's contract to eliminate the public school academy's  
23 authority to operate the existing age and grade levels at the site  
24 and the public school academy shall cease operating the existing  
25 age and grade levels at the site, effective at the end of the  
26 current school year. Subject to subsection (6), if the public  
27 school academy operates at only 1 site, and the authorizing body

1 receives notice from the state school reform/redesign officer under  
2 this subsection, the authorizing body shall revoke the public  
3 school academy's contract, effective at the end of the current  
4 school year.

5 (6) For a public school academy or site that is subject to a  
6 notice to its authorizing body under this subsection, the state  
7 school reform/redesign officer shall consider other public school  
8 options available to pupils in the grade levels offered by the  
9 public school academy or site who reside in the geographic area  
10 served by the public school academy or site. If the state school  
11 reform/redesign officer determines that closure of the public  
12 school academy or site would result in an unreasonable hardship to  
13 these pupils because there are insufficient other public school  
14 options reasonably available for these pupils, the state school  
15 reform/redesign officer may rescind the notice. If the state school  
16 reform/redesign officer rescinds a notice subjecting a public  
17 school academy or site to closure, the state school reform/redesign  
18 officer shall do so before the end of the school year. If the state  
19 school reform/redesign officer rescinds a notice subjecting a  
20 public school academy or site to closure, the state school  
21 reform/redesign officer shall require the public school academy or  
22 site to implement a school improvement plan that includes measures  
23 to increase pupil growth and improve pupil proficiency, with growth  
24 and proficiency measured by performance on state assessments.

25 (7) Except as otherwise provided in section 502 or 503, the  
26 decision of an authorizing body to issue, not issue, or  
27 reconstitute a contract under this part, or to terminate or revoke

1 a contract under this section, is solely within the discretion of  
2 the authorizing body, is final, and is not subject to review by a  
3 court or any state agency. An authorizing body that issues, does  
4 not issue, or reconstitutes a contract under this part, or that  
5 terminates or revokes a contract under this section, is not liable  
6 for that action to the public school academy, the public school  
7 academy corporation, a pupil of the public school academy, the  
8 parent or guardian of a pupil of the public school academy, or any  
9 other person.

10 (8) Except as otherwise provided in this section, before an  
11 authorizing body revokes a contract, the authorizing body may  
12 consider and take corrective measures to avoid revocation. An  
13 authorizing body may reconstitute the public school academy in a  
14 final attempt to improve student educational performance or to  
15 avoid interruption of the educational process. An authorizing body  
16 shall include a reconstituting provision in the contract that  
17 identifies these corrective measures, including, but not limited  
18 to, canceling a contract with an educational management  
19 organization, if any, withdrawing approval of a contract under  
20 section 506, or appointing a new board of directors or a trustee to  
21 take over operation of the public school academy.

22 (9) If an authorizing body revokes a contract, the authorizing  
23 body shall work with a school district or another public school, or  
24 with a combination of these entities, to ensure a smooth transition  
25 for the affected pupils. If the revocation occurs during the school  
26 year, the authorizing body, as the fiscal agent for the public  
27 school academy under this part, shall return any school aid funds

1 held by the authorizing body that are attributable to the affected  
2 pupils to the state treasurer for deposit into the state school aid  
3 fund. The state treasurer shall distribute funds to the public  
4 school in which the pupils enroll after the revocation pursuant to  
5 a methodology established by the department and the center for  
6 educational performance and information.

7 (10) Not ~~more~~ **LATER** than 10 days after a public school  
8 academy's contract terminates or is revoked, the authorizing body  
9 shall notify the superintendent of public instruction in writing of  
10 the name of the public school academy whose contract has terminated  
11 or been revoked and the date of contract termination or revocation.

12 (11) **IF A PUBLIC SCHOOL ACADEMY'S CONTRACT TERMINATES OR IS**  
13 **REVOKED, TITLE TO ALL REAL AND PERSONAL PROPERTY, INTEREST IN REAL**  
14 **OR PERSONAL PROPERTY, AND OTHER ASSETS OWNED BY THE PUBLIC SCHOOL**  
15 **ACADEMY SHALL REVERT TO THE STATE. THIS PROPERTY SHALL BE**  
16 **DISTRIBUTED IN ACCORDANCE WITH THE FOLLOWING:**

17 (A) **WITHIN 30 DAYS FOLLOWING THE TERMINATION OR REVOCATION,**  
18 **THE BOARD OF DIRECTORS OF A PUBLIC SCHOOL ACADEMY SHALL HOLD A**  
19 **PUBLIC MEETING TO ADOPT A PLAN OF DISTRIBUTION OF ASSETS AND TO**  
20 **APPROVE THE DISSOLUTION OF THE PUBLIC SCHOOL ACADEMY CORPORATION,**  
21 **ALL IN ACCORDANCE WITH CHAPTER 8 OF THE NONPROFIT CORPORATION ACT,**  
22 **1982 PA 162, MCL 450.2801 TO 450.2864.**

23 (B) **THE PUBLIC SCHOOL ACADEMY SHALL FILE A CERTIFICATE OF**  
24 **DISSOLUTION WITH THE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**  
25 **WITHIN 10 BUSINESS DAYS FOLLOWING BOARD APPROVAL.**

26 (C) **SIMULTANEOUSLY WITH THE FILING OF THE CERTIFICATE OF**  
27 **DISSOLUTION UNDER SUBDIVISION (B), THE PUBLIC SCHOOL ACADEMY BOARD**

1 OF DIRECTORS SHALL PROVIDE A COPY OF THE BOARD OF DIRECTORS' PLAN  
2 OF DISTRIBUTION OF ASSETS TO THE STATE TREASURER FOR APPROVAL.  
3 WITHIN 30 DAYS, THE STATE TREASURER, OR HIS OR HER DESIGNEE, SHALL  
4 REVIEW AND APPROVE THE BOARD OF DIRECTORS' PLAN OF DISTRIBUTION OF  
5 ASSETS. IF THE PROPOSED PLAN OF DISTRIBUTION OF ASSETS IS NOT  
6 APPROVED WITHIN 30 DAYS, THE STATE TREASURER, OR HIS OR HER  
7 DESIGNEE, SHALL PROVIDE THE BOARD OF DIRECTORS WITH AN ACCEPTABLE  
8 PLAN OF DISTRIBUTION OF ASSETS.

9 (D) THE STATE TREASURER, OR HIS OR HER DESIGNEE, SHALL MONITOR  
10 THE PUBLIC SCHOOL ACADEMY'S WINDING UP OF THE DISSOLVED CORPORATION  
11 IN ACCORDANCE WITH THE PLAN OF DISTRIBUTION OF ASSETS APPROVED OR  
12 PROVIDED UNDER SUBDIVISION (C).

13 (E) AS PART OF THE PLAN OF DISTRIBUTION OF ASSETS, THE PUBLIC  
14 SCHOOL ACADEMY BOARD OF DIRECTORS SHALL DESIGNATE THE DIRECTOR OF  
15 THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET, OR HIS OR HER  
16 DESIGNEE, TO DISPOSE OF ALL REAL PROPERTY OF THE PUBLIC SCHOOL  
17 ACADEMY CORPORATION IN ACCORDANCE WITH THE DIRECTIVES DEVELOPED FOR  
18 DISPOSITION OF SURPLUS LAND AND FACILITIES UNDER SECTION 251 OF THE  
19 MANAGEMENT AND BUDGET ACT, 1984 PA 431, MCL 18.1251.

20 (F) IF THE BOARD OF DIRECTORS OF A PUBLIC SCHOOL ACADEMY FAILS  
21 TO TAKE ANY NECESSARY ACTION UNDER THIS SECTION, THE STATE  
22 TREASURER, OR HIS OR HER DESIGNEE, MAY SUSPEND THE PUBLIC SCHOOL  
23 ACADEMY BOARD OF DIRECTORS AND APPOINT A TRUSTEE TO CARRY OUT THE  
24 BOARD'S PLAN OF DISTRIBUTION OF ASSETS. UPON APPOINTMENT, THE  
25 TRUSTEE SHALL HAVE ALL THE RIGHTS, POWERS, AND PRIVILEGES UNDER LAW  
26 THAT THE PUBLIC SCHOOL ACADEMY BOARD OF DIRECTORS HAD BEFORE BEING  
27 SUSPENDED.



1 (G) FOLLOWING THE SALE OF THE REAL OR PERSONAL PROPERTY OR  
2 INTERESTS IN THE REAL OR PERSONAL PROPERTY, AND AFTER PAYMENT OF  
3 ANY PUBLIC SCHOOL ACADEMY DEBT SECURED BY THE PROPERTY OR INTEREST  
4 IN PROPERTY, WHETHER REAL OR PERSONAL, THE PUBLIC SCHOOL ACADEMY  
5 BOARD OF DIRECTORS, OR A TRUSTEE APPOINTED UNDER THIS SECTION,  
6 SHALL FORWARD ANY REMAINING MONEY TO THE STATE TREASURER. FOLLOWING  
7 RECEIPT, THE STATE TREASURER, OR HIS OR HER DESIGNEE, SHALL DEPOSIT  
8 THIS REMAINING MONEY IN THE STATE SCHOOL AID FUND.

9 (H) THE AUTHORIZING BODY FOR THE PUBLIC SCHOOL ACADEMY SHALL  
10 TAKE CUSTODY OF ALL STUDENT RECORDS OF THE PUBLIC SCHOOL ACADEMY,  
11 SHALL MAINTAIN THESE RECORDS IN THE SAME MANNER AS REQUIRED BY LAW  
12 FOR A SCHOOL DISTRICT, AND SHALL ENSURE THAT THESE RECORDS ARE  
13 TRANSFERRED TO THE SCHOOL IN WHICH A PUPIL ENROLLS AFTER THE  
14 TERMINATION OR REVOCATION IN THE MANNER PRESCRIBED BY LAW.

15 (12) IF AN AUTHORIZING BODY REVOKES A PUBLIC SCHOOL ACADEMY  
16 CONTRACT, NOT LATER THAN 90 DAYS AFTER THE CONTRACT IS REVOKED THE  
17 AUTHORIZING BODY SHALL SUBMIT A CONTRACT REVOCATION REPORT TO THE  
18 SUPERINTENDENT OF PUBLIC INSTRUCTION AND SHALL POST THE CONTRACT  
19 REVOCATION REPORT ON ITS WEBSITE. THE CONTRACT REVOCATION REPORT  
20 SHALL BE SUBMITTED IN THE FORM AND MANNER PRESCRIBED BY THE  
21 SUPERINTENDENT OF PUBLIC INSTRUCTION AND SHALL INCLUDE AT LEAST ALL  
22 OF THE FOLLOWING:

23 (A) IDENTIFICATION OF THE NAME AND LOCATION OF THE PUBLIC  
24 SCHOOL ACADEMY, THE EFFECTIVE DATE OF THE REVOCATION, AND THE  
25 REASONS FOR THE REVOCATION.

26 (B) A DESCRIPTION OF THE MEASURES TAKEN UNDER SUBSECTION (9)  
27 TO ENSURE A SMOOTH TRANSITION FOR THE AFFECTED PUPILS.

1           **(C) A DESCRIPTION OF THE MEASURES TAKEN TO COMPLY WITH**  
2 **SUBSECTION (11) .**

3           Sec. 528. (1) An authorizing body that issues a contract for  
4 an urban high school academy under this part shall do all of the  
5 following:

6           (a) Ensure that the contract and the application for the  
7 contract comply with the requirements of this part.

8           (b) Within 10 days after issuing the contract, submit to the  
9 department a copy of the contract.

10           (c) Adopt a resolution establishing the method of selection,  
11 length of term, and number of members of the board of directors of  
12 each urban high school academy that it authorizes. The resolution  
13 shall be written or amended as necessary to include a requirement  
14 that each member of the board of directors must be a citizen of the  
15 United States.

16           (d) Oversee the operations of each urban high school academy  
17 operating under a contract issued by the authorizing body. The  
18 oversight shall be sufficient to ensure that the urban high school  
19 academy is in compliance with the terms of the contract and with  
20 applicable law. An authorizing body may enter into an agreement  
21 with 1 or more other authorizing bodies to oversee an urban high  
22 school academy operating under a contract issued by the authorizing  
23 body.

24           (e) Develop and implement a process for holding an urban high  
25 school academy board of directors accountable for meeting  
26 applicable academic performance standards set forth in the contract  
27 and for implementing corrective action for an urban high school

1 academy that does not meet those standards.

2 (f) Take necessary measures to ensure that an urban high  
3 school academy board of directors operates independently of any  
4 educational management company involved in the operations of the  
5 urban high school academy.

6 (g) Oversee and ensure that the pupil admission process used  
7 by the urban high school academy is operated in a fair and open  
8 manner and is in compliance with the contract and this part.

9 (h) Ensure that the board of directors of the urban high  
10 school academy maintains and releases information as necessary to  
11 comply with applicable law.

12 (2) An authorizing body may enter into an agreement with 1 or  
13 more other authorizing bodies to carry out any function of an  
14 authorizing body under this act.

15 (3) The authorizing body for an urban high school academy is  
16 the fiscal agent for the urban high school academy. A state school  
17 aid payment for an urban high school academy shall be paid to the  
18 authorizing body that is the fiscal agent for that urban high  
19 school academy, which shall then forward the payment to the urban  
20 high school academy. Within 30 days after a contract is submitted  
21 to the department by an authorizing body under subsection (1), the  
22 department shall issue a district code to the urban high school  
23 academy for which the contract was issued. If the department does  
24 not issue a district code within 30 days after a contract is filed,  
25 the state treasurer shall assign a temporary district code in order  
26 for the urban high school academy to receive funding under the  
27 state school aid act of 1979.

1 (4) A contract issued under this part may be revoked by the  
2 authorizing body that issued the contract if the authorizing body  
3 determines that 1 or more of the following have occurred:

4 (a) Failure of the urban high school academy to demonstrate  
5 improved pupil academic achievement for all groups of pupils or  
6 meet the educational goals set forth in the contract.

7 (b) Failure of the urban high school academy to comply with  
8 all applicable law.

9 (c) Failure of the urban high school academy to meet generally  
10 accepted public sector accounting principles and demonstrate sound  
11 fiscal stewardship.

12 (d) The existence of 1 or more other grounds for revocation as  
13 specified in the contract.

14 (5) Except for an urban high school academy that is an  
15 alternative school serving a special student population, if the  
16 state school reform/redesign officer determines that an urban high  
17 school academy site that has been operating for at least 4 years is  
18 among the lowest achieving 5% of all public schools in this state  
19 for the immediately preceding 3 school years, as determined under  
20 section 1280c, not to include any individualized education plan  
21 subgroup, the state school reform/redesign officer shall notify the  
22 urban high school academy's authorizing body. Also, except for an  
23 urban high school academy that is an alternative school serving a  
24 special student population, after the accountability system under  
25 section 390 has been in effect in the community district for at  
26 least 3 full school years, if the state school reform/redesign  
27 officer determines that an urban high school academy site located

1 in a community district has been assigned a grade of "F" under  
2 section 390 for the immediately preceding 3 school years, and is  
3 not currently undergoing reconstitution under this section, the  
4 state school reform/redesign officer shall notify the urban high  
5 school academy's authorizing body. Subject to subsection (6), if an  
6 authorizing body receives notice from the state school  
7 reform/redesign officer under this subsection, the authorizing body  
8 shall amend the urban high school academy's contract to eliminate  
9 the urban high school academy's authority to operate the existing  
10 age and grade levels at the site and the urban high school academy  
11 shall cease operating the existing age and grade levels at the  
12 site, effective at the end of the current school year. Subject to  
13 subsection (6), if the urban high school academy operates at only 1  
14 site, and the authorizing body receives notice from the state  
15 school reform/redesign officer under this subsection, the  
16 authorizing body shall revoke the urban high school academy's  
17 contract, effective at the end of the current school year.

18 (6) For an urban high school academy or site that is subject  
19 to a notice to its authorizing body under this subsection, the  
20 state school reform/redesign officer shall consider other public  
21 school options available to pupils in the grade levels offered by  
22 the urban high school academy or site who reside in the geographic  
23 area served by the urban high school academy or site. If the state  
24 school reform/redesign officer determines that closure of the urban  
25 high school academy or site would result in an unreasonable  
26 hardship to these pupils because there are insufficient other  
27 public school options reasonably available for these pupils, the

1 state school reform/redesign officer may rescind the notice. If the  
2 state school reform/redesign officer rescinds a notice subjecting  
3 an urban high school academy or site to closure, the state school  
4 reform/redesign officer shall do so before the end of the school  
5 year. If the state school reform/redesign officer rescinds a notice  
6 subjecting an urban high school academy or site to closure, the  
7 state school reform/redesign officer shall require the urban high  
8 school academy or site to implement a school improvement plan that  
9 includes measures to increase pupil growth and improve pupil  
10 proficiency, with growth and proficiency measured by performance on  
11 state assessments.

12 (7) Except as otherwise provided in section 522, the decision  
13 of an authorizing body to issue, not issue, or reconstitute a  
14 contract under this part, or to terminate or revoke a contract  
15 under this section, is solely within the discretion of the  
16 authorizing body, is final, and is not subject to review by a court  
17 or any state agency. An authorizing body that issues, does not  
18 issue, or reconstitutes a contract under this part, or that  
19 terminates or revokes a contract under this section, is not liable  
20 for that action to the urban high school academy, the urban high  
21 school academy corporation, a pupil of the urban high school  
22 academy, the parent or guardian of a pupil of the urban high school  
23 academy, or any other person.

24 (8) Except as otherwise provided in this section, before an  
25 authorizing body revokes a contract, the authorizing body may  
26 consider and take corrective measures to avoid revocation. An  
27 authorizing body may reconstitute the urban high school academy in

1 a final attempt to improve student educational performance or to  
2 avoid interruption of the educational process. An authorizing body  
3 shall include a reconstituting provision in the contract that  
4 identifies these corrective measures, including, but not limited  
5 to, removing 1 or more members of the board of directors,  
6 withdrawing approval to contract under section 527, or appointing a  
7 new board of directors or a trustee to take over operation of the  
8 urban high school academy.

9 (9) If an authorizing body revokes a contract, the authorizing  
10 body shall work with a school district or another public school, or  
11 with a combination of these entities, to ensure a smooth transition  
12 for the affected pupils. If the revocation occurs during the school  
13 year, the authorizing body, as the fiscal agent for the urban high  
14 school academy under this part, shall return any school aid funds  
15 held by the authorizing body that are attributable to the affected  
16 pupils to the state treasurer for deposit into the state school aid  
17 fund. The state treasurer shall distribute funds to the public  
18 school in which the pupils enroll after the revocation pursuant to  
19 a methodology established by the department and the center for  
20 educational performance and information.

21 (10) Not more than 10 days after an urban high school  
22 academy's contract terminates or is revoked, the authorizing body  
23 shall notify the superintendent of public instruction in writing of  
24 the name of the urban high school academy whose contract has  
25 terminated or been revoked and the date of contract termination or  
26 revocation.

27 (11) If an urban high school academy's contract terminates or

1 is revoked, title to all real and personal property, interest in  
2 real or personal property, and other assets owned by the urban high  
3 school academy shall revert to the state. This property shall be  
4 distributed in accordance with the following:

5 (a) Within 30 days following the termination or revocation,  
6 the board of directors of an urban high school academy shall hold a  
7 public meeting to adopt a plan of distribution of assets and to  
8 approve the dissolution of the urban high school academy  
9 corporation, all in accordance with chapter 8 of the nonprofit  
10 corporation act, 1982 PA 162, MCL 450.2801 to 450.2864.

11 (b) The urban high school academy shall file a certificate of  
12 dissolution with the department of licensing and regulatory affairs  
13 within 10 business days following board approval.

14 (c) Simultaneously with the filing of the certificate of  
15 dissolution under subdivision (b), the urban high school academy  
16 board of directors shall provide a copy of the board of directors'  
17 plan of distribution of assets to the state treasurer for approval.  
18 Within 30 days, the state treasurer, or his or her designee, shall  
19 review and approve the board of directors' plan of distribution of  
20 assets. If the proposed plan of distribution of assets is not  
21 approved within 30 days, the state treasurer, or his or her  
22 designee, shall provide the board of directors with an acceptable  
23 plan of distribution of assets.

24 (d) The state treasurer, or his or her designee, shall monitor  
25 the urban high school academy's winding up of the dissolved  
26 corporation in accordance with the plan of distribution of assets  
27 approved or provided under subdivision (c).



1 (e) As part of the plan of distribution of assets, the urban  
2 high school academy board of directors shall designate the director  
3 of the department of technology, management, and budget, or his or  
4 her designee, to dispose of all real property of the urban high  
5 school academy corporation in accordance with the directives  
6 developed for disposition of surplus land and facilities under  
7 section 251 of the management and budget act, 1984 PA 431, MCL  
8 18.1251.

9 (f) If the board of directors of an urban high school academy  
10 fails to take any necessary action under this section, the state  
11 treasurer, or his or her designee, may suspend the urban high  
12 school academy board of directors and appoint a trustee to carry  
13 out the board's plan of distribution of assets. Upon appointment,  
14 the trustee shall have all the rights, powers, and privileges under  
15 law that the urban high school academy board of directors had  
16 before being suspended.

17 (g) Following the sale of the real or personal property or  
18 interests in the real or personal property, and after payment of  
19 any urban high school academy debt secured by the property or  
20 interest in property, whether real or personal, the urban high  
21 school academy board of directors, or a trustee appointed under  
22 this section, shall forward any remaining money to the state  
23 treasurer. Following receipt, the state treasurer, or his or her  
24 designee, shall deposit this remaining money in the state school  
25 aid fund.

26 **(H) THE AUTHORIZING BODY FOR THE URBAN HIGH SCHOOL ACADEMY**  
27 **SHALL TAKE CUSTODY OF ALL STUDENT RECORDS OF THE URBAN HIGH SCHOOL**

1 ACADEMY, SHALL MAINTAIN THESE RECORDS IN THE SAME MANNER AS  
2 REQUIRED BY LAW FOR A SCHOOL DISTRICT, AND SHALL ENSURE THAT THESE  
3 RECORDS ARE TRANSFERRED TO THE SCHOOL IN WHICH A PUPIL ENROLLS  
4 AFTER THE TERMINATION OR REVOCATION IN THE MANNER PRESCRIBED BY  
5 LAW.

6 (12) IF AN AUTHORIZING BODY REVOKES AN URBAN HIGH SCHOOL  
7 ACADEMY CONTRACT, NOT LATER THAN 90 DAYS AFTER THE CONTRACT IS  
8 REVOKED THE AUTHORIZING BODY SHALL SUBMIT A CONTRACT REVOCATION  
9 REPORT TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION AND SHALL POST  
10 THE CONTRACT REVOCATION REPORT ON ITS WEBSITE. THE CONTRACT  
11 REVOCATION REPORT SHALL BE SUBMITTED IN THE FORM AND MANNER  
12 PRESCRIBED BY THE SUPERINTENDENT OF PUBLIC INSTRUCTION AND SHALL  
13 INCLUDE AT LEAST ALL OF THE FOLLOWING:

14 (A) IDENTIFICATION OF THE NAME AND LOCATION OF THE URBAN HIGH  
15 SCHOOL ACADEMY, THE EFFECTIVE DATE OF THE REVOCATION, AND THE  
16 REASONS FOR THE REVOCATION.

17 (B) A DESCRIPTION OF THE MEASURES TAKEN UNDER SUBSECTION (9)  
18 TO ENSURE A SMOOTH TRANSITION FOR THE AFFECTED PUPILS.

19 (C) A DESCRIPTION OF THE MEASURES TAKEN TO COMPLY WITH  
20 SUBSECTION (11).

21 Sec. 561. (1) If an authorizing body issues a contract for a  
22 school of excellence under this part, the authorizing body shall do  
23 all of the following:

24 (a) Ensure that the contract and the application for the  
25 contract comply with the requirements of this part.

26 (b) Within 10 days after issuing the contract, submit to the  
27 department a copy of the contract.

1 (c) Establish the method of selection, length of term, and  
2 number of members of the board of directors of each school of  
3 excellence that it authorizes. The authorizing body shall ensure  
4 that the board of directors includes representation from the local  
5 community.

6 (d) Oversee the operations of each school of excellence  
7 operating under a contract issued by the authorizing body. The  
8 oversight shall be sufficient to ensure that the school of  
9 excellence is in compliance with the terms of the contract and with  
10 applicable law. This subdivision does not relieve any other  
11 governmental entity of its enforcement or supervisory  
12 responsibility.

13 (e) Develop and implement a process for holding a school of  
14 excellence board of directors accountable for meeting applicable  
15 academic performance standards set forth in the contract and for  
16 implementing corrective action for a school of excellence that does  
17 not meet those standards.

18 (f) Take necessary measures to ensure that a school of  
19 excellence board of directors operates independently of any  
20 educational management organization involved in the operations of  
21 the school of excellence.

22 (g) Oversee and ensure that the pupil admission process used  
23 by the school of excellence is operated in a fair and open manner  
24 and is in compliance with the contract and this part.

25 (h) Ensure that the board of directors of the school of  
26 excellence maintains and releases information as necessary to  
27 comply with applicable law.

1           (2) The authorizing body may enter into an agreement with 1 or  
2 more authorizing bodies, as defined under part 6a, to carry out any  
3 function of the authorizing body under subsection (1)(a) to (h).

4           (3) The authorizing body for a school of excellence is the  
5 fiscal agent for the school of excellence. A state school aid  
6 payment for a school of excellence shall be paid to the authorizing  
7 body as the fiscal agent for that school of excellence, and the  
8 authorizing body shall then forward the payment to the school of  
9 excellence. Within 30 days after a contract is submitted to the  
10 department by the authorizing body under subsection (1), the  
11 department shall issue a district code to the school of excellence  
12 for which the contract was issued. If the department does not issue  
13 a district code within 30 days after a contract is filed, the state  
14 treasurer shall assign a temporary district code in order for the  
15 school of excellence to receive funding under the state school aid  
16 act of 1979.

17           (4) A contract issued under this part may be revoked by the  
18 authorizing body if the authorizing body determines that 1 or more  
19 of the following have occurred:

20           (a) Failure of the school of excellence to demonstrate  
21 improved pupil academic achievement for all groups of pupils or  
22 meet the educational goals set forth in the contract.

23           (b) Failure of the school of excellence to comply with all  
24 applicable law.

25           (c) Failure of the school of excellence to meet generally  
26 accepted public sector accounting principles and demonstrate sound  
27 fiscal stewardship.

1 (d) The existence of 1 or more other grounds for revocation as  
2 specified in the contract.

3 (5) Except for a school of excellence that is an alternative  
4 school serving a special student population, if the state school  
5 reform/redesign officer determines that a school of excellence site  
6 that has been operating for at least 4 years is among the lowest  
7 achieving 5% of all public schools in this state for the  
8 immediately preceding 3 school years, as determined under section  
9 1280c, not to include any individualized education plan subgroup,  
10 the state school reform/redesign officer shall notify the school of  
11 excellence's authorizing body. Also, except for a school of  
12 excellence that is an alternative school serving a special student  
13 population, after the accountability system under section 390 has  
14 been in effect in the community district for at least 3 full school  
15 years, if the state school reform/redesign officer determines that  
16 a school of excellence site located in a community district has  
17 been assigned a grade of "F" under section 390 for the immediately  
18 preceding 3 school years, and is not currently undergoing  
19 reconstitution under this section, the state school reform/redesign  
20 officer shall notify the school of excellence's authorizing body.  
21 Subject to subsection (6), if an authorizing body receives notice  
22 from the state school reform/redesign officer under this  
23 subsection, the authorizing body shall amend the school of  
24 excellence's contract to eliminate the school of excellence's  
25 authority to operate the existing age and grade levels at the site  
26 and the school of excellence shall cease operating the existing age  
27 and grade levels at the site, effective at the end of the current

1 school year. Subject to subsection (6), if the school of excellence  
2 operates at only 1 site or is a cyber school, and the authorizing  
3 body receives notice from the state school reform/redesign officer  
4 under this subsection, the authorizing body shall revoke the school  
5 of excellence's contract, effective at the end of the current  
6 school year.

7 (6) For a school of excellence or site that is subject to a  
8 notice to its authorizing body under this subsection, the state  
9 school reform/redesign officer shall consider other public school  
10 options available to pupils in the grade levels offered by the  
11 school of excellence or site who reside in the geographic area  
12 served by the school of excellence or site. If the state school  
13 reform/redesign officer determines that closure of the school of  
14 excellence or site would result in an unreasonable hardship to  
15 these pupils because there are insufficient other public school  
16 options reasonably available for these pupils, the state school  
17 reform/redesign officer may rescind the notice. If the state school  
18 reform/redesign officer rescinds a notice subjecting a school of  
19 excellence or site to closure, the state school reform/redesign  
20 officer shall do so before the end of the school year. If the state  
21 school reform/redesign officer rescinds a notice subjecting a  
22 school of excellence or site to closure, the state school  
23 reform/redesign officer shall require the school of excellence or  
24 site to implement a school improvement plan that includes measures  
25 to increase pupil growth and improve pupil proficiency, with growth  
26 and proficiency measured by performance on state assessments.

27 (7) Except for a contract issued by a school district pursuant

1 to a vote by the school electors on a ballot question under section  
2 553(2), and except as otherwise provided in section 552, the  
3 decision of the authorizing body to issue, not issue, or  
4 reconstitute a contract under this part, or to terminate or revoke  
5 a contract under this section, is solely within the discretion of  
6 the authorizing body, is final, and is not subject to review by a  
7 court or any other state agency. If the authorizing body issues,  
8 does not issue, or reconstitutes a contract under this part, or  
9 terminates or revokes a contract under this section, the  
10 authorizing body is not liable for that action to the school of  
11 excellence, the school of excellence corporation, a pupil of the  
12 school of excellence, the parent or guardian of a pupil of the  
13 school of excellence, or any other person.

14 (8) Except as otherwise provided in this section, before the  
15 authorizing body revokes a contract, the authorizing body may  
16 consider and take corrective measures to avoid revocation. The  
17 authorizing body may reconstitute the school of excellence in a  
18 final attempt to improve student educational performance or to  
19 avoid interruption of the educational process. The authorizing body  
20 shall include a reconstituting provision in the contract that  
21 identifies these corrective measures, including, but not limited  
22 to, canceling a contract with an educational management  
23 organization, if any, withdrawing approval to contract under  
24 section 560, or appointing a new board of directors or a trustee to  
25 take over operation of the school of excellence.

26 (9) If the authorizing body revokes a contract, the  
27 authorizing body shall work with a school district or another

1 public school, or with a combination of these entities, to ensure a  
2 smooth transition for the affected pupils. If the revocation occurs  
3 during the school year, the authorizing body, as the fiscal agent  
4 for the school of excellence under this part, shall return any  
5 school aid funds held by the authorizing body that are attributable  
6 to the affected pupils to the state treasurer for deposit into the  
7 state school aid fund. The state treasurer shall distribute funds  
8 to the public school in which the pupils enroll after the  
9 revocation pursuant to a methodology established by the department  
10 and the center for educational performance and information.

11 (10) Not more than 10 days after a school of excellence's  
12 contract terminates or is revoked, the authorizing body shall  
13 notify the superintendent of public instruction in writing of the  
14 name of the school of excellence whose contract has terminated or  
15 been revoked and the date of contract termination or revocation.

16 (11) If a school of excellence's contract terminates or is  
17 revoked, title to all real and personal property, interest in real  
18 or personal property, and other assets owned by the school of  
19 excellence shall revert to the state. This property shall be  
20 distributed in accordance with the following:

21 (a) Within 30 days following the termination or revocation,  
22 the board of directors of a school of excellence shall hold a  
23 public meeting to adopt a plan of distribution of assets and to  
24 approve the dissolution of the school of excellence corporation,  
25 all in accordance with chapter 8 of the nonprofit corporation act,  
26 1982 PA 162, MCL 450.2801 to 450.2864.

27 (b) The school of excellence shall file a certificate of



1 dissolution with the department of licensing and regulatory affairs  
2 within 10 business days following board approval.

3 (c) Simultaneously with the filing of the certificate of  
4 dissolution under subdivision (b), the school of excellence board  
5 of directors shall provide a copy of the board of directors' plan  
6 of distribution of assets to the state treasurer for approval.  
7 Within 30 days, the state treasurer, or his or her designee, shall  
8 review and approve the board of directors' plan of distribution of  
9 assets. If the proposed plan of distribution of assets is not  
10 approved within 30 days, the state treasurer, or his or her  
11 designee, shall provide the board of directors with an acceptable  
12 plan of distribution of assets.

13 (d) The state treasurer, or his or her designee, shall monitor  
14 the school of excellence's winding up of the dissolved corporation  
15 in accordance with the plan of distribution of assets approved or  
16 provided under subdivision (c).

17 (e) As part of the plan of distribution of assets, the school  
18 of excellence board of directors shall designate the director of  
19 the department of technology, management, and budget, or his or her  
20 designee, to dispose of all real property of the school of  
21 excellence corporation in accordance with the directives developed  
22 for disposition of surplus land and facilities under section 251 of  
23 the management and budget act, 1984 PA 431, MCL 18.1251.

24 (f) If the board of directors of a school of excellence fails  
25 to take any necessary action under this section, the state  
26 treasurer, or his or her designee, may suspend the school of  
27 excellence board of directors and appoint a trustee to carry out

1 the board's plan of distribution of assets. Upon appointment, the  
2 trustee shall have all the rights, powers, and privileges under law  
3 that the school of excellence board of directors had before being  
4 suspended.

5 (g) Following the sale of the real or personal property or  
6 interests in the real or personal property, and after payment of  
7 any school of excellence debt secured by the property or interest  
8 in property, whether real or personal, the school of excellence  
9 board of directors, or a trustee appointed under this section,  
10 shall forward any remaining money to the state treasurer. Following  
11 receipt, the state treasurer, or his or her designee, shall deposit  
12 this remaining money in the state school aid fund.

13 (H) THE AUTHORIZING BODY FOR THE SCHOOL OF EXCELLENCE SHALL  
14 TAKE CUSTODY OF ALL STUDENT RECORDS OF THE SCHOOL OF EXCELLENCE,  
15 SHALL MAINTAIN THESE RECORDS IN THE SAME MANNER AS REQUIRED BY LAW  
16 FOR A SCHOOL DISTRICT, AND SHALL ENSURE THAT THESE RECORDS ARE  
17 TRANSFERRED TO THE SCHOOL IN WHICH A PUPIL ENROLLS AFTER THE  
18 TERMINATION OR REVOCATION IN THE MANNER PRESCRIBED BY LAW.

19 (12) IF AN AUTHORIZING BODY REVOKES A CONTRACT, NOT LATER THAN  
20 90 DAYS AFTER THE CONTRACT IS REVOKED THE AUTHORIZING BODY SHALL  
21 SUBMIT A CONTRACT REVOCATION REPORT TO THE SUPERINTENDENT OF PUBLIC  
22 INSTRUCTION AND SHALL POST THE CONTRACT REVOCATION REPORT ON ITS  
23 WEBSITE. THE CONTRACT REVOCATION REPORT SHALL BE SUBMITTED IN THE  
24 FORM AND MANNER PRESCRIBED BY THE SUPERINTENDENT OF PUBLIC  
25 INSTRUCTION AND SHALL INCLUDE AT LEAST ALL OF THE FOLLOWING:

26 (A) IDENTIFICATION OF THE NAME AND LOCATION OF THE SCHOOL OF  
27 EXCELLENCE, THE EFFECTIVE DATE OF THE REVOCATION, AND THE REASONS

1 FOR THE REVOCATION.

2 (B) A DESCRIPTION OF THE MEASURES TAKEN UNDER SUBSECTION (9)  
3 TO ENSURE A SMOOTH TRANSITION FOR THE AFFECTED PUPILS.

4 (C) A DESCRIPTION OF THE MEASURES TAKEN TO COMPLY WITH  
5 SUBSECTION (11).

6 Sec. 1311/. (1) The authorizing body for a strict discipline  
7 academy is the fiscal agent for the strict discipline academy. A  
8 state school aid payment for a strict discipline academy shall be  
9 paid to the authorizing body that is the fiscal agent for that  
10 strict discipline academy, which shall then forward the payment to  
11 the strict discipline academy. An authorizing body has the  
12 responsibility to oversee a strict discipline academy's compliance  
13 with the contract and all applicable law. A contract issued under  
14 sections 1311b to ~~1311I~~ **1311M** may be revoked by the authorizing  
15 body that issued the contract if the authorizing body determines  
16 that 1 or more of the following has occurred:

17 (a) Failure of the strict discipline academy to abide by and  
18 meet the educational goals set forth in the contract.

19 (b) Failure of the strict discipline academy to comply with  
20 all applicable law.

21 (c) Failure of the strict discipline academy to meet generally  
22 accepted public sector accounting principles.

23 (d) The existence of 1 or more other grounds for revocation as  
24 specified in the contract.

25 (2) The decision of an authorizing body to revoke a contract  
26 under this section is solely within the discretion of the  
27 authorizing body, is final, and is not subject to review by a court

1 or any state agency. An authorizing body that revokes a contract  
2 under this section is not liable for that action to the strict  
3 discipline academy, strict discipline academy corporation, a pupil  
4 of the strict discipline academy, the parent or guardian of a pupil  
5 of the strict discipline academy, or any other person.

6 (3) IF AN AUTHORIZING BODY REVOKES A CONTRACT, THE AUTHORIZING  
7 BODY SHALL WORK WITH A SCHOOL DISTRICT OR ANOTHER PUBLIC SCHOOL, OR  
8 WITH A COMBINATION OF THESE ENTITIES, TO ENSURE A SMOOTH TRANSITION  
9 FOR THE AFFECTED PUPILS. IF THE REVOCATION OCCURS DURING THE SCHOOL  
10 YEAR, THE AUTHORIZING BODY, AS THE FISCAL AGENT FOR THE STRICT  
11 DISCIPLINE ACADEMY UNDER THIS PART, SHALL RETURN ANY SCHOOL AID  
12 FUNDS HELD BY THE AUTHORIZING BODY THAT ARE ATTRIBUTABLE TO THE  
13 AFFECTED PUPILS TO THE STATE TREASURER FOR DEPOSIT INTO THE STATE  
14 SCHOOL AID FUND. THE STATE TREASURER SHALL DISTRIBUTE FUNDS TO THE  
15 PUBLIC SCHOOL IN WHICH THE PUPILS ENROLL AFTER THE REVOCATION  
16 PURSUANT TO A METHODOLOGY ESTABLISHED BY THE DEPARTMENT AND THE  
17 CENTER FOR EDUCATIONAL PERFORMANCE AND INFORMATION.

18 (4) NOT LATER THAN 10 DAYS AFTER A STRICT DISCIPLINE ACADEMY'S  
19 CONTRACT TERMINATES OR IS REVOKED, THE AUTHORIZING BODY SHALL  
20 NOTIFY THE SUPERINTENDENT OF PUBLIC INSTRUCTION IN WRITING OF THE  
21 NAME OF THE STRICT DISCIPLINE ACADEMY WHOSE CONTRACT HAS TERMINATED  
22 OR BEEN REVOKED AND THE DATE OF CONTRACT TERMINATION OR REVOCATION.

23 (5) IF A STRICT DISCIPLINE ACADEMY'S CONTRACT TERMINATES OR IS  
24 REVOKED, TITLE TO ALL REAL AND PERSONAL PROPERTY, INTEREST IN REAL  
25 OR PERSONAL PROPERTY, AND OTHER ASSETS OWNED BY THE STRICT  
26 DISCIPLINE ACADEMY SHALL REVERT TO THE STATE. THIS PROPERTY SHALL  
27 BE DISTRIBUTED IN ACCORDANCE WITH THE FOLLOWING:

1 (A) WITHIN 30 DAYS FOLLOWING THE TERMINATION OR REVOCATION,  
2 THE BOARD OF DIRECTORS OF A STRICT DISCIPLINE ACADEMY SHALL HOLD A  
3 PUBLIC MEETING TO ADOPT A PLAN OF DISTRIBUTION OF ASSETS AND TO  
4 APPROVE THE DISSOLUTION OF THE STRICT DISCIPLINE ACADEMY  
5 CORPORATION, ALL IN ACCORDANCE WITH CHAPTER 8 OF THE NONPROFIT  
6 CORPORATION ACT, 1982 PA 162, MCL 450.2801 TO 450.2864.

7 (B) THE STRICT DISCIPLINE ACADEMY SHALL FILE A CERTIFICATE OF  
8 DISSOLUTION WITH THE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
9 WITHIN 10 BUSINESS DAYS FOLLOWING BOARD APPROVAL.

10 (C) SIMULTANEOUSLY WITH THE FILING OF THE CERTIFICATE OF  
11 DISSOLUTION UNDER SUBDIVISION (B), THE STRICT DISCIPLINE ACADEMY  
12 BOARD OF DIRECTORS SHALL PROVIDE A COPY OF THE BOARD OF DIRECTORS'  
13 PLAN OF DISTRIBUTION OF ASSETS TO THE STATE TREASURER FOR APPROVAL.  
14 WITHIN 30 DAYS, THE STATE TREASURER, OR HIS OR HER DESIGNEE, SHALL  
15 REVIEW AND APPROVE THE BOARD OF DIRECTORS' PLAN OF DISTRIBUTION OF  
16 ASSETS. IF THE PROPOSED PLAN OF DISTRIBUTION OF ASSETS IS NOT  
17 APPROVED WITHIN 30 DAYS, THE STATE TREASURER, OR HIS OR HER  
18 DESIGNEE, SHALL PROVIDE THE BOARD OF DIRECTORS WITH AN ACCEPTABLE  
19 PLAN OF DISTRIBUTION OF ASSETS.

20 (D) THE STATE TREASURER, OR HIS OR HER DESIGNEE, SHALL MONITOR  
21 THE STRICT DISCIPLINE ACADEMY'S WINDING UP OF THE DISSOLVED  
22 CORPORATION IN ACCORDANCE WITH THE PLAN OF DISTRIBUTION OF ASSETS  
23 APPROVED OR PROVIDED UNDER SUBDIVISION (C).

24 (E) AS PART OF THE PLAN OF DISTRIBUTION OF ASSETS, THE STRICT  
25 DISCIPLINE ACADEMY BOARD OF DIRECTORS SHALL DESIGNATE THE DIRECTOR  
26 OF THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET, OR HIS OR  
27 HER DESIGNEE, TO DISPOSE OF ALL REAL PROPERTY OF THE STRICT

1 DISCIPLINE ACADEMY CORPORATION IN ACCORDANCE WITH THE DIRECTIVES  
2 DEVELOPED FOR DISPOSITION OF SURPLUS LAND AND FACILITIES UNDER  
3 SECTION 251 OF THE MANAGEMENT AND BUDGET ACT, 1984 PA 431, MCL  
4 18.1251.

5 (F) IF THE BOARD OF DIRECTORS OF A STRICT DISCIPLINE ACADEMY  
6 FAILS TO TAKE ANY NECESSARY ACTION UNDER THIS SECTION, THE STATE  
7 TREASURER, OR HIS OR HER DESIGNEE, MAY SUSPEND THE STRICT  
8 DISCIPLINE ACADEMY BOARD OF DIRECTORS AND APPOINT A TRUSTEE TO  
9 CARRY OUT THE BOARD'S PLAN OF DISTRIBUTION OF ASSETS. UPON  
10 APPOINTMENT, THE TRUSTEE SHALL HAVE ALL THE RIGHTS, POWERS, AND  
11 PRIVILEGES UNDER LAW THAT THE STRICT DISCIPLINE ACADEMY BOARD OF  
12 DIRECTORS HAD BEFORE BEING SUSPENDED.

13 (G) FOLLOWING THE SALE OF THE REAL OR PERSONAL PROPERTY OR  
14 INTERESTS IN THE REAL OR PERSONAL PROPERTY, AND AFTER PAYMENT OF  
15 ANY STRICT DISCIPLINE ACADEMY DEBT SECURED BY THE PROPERTY OR  
16 INTEREST IN PROPERTY, WHETHER REAL OR PERSONAL, THE STRICT  
17 DISCIPLINE ACADEMY BOARD OF DIRECTORS, OR A TRUSTEE APPOINTED UNDER  
18 THIS SECTION, SHALL FORWARD ANY REMAINING MONEY TO THE STATE  
19 TREASURER. FOLLOWING RECEIPT, THE STATE TREASURER, OR HIS OR HER  
20 DESIGNEE, SHALL DEPOSIT THIS REMAINING MONEY IN THE STATE SCHOOL  
21 AID FUND.

22 (H) THE AUTHORIZING BODY FOR THE STRICT DISCIPLINE ACADEMY  
23 SHALL TAKE CUSTODY OF ALL STUDENT RECORDS OF THE STRICT DISCIPLINE  
24 ACADEMY, SHALL MAINTAIN THESE RECORDS IN THE SAME MANNER AS  
25 REQUIRED BY LAW FOR A SCHOOL DISTRICT, AND SHALL ENSURE THAT THESE  
26 RECORDS ARE TRANSFERRED TO THE SCHOOL IN WHICH A PUPIL ENROLLS  
27 AFTER THE TERMINATION OR REVOCATION IN THE MANNER PRESCRIBED BY

1 LAW.

2 (6) IF AN AUTHORIZING BODY REVOKES A STRICT DISCIPLINE  
3 ACADEMY'S CONTRACT, NOT LATER THAN 90 DAYS AFTER THE CONTRACT IS  
4 REVOKED THE AUTHORIZING BODY SHALL SUBMIT A CONTRACT REVOCATION  
5 REPORT TO THE SUPERINTENDENT OF PUBLIC INSTRUCTION AND SHALL POST  
6 THE CONTRACT REVOCATION REPORT ON ITS WEBSITE. THE CONTRACT  
7 REVOCATION REPORT SHALL BE SUBMITTED IN THE FORM AND MANNER  
8 PRESCRIBED BY THE SUPERINTENDENT OF PUBLIC INSTRUCTION AND SHALL  
9 INCLUDE AT LEAST ALL OF THE FOLLOWING:

10 (A) IDENTIFICATION OF THE NAME AND LOCATION OF THE STRICT  
11 DISCIPLINE ACADEMY, THE EFFECTIVE DATE OF THE REVOCATION, AND THE  
12 REASONS FOR THE REVOCATION.

13 (B) A DESCRIPTION OF THE MEASURES TAKEN UNDER SUBSECTION (3)  
14 TO ENSURE A SMOOTH TRANSITION FOR THE AFFECTED PUPILS.

15 (C) A DESCRIPTION OF THE MEASURES TAKEN TO COMPLY WITH  
16 SUBSECTION (5).

17 Enacting section 1. This amendatory act takes effect 90 days  
18 after the date it is enacted into law.