

HOUSE BILL NO. 4158

February 26, 2025, Introduced by Reps. Thompson, Greene, Kuhn, Steele, Schuette, DeBoyer, Linting, Schmaltz, Tisdell, Cavitt and Kelly and referred to Committee on Education and Workforce.

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, 522, and 552 as amended by 2023 PA 34, section 503 as amended by 2024 PA 210, 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

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

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

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

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

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

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

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

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

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

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

2 (b) Subject to the resolution adopted by the authorizing body
3 under section 503(5), a list of the proposed members of the board
4 of directors of the public school academy and a description of the
5 qualifications and method for appointment or election of members of
6 the board of directors.

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

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

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

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

14 (iii) The name of the authorizing body.

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

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

19 (d) A copy of the proposed bylaws of the public school
20 academy.

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

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

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

1 the mathematics and reading portions of the Michigan student test
2 of educational progress (M-STEP), ~~or~~ the Michigan merit examination
3 under section 1279g, **or, if the public school academy is enrolled**
4 **in a pilot program under section 104d of the state school aid act**
5 **of 1979, MCL 388.1704d, a state-administered assessment system**
6 **described in section 104d of the state school aid act of 1979, MCL**
7 **388.1704d, as applicable.**

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

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

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

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

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

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

27 (i) A description of and address for the proposed physical
28 plant in which the public school academy will be located. An
29 applicant may request the authorizing body to issue a contract

1 allowing the public school academy board of directors to operate
2 the same configuration of age or grade levels at more than 1 site.

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

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

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

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

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

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

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

29 (b) An authorizing body shall not issue a contract for a new

1 public school academy to be located in a community district if both
2 of the following circumstances exist:

3 (i) Either of the following:

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

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

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

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

29 (a) The resources available for the proposed public school

1 academy.

2 (b) The population to be served by the proposed public school
3 academy.

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

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

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

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

12 (g) The number of schools in the proximity of a proposed
13 location of the proposed public school academy that are on the list
14 under federal accountability requirements as provided under the
15 every student succeeds act, Public Law 114-95, of the public
16 schools in this state determined to be among the lowest achieving
17 5% of public schools in this state.

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

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

29 (3) If a person or entity applies to the board of a school

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

18 (4) ~~Within~~ **Not later than** 10 days after issuing a contract for
19 a public school academy, the authorizing body shall submit to the
20 superintendent of public instruction a copy of the contract.

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

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

29 (a) The educational goals the public school academy is to

1 achieve and the methods by which it will be held accountable. The
2 educational goals must include demonstrated improved pupil academic
3 achievement for all groups of pupils. To the extent applicable, the
4 pupil performance of a public school academy must be assessed using
5 at least the Michigan student test of educational progress (M-
6 STEP), ~~or~~ the Michigan merit examination under section 1279g, **or,**
7 **if the public school academy is enrolled in a pilot program under**
8 **section 104d of the state school aid act of 1979, MCL 388.1704d, a**
9 **state-administered assessment system described in section 104d of**
10 **the state school aid act of 1979, MCL 388.1704d,** as applicable.

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

14 (c) A description of the process for amending the contract
15 during the term of the contract.

16 (d) All of the matters set forth in the application for the
17 contract.

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

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

29 (g) Requirements and procedures for financial audits. The

1 financial audits must be conducted at least annually by a certified
2 public accountant in accordance with generally accepted
3 governmental auditing principles.

4 (h) The term of the contract and a description of the process
5 and standards for renewal of the contract at the end of the term.
6 The standards for renewal must include increases in academic
7 achievement for all groups of pupils as measured by assessments and
8 other objective criteria as the most important factor in the
9 decision of whether to renew the contract.

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

14 (j) A requirement that the board of directors of the public
15 school academy ensure compliance with the requirements of 1968 PA
16 317, MCL 15.321 to 15.330.

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

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

29 (m) A requirement that the board of directors of the public

1 school academy collect, maintain, and make available to the public
2 and the authorizing body, in accordance with applicable law and the
3 contract, at least all of the following information concerning the
4 operation and management of the public school academy:

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

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

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

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

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

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

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

1 (viii) Copies of any management contracts or services contracts
2 approved by the board of directors.

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

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

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

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

16 (o) A requirement that the board of directors of the public
17 school academy demonstrate all of the following to the satisfaction
18 of the authorizing body with regard to its pupil 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 prohibit any individual from being employed by the
26 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 (q) For a contract that is entered into, extended, renewed, or

1 modified on or after ~~the effective date of the amendatory act that~~
2 ~~added this subdivision,~~ **April 2, 2025**, a requirement that the names
3 of the authorizing body and the primary educational management
4 organization, if applicable, must appear and be verbally provided,
5 as applicable, on all of the following:

6 (i) Unless prohibited by a local ordinance or local zoning
7 authority, signage that is on the public school academy's property
8 and is erected, repaired, or installed on or after ~~the effective~~
9 ~~date of the amendatory act that added this subdivision.~~ **April 2,**
10 **2025.**

11 (ii) Promotional material that is created, modified, or
12 distributed on or after ~~the effective date of the amendatory act~~
13 ~~that added this subdivision.~~ **April 2, 2025.**

14 (iii) The footer of the public school academy's website pages.

15 (iv) The school application that a student must submit to
16 enroll in the public school academy.

17 (7) A public school academy shall comply with all applicable
18 law, including all of the following:

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

20 (b) The freedom of information act, 1976 PA 442, MCL 15.231 to
21 15.246.

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

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

24 (e) Laws concerning participation in state assessments, data
25 collection systems, state level student growth models, state
26 accountability and accreditation systems, and other public
27 comparative data collection required for public schools.

28 (8) A public school academy and its incorporators, board
29 members, officers, employees, and volunteers have governmental

1 immunity as provided in section 7 of 1964 PA 170, MCL 691.1407. An
2 authorizing body and its board members, officers, and employees are
3 immune from civil liability, both personally and professionally,
4 for an act or omission in authorizing a public school academy if
5 the authorizing body or the person acted or reasonably believed the
6 person acted within the authorizing body's or the person's scope of
7 authority.

8 (9) A public school academy is exempt from all taxation on its
9 earnings and property. Instruments of conveyance to or from a
10 public school academy are exempt from all taxation including taxes
11 imposed by 1966 PA 134, MCL 207.501 to 207.513. Unless the property
12 is already fully exempt from real and personal property taxes under
13 the general property tax act, 1893 PA 206, MCL 211.1 to 211.155,
14 property occupied by a public school academy and used exclusively
15 for educational purposes is exempt from real and personal property
16 taxes levied for school operating purposes under section 1211, to
17 the extent exempted under that section, and from real and personal
18 property taxes levied under the state education tax act, 1993 PA
19 331, MCL 211.901 to 211.906. A public school academy may not levy
20 ad valorem property taxes or another tax for any purpose. However,
21 operation of 1 or more public school academies by a school district
22 or intermediate school district does not affect the ability of the
23 school district or intermediate school district to levy ad valorem
24 property taxes or another tax.

25 (10) A public school academy may acquire by purchase, gift,
26 devise, lease, sublease, installment purchase agreement, land
27 contract, option, or by any other means, hold and own in its own
28 name buildings and other property for school purposes, and
29 interests therein, and other real and personal property, including,

1 but not limited to, interests in property subject to mortgages,
 2 security interests, or other liens, necessary or convenient to
 3 fulfill its purposes. For the purposes of condemnation, a public
 4 school academy may proceed under the uniform condemnation
 5 procedures act, 1980 PA 87, MCL 213.51 to 213.75, excluding
 6 sections 6 to 9 of the uniform condemnation procedures act, 1980 PA
 7 87, MCL 213.56 to 213.59, or other applicable statutes, but only
 8 with the express, written permission of the authorizing body in
 9 each instance of condemnation and only after just compensation has
 10 been determined and paid.

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

16 (12) As used in this section:

17 (a) "Educational management organization" means that term as
 18 defined in section 503c.

19 (b) "Primary educational management organization" means an
 20 educational management organization that is responsible for both of
 21 the following:

22 (i) Administrative services or staff.

23 (ii) Educational and instructional services or staff.

24 (c) "Promotional material" means any of the following:

25 (i) Billboards.

26 (ii) Internet advertisements.

27 (iii) Television advertisements.

28 (iv) Radio advertisements.

29 Sec. 522. (1) An urban high school academy must be organized

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

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

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

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

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

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

1 under section 528, a list of the proposed members of the board of
2 directors of the urban high 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 that must include
6 at least all of the following:

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

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

14 (iii) The name of the authorizing body.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

29 (vii) Training of teachers, including supervision of teacher

1 interns.

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

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

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

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

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

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

24 (i) Either of the following:

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

1 5% of public schools in this state or has been on that list during
2 the immediately preceding 3-year period.

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

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

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

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

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

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

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

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

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

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

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

1 a cyber school, and not more than 10,000 pupils in membership for
2 the third and subsequent school years of operation of the school of
3 excellence that is a cyber school. As used in this subdivision,
4 "membership" means that term as defined in section 6 of the state
5 school aid act of 1979, MCL 388.1606.

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

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

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

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

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

1 (d) The contract issued to the public school academy under
2 part 6a must automatically terminate upon the issuance of a
3 contract or at another time as determined by the authorizing body.

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

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

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

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

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

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

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

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

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

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

1 district's boundaries. If the board of an intermediate school
2 district issues a contract for a school of excellence that is a
3 cyber school, the contract may authorize the school of excellence
4 that is a cyber school to operate outside that intermediate school
5 district's boundaries.

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

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

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

1 124.512.

2 (7) To obtain a contract to organize and operate 1 or more
3 schools of excellence, 1 or more persons or an entity may apply to
4 an authorizing body described in this section. The application must
5 include at least all of the following:

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

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

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

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

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

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

19 (iii) The name of the authorizing body.

20 (iv) The proposed time when the articles of incorporation will
21 be effective.

22 (v) Other matters considered expedient to be in the articles
23 of incorporation.

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

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

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

28 (ii) A copy of the educational goals of the school of
29 excellence and the curricula to be offered and methods of pupil

1 assessment to be used by the school of excellence. The educational
2 goals must include demonstrated improved pupil academic achievement
3 for all groups of pupils. To the extent applicable, the progress of
4 the pupils in the school of excellence must be assessed using ~~both~~
5 the mathematics and reading portions of the Michigan student test
6 of educational progress (M-STEP), ~~or~~ the Michigan merit examination
7 under section 1279g, **or, if the school of excellence is enrolled in**
8 **a pilot program under section 104d of the state school aid act of**
9 **1979, MCL 388.1704d, a state-administered assessment system**
10 **described in section 104d of the state school aid act of 1979, MCL**
11 **388.1704d**, as applicable.

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

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

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

22 (f) Descriptions of staff responsibilities and of the school
23 of excellence governance structure.

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

28 (h) An agreement that the school of excellence will comply
29 with the provisions of this part and, subject to the provisions of

1 this part, with all other state law applicable to public bodies and
2 with federal law applicable to public bodies or school districts.

3 (i) A description of and address for the proposed physical
4 plant in which the school of excellence will be located. An
5 applicant may request the authorizing body to issue a contract
6 allowing the board of directors of the school of excellence to
7 operate the same configuration of age or grade levels at more than
8 1 site.

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

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

26 (10) An authorizing body shall not charge a fee, or require
27 reimbursement of expenses, for considering an application for a
28 contract, for issuing a contract, or for providing oversight of a
29 contract for a school of excellence in an amount that exceeds a

1 combined total of 3% of the total state school aid received by the
2 school of excellence in the school year in which the fees or
3 expenses are charged. The authorizing body may provide other
4 services for a school of excellence and charge a fee for those
5 services, but shall not require such an arrangement as a condition
6 to issuing the contract authorizing the school of excellence.

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

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

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

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

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

28 (b) A school of excellence that is a cyber school may not
29 enroll any new pupils in the school of excellence that is a cyber

1 school in the 2013-2014 school year.

2 (15) Beginning July 1, 2013, if the department determines that
3 the combined total statewide final audited membership for all
4 pupils in membership in schools of excellence that are cyber
5 schools for a state fiscal year exceeds a number equal to 2% of the
6 combined total statewide final audited membership for all pupils in
7 membership in public schools for the 2011-2012 state fiscal year,
8 ~~then~~ all of the following apply:

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

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

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

27 (16) For the purposes of subsections (14) and (15), not later
28 than July 1 of each year, the department shall determine the
29 percentage of the combined total statewide final audited membership

1 for all pupils in membership in public schools that are pupils in
2 membership in schools of excellence that are cyber schools for the
3 state fiscal year that includes that July 1.

4 (17) As used in this section:

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

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

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

22 (a) Textbooks, instructional materials, and supplies,
23 including electronic instructional material.

24 (b) Computer and other electronic equipment, including
25 internet and telephone access.

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

27 (d) Purchased courses and curricula.

28 (e) Fees associated with oversight and regulation.

29 (f) Travel costs associated with school activities and

1 testing.

2 (g) Facilities costs.

3 (h) Costs associated with special education.

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

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

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

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

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

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

29 (22) Both of the following apply to the issuance of a contract

1 for a school of excellence to be located within a community
2 district:

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

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

19 (i) Either of the following:

20 (A) The proposed school of excellence would operate at the
21 same location as a public school that currently is on the list
22 under federal accountability requirements as provided under the
23 every student succeeds act, Public Law 114-95, of the public
24 schools in this state determined to be among the lowest achieving
25 5% of public schools in this state or has been on that list during
26 the immediately preceding 3-year period.

27 (B) The proposed school of excellence would operate at the
28 same location as a public school academy, urban high school
29 academy, school of excellence, or strict discipline academy that

1 has had its contract revoked or terminated by an authorizing body
2 under the applicable part or section.

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

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

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

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

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

1 subdivision have all the components necessary to allow a pupil to
2 be eligible to receive the results of a nationally recognized
3 evaluation of workforce readiness if the pupil's test performance
4 is adequate.

5 (c) A social studies component.

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

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

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

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

1 subsequent years.

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

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

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

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

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

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

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

1 (a) For each high school graduate who has completed the
2 Michigan merit examination under this section, the pupil's scaled
3 score on each subject area component of the Michigan merit
4 examination.

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

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

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

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

13 (a) The pupil has taken the complete Michigan merit
14 examination.

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

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

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

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

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

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

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

28 (11) A child who is a student in a nonpublic school or home
29 school may take the Michigan merit examination under this section.

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

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

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

1 are aligned with national standards.

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

16 (15) As used in this section:

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

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

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

22 Enacting section 1. This amendatory act does not take effect
23 unless House Bill No. 4157 (request no. H00056'25) of the 103rd
24 Legislature is enacted into law.