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Senate Bills 650 and 651 (as introduced 11-12-19)  
Sponsor: Senator Lana Theis (S.B. 650)  
Senator Jeremy Moss (S.B. 651)  
Committee: Education and Career Readiness

Date Completed: 12-3-19

### **CONTENT**

**Senate Bill 650 would amend the State School Aid Act to modify a February 1, 2020, sunset date within the definition of "teachers of record".**

**Senate Bill 651 would amend the Revised School Code to do the following:**

- **Require an education management organization (EMO) partnered with a school district or public school academy (PSA) to provide certain information regarding dropout recovery programs.**
- **Require a school district or public school academy partnered with an EMO to provide certain information to the Department of Education each year.**
- **Allow a teacher of record to be employed by or contracted through an EMO.**

### **Senate Bill 650**

Under the Act, a dropout recovery program operated by a school district or operated in partnership with an EMO, qualifies for the special membership counting provision under Section 6(4)(dd) of the State School Aid Act if the program meets certain criteria, including the provision of an advocate or teacher of record, who may be employed or contracted through an EMO, to eligible pupils. ("Education management organization" means a private provider that operates one or more other dropout recovery programs that meet the requirements of Section 23a of the State School Aid Act in partnership with one or more districts.)

"Teacher of record" means a teacher who holds a valid Michigan teaching certificate; who, if applicable, is endorsed in the subject area and grade of the course; and is responsible for providing instruction, determining instructional methods for each pupil, diagnosing learning needs, assessing pupil learning, prescribing intervention strategies, reporting outcomes, and evaluating the effects of instruction and support strategies. Until February 1, 2020, if the district partners with an educational management organization for the program, the teacher of record may be employed by or contracted through the education management organization.

The bill would modify the definition of "teacher of record" to eliminate the February 1, 2020, sunset date for allowing districts partnered with an EMO for a dropout recovery program to use a teacher of record who is employed by or contracted through the EMO.

## Senate Bill 651

### Definitions

The bill would define "advocate", "educational management organization", "eligible pupil", and "teacher of record" as those terms are defined in Section 23a of the State School Aid Act.

"Advocate" means an adult available to meet in person with assigned pupils, as needed, to conduct social interventions, to proctor final examinations, and to provide academic and social support to pupils enrolled in the district's dropout recover program.

"Eligible pupil" means a pupil who has been expelled from school under the mandatory expulsion provisions in the Revised School Code, a pupil who has been suspended or expelled from school under a local policy, a pupil who is referred by a court, a pupil who is pregnant or is a parent, a pupil who was previously a dropout, or a pupil who is determined by the district to be at risk of dropping out.

### Dropout Recovery Programs Information

Under the bill, if a school district or PSA partnered with an EMO for a dropout recovery program, it would have to ensure that the EMO provided all the following information to the district or PSA on a quarterly basis:

- The name, reason for eligibility, the number of credits that would be needed to earn a diploma, and the anticipated program completion date, for each eligible pupil.
- The names of all former eligible pupils who were no longer enrolled in the program and who either earned a diploma or enrolled in a public school or had not earned a diploma or enrolled in a public school since the last submission of information by the education management organization.
- The names of all individuals serving as teacher of record in the program and all individuals serving as advocates for eligible pupils enrolled in the program.

### Annual Reporting Requirement for School Districts & PSAs

A school district or PSA that operated a dropout recovery program would have to provide annually, in a form and manner prescribed by the Department of Education, all the following information:

- The number of eligible pupils enrolled in the program.
- The average number of months an eligible pupil was enrolled in the program.
- The number of eligible pupils who earned a diploma through the program the immediately preceding school year.
- The number of eligible pupils who ended their enrollment in the program and who enrolled in a public school during the immediately preceding year.
- The average number of credit hours an eligible pupil earned in the program.
- The school district's or PSA's administrator or the Department that oversaw the program.
- If the school district or PSA partnered with an EMO for the program, the name of the EMO and a copy of the contract between the two entities regarding the partnership.
- The amount the school district or PSA paid to the EMO for each enrolled eligible pupil, if applicable, and additional costs or fees paid by the school or PSA related to the program.

The district or PSA also would have to provide the Department with a breakdown of the types of eligible pupils who were enrolled in the program based on the eligibility factors determined in Section 23a of the State School Aid Act, and the number of pupils that met each factor.

(For a pupil to be eligible for a dropout program under the Act, the pupil must meet one of the following factors:

- Has been expelled from school under mandatory expulsion provisions described in the Revised School Code.
- Has been suspended or expelled from school under a local policy.
- Is referred by a court.
- Is pregnant or a parent.
- Was previously a dropout.
- Determined by the district to be at risk of dropping out.)

### Teachers of Record

The Code generally requires the board of a school district to hire and contract with qualified teachers, unless the district is a community district, in which case, the board may employ or contract for, or both, qualified teachers and other instructional personnel at a school that formerly operated as an achievement school, as necessary.

Under the bill, if a district partnered with an EMO for a dropout recovery program as described under Section 23a of the State School Aid Act, the teacher of record for that program could be employed by or contracted through the EMO.

MCL 388.1623a

Legislative Analyst: Dana Adams

### **FISCAL IMPACT**

#### **Senate Bill 650**

The bill would have no fiscal impact on the State. The bill could have a fiscal impact on school districts that currently partner with an EMO for a dropout recovery program, which instead would have to directly hire teachers for the program (or cease operating a program) if the sunset of February 1, 2020, were not removed. However, whether those impacts would be positive or negative is indeterminate.

#### **Senate Bill 651**

The bill would have no fiscal impact on the State or local schools or PSAs. The bill could have a fiscal impact on school districts and PSAs that chose to operate a dropout recover program with an EMO because of the proposed additional oversight and reporting requirements. Those additional costs likely would be minimal since it is the responsibility of the EMO to provide the information necessary to the Department.

The Department would experience minimal administrative costs to collect the information required under the bill. Since the dates would be subject to the Department, the costs likely would be covered by current data collection processes and appropriations.

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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.