

# HOUSE BILL NO. 5992

September 26, 2024, Introduced by Reps. Thompson, Jaime Greene, BeGole, Bierlein, Rigas, Beson, Cavitt, Hoadley and Markkanen and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled "The revised school code," by amending sections 502, 503, 522, 552, and 1279g (MCL 380.502, 380.503, 380.522, 380.552, and 380.1279g), sections 502, 503, 522, and 552 as amended by 2023 PA 34 and section 1279g as amended by 2016 PA 170.

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

**1**           Sec. 502. (1) A public school academy must be organized and  
**2** administered under the direction of a board of directors in  
**3** accordance with this part and with bylaws adopted by the board of  
**4** directors. A public school academy corporation must be organized

1 under the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to  
2 450.3192, except that a public school academy corporation is not  
3 required to comply with sections 170 to 177 of 1931 PA 327, MCL  
4 450.170 to 450.177. To the extent disqualified under the state or  
5 federal constitution, a public school academy must not be organized  
6 by a church or other religious organization and must not have any  
7 organizational or contractual affiliation with or constitute a  
8 church or other religious organization.

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

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

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

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

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

15 (d) The governing board of a state public university. There is  
16 no limit on the combined total number of contracts for public  
17 school academies that may be issued by all state public  
18 universities.

19 (e) Two or more of the public agencies described in  
20 subdivisions (a) to (d) exercising power, privilege, or authority  
21 jointly pursuant to an interlocal agreement under the urban  
22 cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to  
23 124.512.

24 (3) To obtain a contract to organize and operate 1 or more  
25 public school academies, 1 or more persons or an entity may apply  
26 to an authorizing body described in subsection (2). The application  
27 must include at least all of the following:

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

29 (b) Subject to the resolution adopted by the authorizing body

1 under section 503(5), a list of the proposed members of the board  
2 of directors of the public school academy and a description of the  
3 qualifications and method for appointment or election of members of  
4 the board of directors.

5 (c) The proposed articles of incorporation, which must include  
6 at least all of the following:

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

8 (ii) The purposes for the public school academy corporation.

9 This language must provide that the public school academy is  
10 incorporated under this part and that the public school academy  
11 corporation is a governmental entity.

12 (iii) The name of the authorizing body.

13 (iv) The proposed time when the articles of incorporation will  
14 be effective.

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

17 (d) A copy of the proposed bylaws of the public school  
18 academy.

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

21 (i) The governance structure of the public school academy.

22 (ii) A copy of the educational goals of the public school  
23 academy and the curricula to be offered and methods of pupil  
24 assessment to be used by the public school academy. The educational  
25 goals must include demonstrated improved pupil academic achievement  
26 for all groups of pupils. To the extent applicable, the progress of  
27 the pupils in the public school academy must be assessed using ~~both~~  
28 the mathematics and reading portions of the Michigan student test  
29 of educational progress (M-STEP) **or, if the public school academy**

1 is enrolled in a pilot program under section 104d of the state  
2 school aid act of 1979, MCL 388.1704d, a state-administered  
3 assessment system described in section 104d of the state school aid  
4 act of 1979, MCL 388.1704d, or the Michigan merit examination under  
5 section 1279g, as applicable.

6 (iii) The admission policy and criteria to be maintained by the  
7 public school academy. The admission policy and criteria must  
8 comply with section 504. This part of the application also must  
9 include a description of how the applicant will provide to the  
10 general public adequate notice that a public school academy is  
11 being created and adequate information on the admission policy,  
12 criteria, and process.

13 (iv) The school calendar and school day schedule.

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

15 (f) Descriptions of staff responsibilities and of the public  
16 school academy's governance structure.

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

21 (h) An agreement that the public school academy will comply  
22 with the provisions of this part and, subject to the provisions of  
23 this part, with all other state law applicable to public bodies and  
24 with federal law applicable to public bodies or school districts.

25 (i) A description of and address for the proposed physical  
26 plant in which the public school academy will be located. An  
27 applicant may request the authorizing body to issue a contract  
28 allowing the public school academy board of directors to operate  
29 the same configuration of age or grade levels at more than 1 site.

1           (4) An authorizing body shall oversee, or shall contract with  
2 an intermediate school district, community college, or state public  
3 university to oversee, each public school academy operating under a  
4 contract issued by the authorizing body. The authorizing body is  
5 responsible for overseeing compliance by the board of directors  
6 with the contract and all applicable law. This subsection does not  
7 relieve any other government entity of its enforcement or  
8 supervisory responsibility.

9           (5) If the superintendent of public instruction finds that an  
10 authorizing body is not engaging in appropriate continuing  
11 oversight of 1 or more public school academies operating under a  
12 contract issued by the authorizing body, the superintendent of  
13 public instruction may suspend the power of the authorizing body to  
14 issue new contracts to organize and operate public school  
15 academies. A contract issued by the authorizing body during the  
16 suspension is void. A contract issued by the authorizing body  
17 before the suspension is not affected by the suspension.

18           (6) An authorizing body shall not charge a fee, or require  
19 reimbursement of expenses, for considering an application for a  
20 contract, for issuing a contract, or for providing oversight of a  
21 contract for a public school academy in an amount that exceeds a  
22 combined total of 3% of the total state school aid received by the  
23 public school academy in the school year in which the fees or  
24 expenses are charged. An authorizing body may provide other  
25 services for a public school academy and charge a fee for those  
26 services, but shall not require such an arrangement as a condition  
27 to issuing the contract authorizing the public school academy.

28           (7) A public school academy is presumed to be legally  
29 organized if it has exercised the franchises and privileges of a

1 public school academy for at least 2 years.

2 (8) An authorizing body may enter into an intergovernmental  
3 agreement with another authorizing body to issue public school  
4 academy contracts. At a minimum, the agreement must further the  
5 purposes set forth in section 501, describe which authorizing body  
6 shall issue the contract, and set forth which authorizing body will  
7 be responsible for monitoring compliance by the board of directors  
8 of the public school academy with the contract and all applicable  
9 law.

10 (9) Both of the following apply to the issuance of a contract  
11 for a public school academy to be located within a community  
12 district:

13 (a) An authorizing body shall not issue a contract to organize  
14 and operate a new public school academy to be located in a  
15 community district unless, before issuing the contract, the  
16 governing board of the authorizing body has certified to the  
17 department that the authorizing body has been accredited as an  
18 authorizing body by a nationally recognized accreditation body. For  
19 an authorizing body described in subsection (2)(e), the authorizing  
20 body shall not issue a contract to organize and operate a new  
21 public school academy to be located in a community district unless,  
22 before issuing the contract, the governing board of each of the  
23 public agencies that is party to the interlocal agreement has  
24 certified to the department that the public agency has been  
25 accredited as an authorizing body by a nationally recognized  
26 accreditation body.

27 (b) An authorizing body shall not issue a contract for a new  
28 public school academy to be located in a community district if both  
29 of the following circumstances exist:

1 (i) Either of the following:

2 (A) The proposed public school academy would operate at the  
 3 same location as a public school that currently is on the list  
 4 under federal accountability requirements as provided under the  
 5 every student succeeds act, Public Law 114-95, of the public  
 6 schools in this state determined to be among the lowest achieving  
 7 5% of public schools in this state or has been on the list under  
 8 federal accountability requirements as provided under the every  
 9 student succeeds act, Public Law 114-95, of the public schools in  
 10 this state determined to be among the lowest achieving 5% of public  
 11 schools in this state during the immediately preceding 3-year  
 12 period.

13 (B) The proposed public school academy would operate at the  
 14 same location as a public school academy, urban high school  
 15 academy, school of excellence, or strict discipline academy that  
 16 has had its contract revoked or terminated by an authorizing body  
 17 under the applicable part or section.

18 (ii) The proposed public school academy would have  
 19 substantially the same board of directors, substantially the same  
 20 leadership, and substantially the same curriculum offerings as the  
 21 public school that previously operated at that location.

22 Sec. 503. (1) An authorizing body is not required to issue a  
 23 contract to any person or entity. Subject to subsection (2), public  
 24 school academy contracts must be issued on a competitive basis. In  
 25 deciding whether to issue a contract for a proposed public school  
 26 academy, an authorizing body shall consider all of the following:

27 (a) The resources available for the proposed public school  
 28 academy.

29 (b) The population to be served by the proposed public school



1 academy.

2 (c) The educational goals to be achieved by the proposed  
3 public school academy.

4 (d) The applicant's track record, if any, in organizing public  
5 school academies or other public schools.

6 (e) The graduation rate of a school district in which the  
7 proposed public school academy is proposed to be located.

8 (f) The population of a county in which the proposed public  
9 school academy is proposed to be located.

10 (g) The number of schools in the proximity of a proposed  
11 location of the proposed public school academy that are on the list  
12 under federal accountability requirements as provided under the  
13 every student succeeds act, Public Law 114-95, of the public  
14 schools in this state determined to be among the lowest achieving  
15 5% of public schools in this state.

16 (h) The number of pupils on waiting lists of public school  
17 academies in the proximity of a proposed location of the proposed  
18 public school academy.

19 (2) An authorizing body may give priority to a proposed public  
20 school academy that is intended to replace a public school academy  
21 that has been closed pursuant to section 507(5), that will operate  
22 all of the same grade levels as the public school academy that has  
23 been closed, and that will work toward operating all of grades 9 to  
24 12 within 6 years after it begins operations unless a matriculation  
25 agreement has been entered into with another public school that  
26 provides grades 9 to 12.

27 (3) If a person or entity applies to the board of a school  
28 district for a contract to organize and operate 1 or more public  
29 school academies within the boundaries of the school district and

1 the board does not issue the contract, the person or entity may  
2 petition the board to place the question of issuing the contract on  
3 the ballot to be decided by the school electors of the school  
4 district. The petition must contain all of the information required  
5 to be in the contract application under section 502 and must be  
6 signed by a number of school electors of the school district equal  
7 to at least 5% of the total number of school electors of that  
8 school district. The petition must be filed with the school  
9 district filing official. If the board receives a petition meeting  
10 the requirements of this subsection, the board shall have the  
11 question of issuing the contract placed on the ballot at its next  
12 regular school election held at least 60 days after receiving the  
13 petition. If a majority of the school electors of the school  
14 district voting on the question vote to issue the contract, the  
15 board shall issue the contract.

16 (4) Within 10 days after issuing a contract for a public  
17 school academy, the authorizing body shall submit to the  
18 superintendent of public instruction a copy of the contract.

19 (5) An authorizing body shall adopt a resolution establishing  
20 the method of selection, length of term, and number of members of  
21 the board of directors of each public school academy subject to its  
22 jurisdiction. The resolution must be written or amended as  
23 necessary to include a requirement that each member of the board of  
24 directors must be a citizen of the United States.

25 (6) A contract issued to organize and administer a public  
26 school academy must contain at least all of the following:

27 (a) The educational goals the public school academy is to  
28 achieve and the methods by which it will be held accountable. The  
29 educational goals must include demonstrated improved pupil academic

1 achievement for all groups of pupils. To the extent applicable, the  
2 pupil performance of a public school academy must be assessed using  
3 at least the Michigan student test of educational progress (M-STEP)  
4 **or, if the public school academy is enrolled in a pilot program**  
5 **under section 104d of the state school aid act of 1979, MCL**  
6 **388.1704d, a state-administered assessment system described in**  
7 **section 104d of the state school aid act of 1979, MCL 388.1704d,** or  
8 the Michigan merit examination under section 1279g, as applicable.

9 (b) A description of the method to be used to monitor the  
10 public school academy's compliance with applicable law and its  
11 performance in meeting its targeted educational objectives.

12 (c) A description of the process for amending the contract  
13 during the term of the contract.

14 (d) All of the matters set forth in the application for the  
15 contract.

16 (e) Procedures for revoking the contract and grounds for  
17 revoking the contract, including at least the grounds listed in  
18 section 507.

19 (f) A description of and address for the proposed physical  
20 plant in which the public school academy will be located. An  
21 authorizing body may include a provision in the contract allowing  
22 the board of directors of the public school academy to operate the  
23 same configuration of age or grade levels at more than 1 site if  
24 each configuration of age or grade levels and each site identified  
25 in the contract are under the direction and control of the board of  
26 directors.

27 (g) Requirements and procedures for financial audits. The  
28 financial audits shall be conducted at least annually by a  
29 certified public accountant in accordance with generally accepted

1 governmental auditing principles.

2 (h) The term of the contract and a description of the process  
3 and standards for renewal of the contract at the end of the term.  
4 The standards for renewal must include increases in academic  
5 achievement for all groups of pupils as measured by assessments and  
6 other objective criteria as the most important factor in the  
7 decision of whether or not to renew the contract.

8 (i) A certification, signed by an authorized member of the  
9 board of directors of the public school academy, that the public  
10 school academy will comply with the contract and all applicable  
11 law.

12 (j) A requirement that the board of directors of the public  
13 school academy shall ensure compliance with the requirements of  
14 1968 PA 317, MCL 15.321 to 15.330.

15 (k) A requirement that the board of directors of the public  
16 school academy shall prohibit specifically identified family  
17 relationships between members of the board of directors,  
18 individuals who have an ownership interest in or who are officers  
19 or employees of an educational management organization involved in  
20 the operation of the public school academy, and employees of the  
21 public school academy. The contract must identify the specific  
22 prohibited relationships consistent with applicable law.

23 (l) A requirement that the board of directors of the public  
24 school academy shall make information concerning its operation and  
25 management available to the public and to the authorizing body in  
26 the same manner as is required by state law for school districts.

27 (m) A requirement that the board of directors of the public  
28 school academy shall collect, maintain, and make available to the  
29 public and the authorizing body, in accordance with applicable law

1 and the contract, at least all of the following information  
2 concerning the operation and management of the public school  
3 academy:

4 (i) A copy of the contract issued by the authorizing body for  
5 the public school academy.

6 (ii) A list of currently serving members of the board of  
7 directors of the public school academy, including name, address,  
8 and term of office; copies of policies approved by the board of  
9 directors; board meeting agendas and minutes; a copy of the budget  
10 approved by the board of directors and of any amendments to the  
11 budget; and copies of bills paid for amounts of \$10,000.00 or more  
12 as they were submitted to the board of directors.

13 (iii) Quarterly financial reports submitted to the authorizing  
14 body.

15 (iv) A current list of teachers and school administrators  
16 working at the public school academy that includes their individual  
17 salaries as submitted to the registry of educational personnel;  
18 copies of the teaching or school administrator's certificates or  
19 permits of current teaching and administrative staff; and evidence  
20 of compliance with the criminal background and records checks and  
21 unprofessional conduct check required under sections 1230, 1230a,  
22 and 1230b for all teachers and administrators working at the public  
23 school academy.

24 (v) Curriculum documents and materials given to the  
25 authorizing body.

26 (vi) Proof of insurance as required by the contract.

27 (vii) Copies of facility leases or deeds, or both, and of any  
28 equipment leases.

29 (viii) Copies of any management contracts or services contracts

1 approved by the board of directors.

2 (ix) All health and safety reports and certificates, including  
3 those relating to fire safety, environmental matters, asbestos  
4 inspection, boiler inspection, and food service.

5 (x) Any management letters issued as part of the annual  
6 financial audit under subdivision (g).

7 (xi) Any other information specifically required under this  
8 act.

9 (n) A requirement that the authorizing body must review and  
10 may disapprove any agreement between the board of directors of the  
11 public school academy and an educational management organization  
12 before the agreement is final and valid. An authorizing body may  
13 disapprove an agreement described in this subdivision only if the  
14 agreement is contrary to the contract or applicable law.

15 (o) A requirement that the board of directors of the public  
16 school academy shall demonstrate all of the following to the  
17 satisfaction of the authorizing body with regard to its pupil  
18 admission process:

19 (i) That the public school academy has made a reasonable effort  
20 to advertise its enrollment openings.

21 (ii) That the open enrollment period for the public school  
22 academy is for a duration of at least 2 weeks and that the  
23 enrollment times include some evening and weekend times.

24 (p) A requirement that the board of directors of the public  
25 school academy shall prohibit any individual from being employed by  
26 the public school academy in more than 1 full-time position and  
27 simultaneously being compensated at a full-time rate for each of  
28 those positions.

29 (7) A public school academy shall comply with all applicable

1 law, including all of the following:

2 (a) The open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

3 (b) The freedom of information act, 1976 PA 442, MCL 15.231 to  
4 15.246.

5 (c) 1947 PA 336, MCL 423.201 to 423.217.

6 (d) Sections 1134, 1135, 1146, 1153, 1263(3), 1267, and 1274.

7 (e) Laws concerning participation in state assessments, data  
8 collection systems, state level student growth models, state  
9 accountability and accreditation systems, and other public  
10 comparative data collection required for public schools.

11 (8) A public school academy and its incorporators, board  
12 members, officers, employees, and volunteers have governmental  
13 immunity as provided in section 7 of 1964 PA 170, MCL 691.1407. An  
14 authorizing body and its board members, officers, and employees are  
15 immune from civil liability, both personally and professionally,  
16 for an act or omission in authorizing a public school academy if  
17 the authorizing body or the person acted or reasonably believed he  
18 or she acted within the authorizing body's or the person's scope of  
19 authority.

20 (9) A public school academy is exempt from all taxation on its  
21 earnings and property. Instruments of conveyance to or from a  
22 public school academy are exempt from all taxation including taxes  
23 imposed by 1966 PA 134, MCL 207.501 to 207.513. Unless the property  
24 is already fully exempt from real and personal property taxes under  
25 the general property tax act, 1893 PA 206, MCL 211.1 to 211.155,  
26 property occupied by a public school academy and used exclusively  
27 for educational purposes is exempt from real and personal property  
28 taxes levied for school operating purposes under section 1211, to  
29 the extent exempted under that section, and from real and personal

1 property taxes levied under the state education tax act, 1993 PA  
2 331, MCL 211.901 to 211.906. A public school academy may not levy  
3 ad valorem property taxes or another tax for any purpose. However,  
4 operation of 1 or more public school academies by a school district  
5 or intermediate school district does not affect the ability of the  
6 school district or intermediate school district to levy ad valorem  
7 property taxes or another tax.

8 (10) A public school academy may acquire by purchase, gift,  
9 devise, lease, sublease, installment purchase agreement, land  
10 contract, option, or by any other means, hold and own in its own  
11 name buildings and other property for school purposes, and  
12 interests therein, and other real and personal property, including,  
13 but not limited to, interests in property subject to mortgages,  
14 security interests, or other liens, necessary or convenient to  
15 fulfill its purposes. For the purposes of condemnation, a public  
16 school academy may proceed under the uniform condemnation  
17 procedures act, 1980 PA 87, MCL 213.51 to 213.75, excluding  
18 sections 6 to 9 of ~~that act,~~ **the uniform condemnation procedures**  
19 **act, 1980 PA 87**, MCL 213.56 to 213.59, or other applicable  
20 statutes, but only with the express, written permission of the  
21 authorizing body in each instance of condemnation and only after  
22 just compensation has been determined and paid.

23 (11) A member of the board of directors of a public school  
24 academy is a public officer and shall, before entering upon the  
25 duties of the office, take the constitutional oath of office for  
26 public officers under section 1 of article XI of the state  
27 constitution of 1963.

28 Sec. 522. (1) An urban high school academy must be organized  
29 and administered under the direction of a board of directors in



1 accordance with this part and with bylaws adopted by the board of  
2 directors. An urban high school academy corporation must be  
3 organized under the nonprofit corporation act, 1982 PA 162, MCL  
4 450.2101 to 450.3192, except that an urban high school academy  
5 corporation is not required to comply with sections 170 to 177 of  
6 1931 PA 327, MCL 450.170 to 450.177. To the extent disqualified  
7 under the state or federal constitution, an urban high school  
8 academy must not be organized by a church or other religious  
9 organization and must not have any organizational or contractual  
10 affiliation with or constitute a church or other religious  
11 organization.

12 (2) Subject to subsection (9), the governing board of a state  
13 public university may act as an authorizing body to issue a  
14 contract for the organization and operation of an urban high school  
15 academy under this part.

16 (3) A contract issued under this part must be issued for an  
17 initial term of 10 years. If the urban high school academy meets  
18 the educational goals set forth in the contract and operates in  
19 substantial compliance with this part, the authorizing body shall  
20 automatically renew the contract for a subsequent 10-year term.

21 (4) To obtain a contract to organize and operate 1 or more  
22 urban high school academies, an entity may apply to an authorizing  
23 body described in subsection (2). The contract must be issued to an  
24 urban high school academy corporation designated by the entity  
25 applying for the contract. The application must include at least  
26 all of the following:

27 (a) Name of the entity applying for the contract.

28 (b) Subject to the resolution adopted by the authorizing body  
29 under section 528, a list of the proposed members of the board of

1 directors of the urban high school academy and a description of the  
2 qualifications and method for appointment or election of members of  
3 the board of directors.

4 (c) The proposed articles of incorporation that must include  
5 at least all of the following:

6 (i) The name of the proposed urban high school academy to which  
7 the contract will be issued.

8 (ii) The purposes for the urban high school academy  
9 corporation. This language must provide that the urban high school  
10 academy is incorporated under this part and that the urban high  
11 school academy corporation is a governmental entity and political  
12 subdivision of this state.

13 (iii) The name of the authorizing body.

14 (iv) The proposed time when the articles of incorporation will  
15 be effective.

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

18 (d) A copy of the proposed bylaws of the urban high school  
19 academy.

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

22 (i) The governance structure of the urban high school academy.

23 (ii) A copy of the educational goals of the urban high school  
24 academy and the curricula to be offered and methods of pupil  
25 assessment to be used by the urban high school academy. The  
26 educational goals must include demonstrated improved pupil academic  
27 achievement for all groups of pupils. To the extent applicable, the  
28 progress of the pupils in the urban high school academy must be  
29 assessed using both the mathematics and reading portions of the

1 Michigan student test of educational progress (M-STEP) **or, if the**  
2 **urban high school academy is enrolled in a pilot program under**  
3 **section 104d of the state school aid act of 1979, MCL 388.1704d, a**  
4 **state-administered assessment system described in section 104d of**  
5 **the state school aid act of 1979, MCL 388.1704d,** or the Michigan  
6 merit examination under section 1279g, as applicable.

7 (iii) The admission policy and criteria to be maintained by the  
8 urban high school academy. The admission policy and criteria must  
9 comply with section 524. This part of the application also must  
10 include a description of how the applicant will provide to the  
11 general public adequate notice that an urban high school academy is  
12 being created and adequate information on the admission policy,  
13 criteria, and process.

14 (iv) The school calendar and school day schedule.

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

16 (f) Descriptions of staff responsibilities and of the urban  
17 high school academy's governance structure.

18 (g) A description of and address for the proposed building or  
19 buildings in which the urban high school academy will be located,  
20 and a financial commitment by the entity applying for the contract  
21 to construct or renovate the building or buildings that will be  
22 occupied by the urban high school academy that is issued the  
23 contract.

24 (5) If a particular state public university issues a contract  
25 that allows an urban high school academy to operate the same  
26 configuration of grades at more than 1 site, as provided in section  
27 524(1), each of those sites must be under the direction of the  
28 board of directors that is a party to the contract.

29 (6) If the superintendent of public instruction finds that an

1 authorizing body is not engaging in appropriate continuing  
2 oversight of 1 or more urban high school academies operating under  
3 a contract issued by the authorizing body, the superintendent of  
4 public instruction may suspend the power of the authorizing body to  
5 issue new contracts to organize and operate urban high school  
6 academies. A contract issued by the authorizing body during the  
7 suspension is void. A contract issued by the authorizing body  
8 before the suspension is not affected by the suspension.

9 (7) An authorizing body shall not charge a fee, or require  
10 reimbursement of expenses, for considering an application for a  
11 contract, for issuing a contract, or for providing oversight of a  
12 contract for an urban high school academy in an amount that exceeds  
13 a combined total of 3% of the total state school aid received by  
14 the urban high school academy in the school year in which the fees  
15 or expenses are charged. All of the following apply to this fee:

16 (a) An authorizing body may use this fee only for the  
17 following purposes:

18 (i) Considering applications and issuing or administering  
19 contracts.

20 (ii) Compliance monitoring and oversight of urban high school  
21 academies.

22 (iii) Training for urban high school academy applicants,  
23 administrators, and boards of directors.

24 (iv) Technical assistance to urban high school academies.

25 (v) Academic support to urban high school academies or to  
26 pupils or graduates of urban high school academies.

27 (vi) Evaluation of urban high school academy performance.

28 (vii) Training of teachers, including supervision of teacher  
29 interns.

1           (viii) Other purposes that assist the urban high school  
2 academies or traditional public schools in achieving improved  
3 academic performance.

4           (b) An authorizing body may provide other services for an  
5 urban high school academy and charge a fee for those services, but  
6 shall not require such an arrangement as a condition to issuing the  
7 contract authorizing the urban high school academy.

8           (8) An urban high school academy is presumed to be legally  
9 organized if it has exercised the franchises and privileges of an  
10 urban high school academy for at least 2 years.

11           (9) Both of the following apply to the issuance of a contract  
12 for an urban high school academy to be located within a community  
13 district:

14           (a) An authorizing body shall not issue a contract to organize  
15 and operate a new urban high school academy to be located in a  
16 community district unless, before issuing the contract, the  
17 governing board of the authorizing body has certified to the  
18 department that the authorizing body has been accredited as an  
19 authorizing body by a nationally recognized accreditation body.

20           (b) An authorizing body shall not issue a contract for a new  
21 urban high school academy to be located in a community district if  
22 both of the following circumstances exist:

23           (i) Either of the following:

24           (A) The proposed urban high school academy would operate at  
25 the same location as a public school that currently is on the list  
26 under federal accountability requirements as provided under the  
27 every student succeeds act, Public Law 114-95, of the public  
28 schools in this state determined to be among the lowest achieving  
29 5% of public schools in this state or has been on that list during

1 the immediately preceding 3-year period.

2 (B) The proposed urban high school academy would operate at  
3 the same location as a public school academy, urban high school  
4 academy, school of excellence, or strict discipline academy that  
5 has had its contract revoked or terminated by an authorizing body  
6 under the applicable part or section.

7 (ii) The proposed urban high school academy would have  
8 substantially the same board of directors, substantially the same  
9 leadership, and substantially the same curriculum offerings as the  
10 public school that previously operated at that location.

11 Sec. 552. (1) An authorizing body may issue contracts under  
12 this subsection to organize and operate a school of excellence. All  
13 of the following apply to the issuance of a contract by an  
14 authorizing body under this subsection:

15 (a) The issuance of the contract must be approved by the  
16 superintendent of public instruction. The superintendent of public  
17 instruction shall approve issuance of a contract if ~~he or she~~ **the**  
18 **superintendent of public instruction** determines that the proposed  
19 school of excellence is modeled after a high-performing school or  
20 program.

21 (b) The first 5 contracts issued by all authorizing bodies  
22 under this subsection must be for schools of excellence that offer  
23 1 or more of high school grades 9 to 12, or any combination of  
24 those grades, as specified in the contract.

25 (c) A school of excellence authorized under this subsection  
26 must not be located in a school district that has a graduation rate  
27 of over 75%, on average, for the most recent 3 school years for  
28 which the data are available, as determined by the department.

29 (2) Subject to the limitations in this subsection and

1 subsections (14) and (15), an authorizing body may issue contracts  
2 under this subsection for 1 or more schools of excellence that are  
3 cyber schools. The combined total number of contracts issued by all  
4 statewide authorizing bodies under this subsection for schools of  
5 excellence that are cyber schools shall not exceed 15. The board of  
6 a school district, an intermediate school board, the board of a  
7 community college that is not a statewide authorizing body, or 2 or  
8 more public agencies acting jointly as described in subsection  
9 (6) (e) may not act as the authorizing body for more than 1 school  
10 of excellence that is a cyber school. An authorizing body shall not  
11 issue a contract for a school of excellence that is a cyber school  
12 unless the school of excellence that is a cyber school meets all of  
13 the following requirements:

14 (a) Is available for enrollment to all pupils in this state.

15 (b) Offers some configuration of or all of grades K to 12.

16 (c) The entity applying for the school of excellence that is a  
17 cyber school demonstrates experience in delivering a quality  
18 education program that improves pupil academic achievement. In  
19 determining whether this requirement is met, an authorizing body  
20 shall refer to the standards for quality online learning  
21 established by the national association of charter school  
22 authorizers or other similar nationally recognized standards for  
23 quality online learning.

24 (d) The enrollment in the school of excellence that is a cyber  
25 school is limited to not more than 2,500 pupils in membership for  
26 the first school year of operation of the school of excellence that  
27 is a cyber school, not more than 5,000 pupils in membership for the  
28 second school year of operation of the school of excellence that is  
29 a cyber school, and not more than 10,000 pupils in membership for

1 the third and subsequent school years of operation of the school of  
2 excellence that is a cyber school. As used in this subdivision,  
3 "membership" means that term as defined in section 6 of the state  
4 school aid act of 1979, MCL 388.1606.

5 (e) The school of excellence that is a cyber school offers  
6 each pupil's family a computer and subsidizes the cost of internet  
7 access.

8 (3) For a public school academy operating under part 6a that  
9 meets the requirements of subsection (4), with the approval of its  
10 authorizing body, the board of directors of the public school  
11 academy may adopt a resolution choosing to convert the public  
12 school academy to a school of excellence under this part. If the  
13 board of directors of a public school academy that meets the  
14 requirements of subsection (4) is issued a contract as a school of  
15 excellence under this subsection, all the following apply:

16 (a) The public school academy shall cease to operate as a  
17 public school academy under part 6a and shall operate as a school  
18 of excellence upon the issuance of a contract or at another time as  
19 determined by the authorizing body.

20 (b) The public school academy is considered to be a school of  
21 excellence for all purposes upon the issuance of a contract or at  
22 another time as determined by the authorizing body, but retains its  
23 corporate identity.

24 (c) The conversion of a public school academy under part 6a to  
25 a school of excellence operating under this part does not impair  
26 any agreement, mortgage, loan, bond, note or other instrument of  
27 indebtedness, or any other agreement entered into by a public  
28 school academy while it was operating under part 6a.

29 (d) The contract issued to the public school academy under



1 part 6a must automatically terminate upon the issuance of a  
2 contract or at another time as determined by the authorizing body.

3 (4) Subsection (3) applies to a public school academy that is  
4 determined by the department to meet all of the following, as  
5 applicable:

6 (a) If the public school academy operates only some or all of  
7 grades K to 8, meets at least 1 of the following:

8 (i) On average over a 3-year period, at least 90% of the pupils  
9 enrolled in the public school academy achieved a score of  
10 proficient or better on the Michigan education assessment program  
11 mathematics and reading tests or successor state assessment  
12 program.

13 (ii) On average over a 3-year period, at least 70% of the  
14 pupils enrolled in the public school academy achieved a score of  
15 proficient or better on the Michigan education assessment program  
16 mathematics and reading tests or successor state assessment program  
17 and at least 50% of the pupils enrolled in the public school  
18 academy met the income eligibility criteria for the federal free or  
19 reduced-price lunch program, as determined under the Richard B.  
20 Russell national school lunch act, 42 USC 1751 to 1769j, and  
21 reported to the department.

22 (b) If the public school academy operates grades 9 to 12, at  
23 least 80% of the school's pupils graduate from high school or are  
24 determined by the department to be on track to graduate from high  
25 school, the school has at least 80% average attendance, and the  
26 school has at least an 80% postsecondary enrollment rate.

27 (5) A school of excellence must be organized and administered  
28 under the direction of a board of directors in accordance with this  
29 part and with bylaws adopted by the board of directors. A school of

1 excellence must be organized under the nonprofit corporation act,  
2 1982 PA 162, MCL 450.2101 to 450.3192, except that a school of  
3 excellence is not required to comply with sections 170 to 177 of  
4 1931 PA 327, MCL 450.170 to 450.177. To the extent disqualified  
5 under the state or federal constitution, a school of excellence  
6 must not be organized by a church or other religious organization  
7 and must not have any organizational or contractual affiliation  
8 with or constitute a church or other religious organization.

9 (6) Any of the following may act as an authorizing body to  
10 issue a contract to organize and operate 1 or more schools of  
11 excellence under this part:

12 (a) The board of a school district. However, except as  
13 otherwise provided in this subdivision, the board of a school  
14 district shall not issue a contract for a school of excellence to  
15 operate outside the school district's boundaries, and a school of  
16 excellence authorized by the board of a school district shall not  
17 operate outside that school district's boundaries. If the board of  
18 a school district issues a contract for a school of excellence that  
19 is a cyber school, the contract may authorize the school of  
20 excellence that is a cyber school to operate outside that school  
21 district's boundaries.

22 (b) An intermediate school board. However, except as otherwise  
23 provided in this subdivision, the board of an intermediate school  
24 district shall not issue a contract for a school of excellence to  
25 operate outside the intermediate school district's boundaries, and  
26 a school of excellence authorized by the board of an intermediate  
27 school district shall not operate outside that intermediate school  
28 district's boundaries. If the board of an intermediate school  
29 district issues a contract for a school of excellence that is a

1 cyber school, the contract may authorize the school of excellence  
2 that is a cyber school to operate outside that intermediate school  
3 district's boundaries.

4 (c) The board of a community college. Except as otherwise  
5 provided in this subdivision, the board of a community college  
6 shall not issue a contract for a school of excellence to operate  
7 outside the boundaries of the community college district, and a  
8 school of excellence authorized by the board of a community college  
9 shall not operate outside the boundaries of the community college  
10 district. If the board of a community college issues a contract for  
11 a school of excellence that is a cyber school, the contract may  
12 authorize the school of excellence that is a cyber school to  
13 operate outside the boundaries of the community college district.  
14 The board of a community college also may issue a contract for not  
15 more than 1 school of excellence to operate on the grounds of an  
16 active or closed federal military installation located outside the  
17 boundaries of the community college district, or may operate a  
18 school of excellence itself on the grounds of such a federal  
19 military installation, if the federal military installation is not  
20 located within the boundaries of any community college district and  
21 the community college has previously offered courses on the grounds  
22 of the federal military installation for at least 10 years.

23 (d) The governing board of a state public university.

24 (e) Two or more of the public agencies described in  
25 subdivisions (a) to (d) exercising power, privilege, or authority  
26 jointly pursuant to an interlocal agreement under the urban  
27 cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to  
28 124.512.

29 (7) To obtain a contract to organize and operate 1 or more

1 schools of excellence, 1 or more persons or an entity may apply to  
2 an authorizing body described in this section. The application must  
3 include at least all of the following:

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

5 (b) Subject to the resolution adopted by the authorizing body  
6 under section 553(4), a list of the proposed members of the board  
7 of directors of the school of excellence and a description of the  
8 qualifications and method for appointment or election of members of  
9 the board of directors.

10 (c) The proposed articles of incorporation that must include  
11 at least all of the following:

12 (i) The name of the proposed school of excellence.

13 (ii) The purposes for the school of excellence corporation.

14 This language must provide that the school of excellence is  
15 incorporated pursuant to this part and that the school of  
16 excellence is a governmental entity.

17 (iii) The name of the authorizing body.

18 (iv) The proposed time when the articles of incorporation will  
19 be effective.

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

22 (d) A copy of the proposed bylaws of the school of excellence.

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

25 (i) The governance structure of the school of excellence.

26 (ii) A copy of the educational goals of the school of  
27 excellence and the curricula to be offered and methods of pupil  
28 assessment to be used by the school of excellence. The educational  
29 goals must include demonstrated improved pupil academic achievement

1 for all groups of pupils. To the extent applicable, the progress of  
2 the pupils in the school of excellence must be assessed using both  
3 the mathematics and reading portions of the Michigan student test  
4 of educational progress (M-STEP) **or, if the school of excellence is**  
5 **enrolled in a pilot program under section 104d of the state school**  
6 **aid act of 1979, MCL 388.1704d, a state-administered assessment**  
7 **system described in section 104d of the state school aid act of**  
8 **1979, MCL 388.1704d,** or the Michigan merit examination under  
9 section 1279g, as applicable.

10 (iii) The admission policy and criteria to be maintained by the  
11 school of excellence. The admission policy and criteria must comply  
12 with section 556. This part of the application also must include a  
13 description of how the applicant will provide to the general public  
14 adequate notice that a school of excellence is being created and  
15 adequate information on the admission policy, criteria, and  
16 process.

17 (iv) Except for a school of excellence that is a cyber school,  
18 the school calendar and school day schedule.

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

20 (f) Descriptions of staff responsibilities and of the school  
21 of excellence governance structure.

22 (g) For an application to the board of a school district, an  
23 intermediate school board, or board of a community college,  
24 identification of the school district and intermediate school  
25 district in which the school of excellence will be located.

26 (h) An agreement that the school of excellence will comply  
27 with the provisions of this part and, subject to the provisions of  
28 this part, with all other state law applicable to public bodies and  
29 with federal law applicable to public bodies or school districts.

1 (i) A description of and address for the proposed physical  
2 plant in which the school of excellence will be located. An  
3 applicant may request the authorizing body to issue a contract  
4 allowing the board of directors of the school of excellence to  
5 operate the same configuration of age or grade levels at more than  
6 1 site.

7 (8) An authorizing body shall oversee, or shall contract with  
8 an intermediate school district, community college, or state public  
9 university to oversee, each school of excellence operating under a  
10 contract issued by the authorizing body. The authorizing body is  
11 responsible for overseeing compliance by the board of directors  
12 with the contract and all applicable law. This subsection does not  
13 relieve any other government entity of its enforcement or  
14 supervisory responsibility.

15 (9) If the superintendent of public instruction finds that an  
16 authorizing body is not engaging in appropriate continuing  
17 oversight of 1 or more schools of excellence operating under a  
18 contract issued by the authorizing body, the superintendent of  
19 public instruction may suspend the power of the authorizing body to  
20 issue new contracts to organize and operate schools of excellence.  
21 A contract issued by the authorizing body during the suspension is  
22 void. A contract issued by the authorizing body before the  
23 suspension is not affected by the suspension.

24 (10) An authorizing body shall not charge a fee, or require  
25 reimbursement of expenses, for considering an application for a  
26 contract, for issuing a contract, or for providing oversight of a  
27 contract for a school of excellence in an amount that exceeds a  
28 combined total of 3% of the total state school aid received by the  
29 school of excellence in the school year in which the fees or

1 expenses are charged. The authorizing body may provide other  
2 services for a school of excellence and charge a fee for those  
3 services, but shall not require such an arrangement as a condition  
4 to issuing the contract authorizing the school of excellence.

5 (11) A school of excellence is presumed to be legally  
6 organized if it has exercised the franchises and privileges of a  
7 public school academy for at least 2 years.

8 (12) A member of the board of directors of a school of  
9 excellence is a public officer and shall, before entering upon the  
10 duties of the office, take the constitutional oath of office for  
11 public officers under section 1 of article XI of the state  
12 constitution of 1963.

13 (13) A school of excellence that is a cyber school may make  
14 available to other public schools for purchase any of the course  
15 offerings that the cyber school offers to its own pupils.

16 (14) If the department determines that the combined total  
17 statewide final audited membership for all pupils in membership in  
18 schools of excellence that are cyber schools for the 2012-2013  
19 state fiscal year exceeds a number equal to 1% of the combined  
20 total statewide final audited membership for all pupils in  
21 membership in public schools for the 2011-2012 state fiscal year,  
22 then all of the following apply:

23 (a) An authorizing body may not issue a new contract for a new  
24 school of excellence that is a cyber school to begin operations in  
25 the 2013-2014 school year.

26 (b) A school of excellence that is a cyber school may not  
27 enroll any new pupils in the school of excellence that is a cyber  
28 school in the 2013-2014 school year.

29 (15) Beginning July 1, 2013, if the department determines that

1 the combined total statewide final audited membership for all  
2 pupils in membership in schools of excellence that are cyber  
3 schools for a state fiscal year exceeds a number equal to 2% of the  
4 combined total statewide final audited membership for all pupils in  
5 membership in public schools for the 2011-2012 state fiscal year,  
6 ~~then~~ all of the following apply:

7 (a) Subject to subdivision (c), an authorizing body may not  
8 issue a new contract for a new school of excellence that is a cyber  
9 school to begin operations in a school year that begins after that  
10 determination is made.

11 (b) Subject to subdivision (c), a school of excellence that is  
12 a cyber school may not enroll any new pupils in the school of  
13 excellence that is a cyber school in a school year that begins  
14 after that determination is made.

15 (c) If the department determines that the combined total  
16 statewide final audited membership for all pupils in membership in  
17 schools of excellence that are cyber schools for a state fiscal  
18 year does not exceed a number equal to 2% of the combined total  
19 statewide final audited membership for all pupils in membership in  
20 public schools for the 2011-2012 state fiscal year, then  
21 subdivisions (a) and (b) do not apply for a school year that begins  
22 after that determination is made unless the department makes a new  
23 determination that the membership limits under this subsection have  
24 been exceeded.

25 (16) For the purposes of subsections (14) and (15), not later  
26 than July 1 of each year, the department shall determine the  
27 percentage of the combined total statewide final audited membership  
28 for all pupils in membership in public schools that are pupils in  
29 membership in schools of excellence that are cyber schools for the



1 state fiscal year that includes that July 1.

2 (17) As used in this section:

3 (a) "Membership" means that term as defined in section 6 of  
4 the state school aid act of 1979, MCL 388.1606.

5 (b) "Statewide authorizing body" means the governing board of  
6 a state public university or the board of a federal tribally  
7 controlled community college that is recognized under the tribally  
8 controlled colleges and universities assistance act of 1978, 25 USC  
9 1801 to 1864, and is determined by the department to meet the  
10 requirements for accreditation by a recognized regional accrediting  
11 body.

12 (18) Not later than October 1, 2012, if a district, an  
13 intermediate school district, a public school academy, or the  
14 education achievement system offers online learning, the board or  
15 board of directors of the district, intermediate school district,  
16 or public school academy, or the education achievement system,  
17 shall submit to the department a report that details the per-pupil  
18 costs of operating the online learning. The report shall include,  
19 on a per-pupil basis, at least all of the following costs:

20 (a) Textbooks, instructional materials, and supplies,  
21 including electronic instructional material.

22 (b) Computer and other electronic equipment, including  
23 internet and telephone access.

24 (c) Salaries and benefits for the online learning employees.

25 (d) Purchased courses and curricula.

26 (e) Fees associated with oversight and regulation.

27 (f) Travel costs associated with school activities and  
28 testing.

29 (g) Facilities costs.

1 (h) Costs associated with special education.

2 (19) Not later than December 31, 2012, the department shall  
3 issue a report to the legislature including the following:

4 (a) A review of the data submitted under subsection (14).

5 (b) A comparison with costs of substantially similar programs  
6 in other states and relevant national research on the costs of  
7 online learning.

8 (c) Any conclusions concerning factors or characteristics of  
9 online learning programs that make a difference in the costs of  
10 operating the programs.

11 (20) The board of directors of a school of excellence that is  
12 a cyber school, or the board of a school district, intermediate  
13 school district, or public school academy that operates an online  
14 or other distance learning program, shall submit a monthly report  
15 to the department, in the form and manner prescribed by the  
16 department, that reports the number of pupils enrolled in the  
17 school of excellence that is a cyber school, or in the online or  
18 other distance learning program, during the immediately preceding  
19 month.

20 (21) The board of directors of a school of excellence that is  
21 a cyber school shall ensure that, when a pupil enrolls in the  
22 school of excellence that is a cyber school, the pupil and the  
23 pupil's parent or legal guardian are provided with a parent-student  
24 orientation. If the pupil is at least 18 years of age or is an  
25 emancipated minor, the orientation may be provided to just the  
26 pupil.

27 (22) Both of the following apply to the issuance of a contract  
28 for a school of excellence to be located within a community  
29 district:

1 (a) An authorizing body shall not issue a contract to organize  
2 and operate a new school of excellence to be located in a community  
3 district unless, before issuing the contract, the governing board  
4 of the authorizing body has certified to the department that the  
5 authorizing body has been accredited as an authorizing body by a  
6 nationally recognized accreditation body. For an authorizing body  
7 described in subsection (6) (e), the authorizing body shall not  
8 issue a contract to organize and operate a new school of excellence  
9 to be located in a community district unless, before issuing the  
10 contract, the governing board of each of the public agencies that  
11 is party to the interlocal agreement has certified to the  
12 department that the public agency has been accredited as an  
13 authorizing body by a nationally recognized accreditation body.

14 (b) An authorizing body shall not issue a contract for a new  
15 school of excellence to be located in a community district if both  
16 of the following circumstances exist:

17 (i) Either of the following:

18 (A) The proposed school of excellence would operate at the  
19 same location as a public school that currently is on the list  
20 under federal accountability requirements as provided under the  
21 every student succeeds act, Public Law 114-95, of the public  
22 schools in this state determined to be among the lowest achieving  
23 5% of public schools in this state or has been on that list during  
24 the immediately preceding 3-year period.

25 (B) The proposed school of excellence would operate at the  
26 same location as a public school academy, urban high school  
27 academy, school of excellence, or strict discipline academy that  
28 has had its contract revoked or terminated by an authorizing body  
29 under the applicable part or section.

1           (ii) The proposed school of excellence would have substantially  
2 the same board of directors, substantially the same leadership, and  
3 substantially the same curriculum offerings as the public school  
4 that previously operated at that location.

5           Sec. 1279g. (1) The board of a school district or board of  
6 directors of a public school academy shall comply with this section  
7 and shall administer the Michigan merit examination to pupils in  
8 grade 11, and to pupils in grade 12 who did not take the complete  
9 Michigan merit examination in grade 11, as provided in this  
10 section.

11           (2) For the purposes of this section, the department of  
12 technology, management, and budget shall contract with 1 or more  
13 providers to develop, supply, and score the Michigan merit  
14 examination. The Michigan merit examination ~~shall~~**must** consist of  
15 all of the following:

16           (a) Assessment instruments that measure English language arts,  
17 mathematics, reading, and science and are used by colleges and  
18 universities in this state for entrance or placement purposes. This  
19 ~~shall include~~**includes** a writing component in which the pupil  
20 produces an extended writing sample. The Michigan merit examination  
21 ~~shall~~**must** not require any other extended writing sample.

22           (b) One or more tests from 1 or more test developers that  
23 assess a pupil's ability to apply at least reading and mathematics  
24 skills in a manner that is intended to allow employers to use the  
25 results in making employment decisions. The department of  
26 technology, management, and budget and the superintendent of public  
27 instruction shall ensure that any test or tests selected under this  
28 subdivision have all the components necessary to allow a pupil to  
29 be eligible to receive the results of a nationally recognized

1 evaluation of workforce readiness if the pupil's test performance  
2 is adequate.

3 (c) A social studies component.

4 (d) Any other component that is necessary to obtain the  
5 approval of the United States Department of Education to use the  
6 Michigan merit examination for the purposes of the no child left  
7 behind act of 2001, Public Law 107-110, or the every student  
8 succeeds act, Public Law 114-95.

9 (3) In addition to all other requirements of this section, all  
10 of the following apply to the Michigan merit examination:

11 (a) The department of technology, management, and budget and  
12 the superintendent of public instruction shall ensure that any  
13 contractor used for scoring the Michigan merit examination supplies  
14 an individual report for each pupil that will identify for the  
15 pupil's parents and teachers whether the pupil met expectations or  
16 failed to meet expectations for each standard, to allow the pupil's  
17 parents and teachers to assess and remedy problems before the pupil  
18 moves to the next grade.

19 (b) The department of technology, management, and budget and  
20 the superintendent of public instruction shall ensure that any  
21 contractor used for scoring, developing, or processing the Michigan  
22 merit examination meets quality management standards commonly used  
23 in the assessment industry, including at least meeting level 2 of  
24 the capability maturity model developed by the Software Engineering  
25 Institute of Carnegie Mellon University for the first year the  
26 Michigan merit examination is offered to all grade 11 pupils and at  
27 least meeting level 3 of the capability maturity model for  
28 subsequent years.

29 (c) The department of technology, management, and budget and

1 the superintendent of public instruction shall ensure that any  
2 contract for scoring, administering, or developing the Michigan  
3 merit examination includes specific deadlines for all steps of the  
4 assessment process, including, but not limited to, deadlines for  
5 the correct testing materials to be supplied to schools and for the  
6 correct results to be returned to schools, and includes penalties  
7 for noncompliance with these deadlines.

8 (d) The superintendent of public instruction shall ensure that  
9 the Michigan merit examination meets all of the following:

10 (i) Is designed to test pupils on grade level content  
11 expectations or course content expectations, as appropriate, in all  
12 subjects tested.

13 (ii) Complies with requirements of the no child left behind act  
14 of 2001, Public Law 107-110, or the every student succeeds act,  
15 Public Law 114-95, as applicable.

16 (iii) Is consistent with the code of fair testing practices in  
17 education prepared by the ~~joint committee~~ **Joint Committee** on  
18 ~~testing practices~~ **Testing Practices** of the American Psychological  
19 Association.

20 (iv) Is factually accurate. If the superintendent of public  
21 instruction determines that a question is not factually accurate  
22 and should be excluded from scoring, the state board and the  
23 superintendent of public instruction shall ensure that the question  
24 is excluded from scoring.

25 (4) A school district or public school academy that operates a  
26 high school shall include on each pupil's high school transcript  
27 ~~all~~ **both** of the following:

28 (a) For each high school graduate who has completed the  
29 Michigan merit examination under this section, the pupil's scaled

1 score on each subject area component of the Michigan merit  
2 examination.

3 (b) The number of school days the pupil was in attendance at  
4 school each school year during high school and the total number of  
5 school days in session for each of those school years.

6 (5) The superintendent of public instruction shall work with  
7 the provider or providers of the Michigan merit examination to  
8 produce Michigan merit examination subject area scores for each  
9 pupil participating in the Michigan merit examination, including  
10 scaling and merging of test items for the different subject area  
11 components. The superintendent of public instruction shall design  
12 and distribute to school districts, public school academies,  
13 intermediate school districts, and nonpublic schools a simple and  
14 concise document that describes the scoring for each subject area  
15 and indicates the scaled score ranges for each subject area.

16 (6) The Michigan merit examination ~~shall~~**must** be administered  
17 each year after March 1 and before June 1 to pupils in grade 11.  
18 The superintendent of public instruction shall ensure that the  
19 Michigan merit examination is scored and the scores are returned to  
20 pupils, their parents or legal guardians, and schools not later  
21 than the beginning of the pupil's first semester of grade 12. The  
22 returned scores ~~shall~~**must** indicate at least the pupil's scaled  
23 score for each subject area component and the range of scaled  
24 scores for each subject area. In reporting the scores to pupils,  
25 parents, and schools, the superintendent of public instruction  
26 shall provide standards-specific, meaningful, and timely feedback  
27 on the pupil's performance on the Michigan merit examination.

28 (7) A school district or public school academy shall  
29 administer the complete Michigan merit examination to a pupil only

1 once and shall not administer the complete Michigan merit  
2 examination to the same pupil more than once. If a pupil does not  
3 take the complete Michigan merit examination in grade 11, the  
4 school district or public school academy shall administer the  
5 complete Michigan merit examination to the pupil in grade 12. If a  
6 pupil chooses to retake the college entrance examination component  
7 of the Michigan merit examination, as described in subsection  
8 (2) (a), the pupil may do so through the provider of the college  
9 entrance examination component and the cost of the retake is the  
10 responsibility of the pupil unless all of the following are met:

11 (a) The pupil has taken the complete Michigan merit  
12 examination.

13 (b) The pupil meets the income eligibility criteria for free  
14 breakfast, lunch, or milk, as determined under the Richard B.  
15 Russell national school lunch act, 42 USC 1751 to 1769j.

16 (c) The pupil has applied to the provider of the college  
17 entrance examination component for a scholarship or fee waiver to  
18 cover the cost of the retake and that application has been denied.

19 (d) After taking the complete Michigan merit examination, the  
20 pupil has not already received a free retake of the college  
21 entrance examination component paid for either by this state or  
22 through a scholarship or fee waiver by the provider.

23 (8) The superintendent of public instruction shall ensure that  
24 the length of the Michigan merit examination and the combined total  
25 time necessary to administer all of the components of the Michigan  
26 merit examination are the shortest possible that will still  
27 maintain the degree of reliability and validity of the Michigan  
28 merit examination results determined necessary by the  
29 superintendent of public instruction. The superintendent of public



1 instruction shall ensure that the maximum total combined length of  
2 time that schools are required to set aside for pupils to answer  
3 all test questions on the Michigan merit examination does not  
4 exceed 8 hours if the superintendent of public instruction  
5 determines that sufficient alignment to applicable Michigan merit  
6 curriculum content standards can be achieved within that time  
7 limit.

8 (9) A school district or public school academy shall provide  
9 accommodations to a pupil with disabilities for the Michigan merit  
10 examination, as provided under section 504 of title V of the  
11 rehabilitation act of 1973, 29 USC 794; ~~subtitle~~**part** A of ~~title~~  
12 **subchapter** II of the Americans with disabilities act of 1990, 42  
13 USC 12131 to 12134; the individuals with disabilities education act  
14 amendments of 1997, Public Law 105-17; and the implementing  
15 regulations for those statutes. The provider or providers of the  
16 Michigan merit examination and the superintendent of public  
17 instruction shall mutually agree upon the accommodations to be  
18 provided under this subsection.

19 (10) To the greatest extent possible, the Michigan merit  
20 examination ~~shall~~**must** be based on grade level content expectations  
21 or course content expectations, as appropriate. ~~Not later than July~~  
22 ~~1, 2008, the department shall identify specific grade level content~~  
23 ~~expectations to be taught before and after the middle of grade 11,~~  
24 ~~so that teachers will know what content will be covered within the~~  
25 ~~Michigan merit examination.~~

26 (11) A child who is a student in a nonpublic school or home  
27 school may take the Michigan merit examination under this section.  
28 To take the Michigan merit examination, a child who is a student in  
29 a home school shall contact the school district in which the child

1 resides, and that school district shall administer the Michigan  
2 merit examination, or the child may take the Michigan merit  
3 examination at a nonpublic school if allowed by the nonpublic  
4 school. Upon request from a nonpublic school, the superintendent of  
5 public instruction shall direct the provider or providers to supply  
6 the Michigan merit examination to the nonpublic school and the  
7 nonpublic school may administer the Michigan merit examination. If  
8 a school district administers the Michigan merit examination under  
9 this subsection to a child who is not enrolled in the school  
10 district, the scores for that child are not considered for any  
11 purpose to be scores of a pupil of the school district.

12 (12) In contracting under subsection (2), the department of  
13 technology, management, and budget shall consider a contractor that  
14 provides electronically-scored essays with the ability to score  
15 constructed response feedback in multiple languages and provide  
16 ongoing instruction and feedback.

17 (13) The purpose of the Michigan merit examination is to  
18 assess pupil performance in mathematics, science, social studies,  
19 and English language arts for the purpose of improving academic  
20 achievement and establishing a statewide standard of competency.  
21 The assessment under this section provides a common measure of data  
22 that will contribute to the improvement of Michigan schools'  
23 curriculum and instruction by encouraging alignment with Michigan's  
24 curriculum framework standards and promotes pupil participation in  
25 higher level mathematics, science, social studies, and English  
26 language arts courses. These standards are based ~~upon~~ **on** the  
27 expectations of what pupils should learn through high school and  
28 are aligned with national standards.

29 (14) In addition to the other requirements of this section and

1 the requirements of 1970 PA 38, MCL 388.1081 to 388.1086, ~~beginning~~  
2 ~~with assessments conducted during the 2016-2017 school year,~~ the  
3 superintendent of public instruction shall ensure that the Michigan  
4 merit examination social studies component and the M-STEP **or, if a**  
5 **school district or public school academy is enrolled in a pilot**  
6 **program under section 104d of the state school aid act of 1979, MCL**  
7 **388.1704d, a state-administered assessment system described in**  
8 **section 104d of the state school aid act of 1979, MCL 388.1704d,**  
9 and any successor state assessment for social studies, as  
10 appropriate, include questions related to the learning objectives  
11 in the state board recommended model core academic curriculum  
12 standards concerning genocide, including, but not limited to, the  
13 Holocaust and the Armenian Genocide.

14 (15) As used in this section:

15 (a) "Armenian Genocide", "genocide", and "Holocaust" mean  
16 those terms as defined in section 1168.

17 (b) "English language arts" means reading and writing.

18 (c) "Social studies" means United States history, world  
19 history, world geography, economics, and American government.

20 Enacting section 1. This amendatory act does not take effect  
21 unless Senate Bill No. \_\_\_\_ or House Bill No. 5991 (request no.  
22 06555'24) of the 102nd Legislature is enacted into law.