

**SUBSTITUTE FOR
SENATE BILL NO. 1239**

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending sections 1311b and 1311h (MCL 380.1311b and 380.1311h),
as added by 1999 PA 23.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1311b. (1) A strict discipline academy is a public school
2 under section 2 of article VIII of the state constitution of 1963,
3 is a school district for the purposes of section 11 of article IX
4 of the state constitution of 1963 and for the purposes of section
5 1225 **AND SECTION 1351A**, and is subject to the leadership and
6 general supervision of the state board over all public education
7 under section 3 of article VIII of the state constitution of 1963.
8 A strict discipline academy is a body corporate and is a

1 governmental agency. The powers granted to a strict discipline
2 academy under sections 1311b to 1311l constitute the performance of
3 essential public purposes and governmental functions of this state.

4 (2) As used in sections 1311b to 1311l:

5 (a) "Authorizing body" means any of the following that issues
6 a contract as provided in sections 1311b to 1311l:

7 (i) The board of a school district that operates grades K to
8 12.

9 (ii) An intermediate school board.

10 (iii) The board of a community college.

11 (iv) The governing board of a state public university.

12 (b) "Certificated teacher" means an individual who holds a
13 valid teaching certificate issued by the state board under section
14 1531.

15 (c) "Community college" means a community college organized
16 under the community college act of 1966, 1966 PA 331, MCL 389.1 to
17 389.195, or a federal tribally controlled community college that is
18 recognized under the tribally controlled ~~community college~~ **COLLEGES**
19 **AND UNIVERSITIES** assistance act of 1978, ~~Public Law 95-471, 25 USC~~
20 **1801 TO 1852**, and is determined by the department to meet the
21 requirements for accreditation by a recognized regional accrediting
22 body.

23 (d) "Contract" means the executive act taken by an authorizing
24 body that evidences the authorization of a strict discipline
25 academy and that establishes, subject to the constitutional powers
26 of the state board and applicable law, the written instrument
27 executed by an authorizing body conferring certain rights,

1 franchises, privileges, and obligations on a strict discipline
2 academy, as provided by sections 1311b to 1311l, and confirming the
3 status of a strict discipline academy as a public school in this
4 state.

5 (e) "Entity" means a partnership, nonprofit or business
6 corporation, labor organization, or any other association,
7 corporation, trust, or other legal entity.

8 (f) "State public university" means a university described in
9 section 4, 5, or 6 of article VIII of the state constitution of
10 1963.

11 Sec. 1311h. In addition to other powers set forth in sections
12 1311b to 1311l, a strict discipline academy may take action to carry
13 out the purposes for which it was incorporated under sections 1311b
14 to 1311l, including, but not limited to, all of the following:

15 (a) To sue and be sued in its name.

16 (b) To acquire, hold, and own in its own name real and
17 personal property, or interests in real or personal property, for
18 educational purposes by purchase, gift, grant, devise, bequest,
19 lease, sublease, installment purchase agreement, land contract,
20 option, or condemnation, and subject to mortgages, security
21 interests, or other liens; and to sell or convey the property as
22 the interests of the strict discipline academy require.

23 (c) To receive and disburse funds for lawful purposes.

24 (d) To enter into binding legal agreements with persons or
25 entities as necessary for the operation, management, **FINANCING**, and
26 maintenance of the strict discipline academy.

27 (e) To incur temporary debt in accordance with section 1225.

1 (f) To solicit and accept any grants or gifts for educational
2 purposes and to establish or permit to be established on its behalf
3 1 or more nonprofit corporations the purpose of which is to assist
4 the strict discipline academy in the furtherance of its public
5 purposes.

6 (G) TO BORROW MONEY AND ISSUE BONDS IN ACCORDANCE WITH SECTION
7 1351A AND IN ACCORDANCE WITH PART VI OF THE REVISED MUNICIPAL
8 FINANCE ACT, 2001 PA 34, MCL 141.2601 TO 141.2613, EXCEPT THAT THE
9 BORROWING OF MONEY AND ISSUANCE OF BONDS BY A STRICT DISCIPLINE
10 ACADEMY IS NOT SUBJECT TO SECTION 1351A(4) OR SECTION 1351(2) TO
11 (4). BONDS ISSUED UNDER THIS SECTION SHALL BE FULL FAITH AND CREDIT
12 OBLIGATIONS OF THE STRICT DISCIPLINE ACADEMY, PLEDGING THE GENERAL
13 FUNDS OR ANY OTHER MONEY AVAILABLE FOR SUCH A PURPOSE. BONDS ISSUED
14 UNDER THIS SECTION ARE SUBJECT TO THE REVISED MUNICIPAL FINANCE
15 ACT, 2001 PA 34, MCL 141.2101 TO 141.2821.