

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 423

A bill to amend 1976 PA 451, entitled  
"The revised school code,"  
(MCL 380.1 to 380.1852) by adding section 1281a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1        SEC. 1281A. (1) THE LEGISLATURE FINDS AND DECLARES ALL OF THE  
2 FOLLOWING:

3        (A) SECTION 2 OF ARTICLE VIII OF THE STATE CONSTITUTION OF  
4 1963 REQUIRES THAT "THE LEGISLATURE SHALL MAINTAIN AND SUPPORT A  
5 SYSTEM OF FREE PUBLIC ELEMENTARY AND SECONDARY SCHOOLS AS DEFINED  
6 BY LAW.". THAT SECTION FURTHER REQUIRES THAT "EVERY SCHOOL DISTRICT  
7 SHALL PROVIDE FOR THE EDUCATION OF ITS PUPILS WITHOUT  
8 DISCRIMINATION AS TO RELIGION, CREED, RACE, COLOR OR NATIONAL  
9 ORIGIN.".

1 (B) SINCE AT LEAST 1970, THIS STATE HAS REQUIRED THE STATEWIDE  
2 ASSESSMENT OF EDUCATIONAL PROGRESS IN LOCAL PUBLIC ELEMENTARY AND  
3 SECONDARY SCHOOLS UNDER 1970 PA 38, MCL 388.1081 TO 388.1086.

4 (C) IN ADDITION TO LONG-STANDING STATE REQUIREMENTS, THIS  
5 STATE IS ALSO SUBJECT TO VARIOUS FEDERAL REQUIREMENTS WITH RESPECT  
6 TO ELEMENTARY AND SECONDARY EDUCATION, INCLUDING THE REQUIREMENT  
7 THAT MICHIGAN STUDENTS BE PROFICIENT AND MAKE ADEQUATE YEARLY  
8 PROGRESS AS PROVIDED UNDER TITLE 20 OF THE UNITED STATES CODE.

9 (D) UNDER THE STATE CONSTITUTION OF 1963, LONG-STANDING STATE  
10 LAW, AND FEDERAL LAW, MICHIGAN CHILDREN HAVE THE RIGHT TO A FREE,  
11 QUALITY, EQUITABLE PUBLIC EDUCATION.

12 (2) THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET SHALL  
13 ENTER INTO A CONTRACT FOR A COMPREHENSIVE STATEWIDE COST STUDY TO  
14 DETERMINE THE SUFFICIENT RESOURCES PER PUPIL TO PROVIDE A PUBLIC  
15 EDUCATION THAT ENABLES A PUPIL TO DEMONSTRATE SUCCESSFUL  
16 COMPLETION, IN TERMS OF PROFICIENCY, OF ALL OF THE CREDIT  
17 REQUIREMENTS OF THE MICHIGAN MERIT STANDARD UNDER SECTIONS 1278A  
18 AND 1278B. THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET  
19 SHALL ALSO ENSURE THAT THE STUDY MEETS ALL OF THE FOLLOWING:

20 (A) CONSIDERS WHETHER PUBLIC RESOURCES BEING COMMITTED TO  
21 PUBLIC EDUCATION ARE DISTRIBUTED IN SUCH A WAY THAT ALL CHILDREN  
22 HAVE AN EQUAL OPPORTUNITY TO SUCCEED IN SCHOOL.

23 (B) IS CONDUCTED BY A VENDOR WHO IS QUALIFIED TO CONDUCT THE  
24 STUDY. THE VENDOR MUST HAVE PROVEN EXPERIENCE IN UTILIZING MULTIPLE  
25 NATIONAL-LEVEL RESEARCH APPROACHES, INCLUDING AT LEAST ALL OF THE  
26 FOLLOWING TYPES OF ANALYSIS: SUCCESSFUL SCHOOL DISTRICT,  
27 PROFESSIONAL JUDGMENT, AND EVIDENCE-BASED. THE VENDOR MUST HAVE A

1 PROVEN ABILITY TO COMBINE THE DATA GENERATED FROM THESE RESEARCH  
2 APPROACHES TO ASSESS AT LEAST ALL OF THE FOLLOWING:

3 (i) HOW STRONGLY THE IDENTIFIED DATA OR COSTS ARE ASSOCIATED  
4 WITH ACHIEVING THIS STATE'S STUDENT PERFORMANCE GOALS INCLUDING,  
5 BUT NOT LIMITED TO, REQUIRED PROFICIENCY IN READING AND  
6 MATHEMATICS, AND WHETHER THIS ASSOCIATION IS SUFFICIENT TO  
7 ESTABLISH A CAUSE-AND-EFFECT RELATIONSHIP.

8 (ii) THE DEGREE TO WHICH THE DATA OR COSTS TOOK INTO  
9 CONSIDERATION EFFICIENCY AND LOWEST POSSIBLE COST OF RESOURCE  
10 DELIVERY.

11 (iii) THE TRANSPARENCY AND RELIABILITY OF THE DATA GENERATED.

12 (iv) HOW WELL THE DATA COULD BE APPLIED TO RECOGNIZE EXISTING  
13 PUBLIC SCHOOL AND PUPIL COST PRESSURE DIFFERENCES.

14 (C) INCLUDES AT LEAST ALL OF THE FOLLOWING:

15 (i) A DETERMINATION OF THE EDUCATIONAL RESOURCES AND RELATED  
16 EXPENDITURES THAT ARE REQUIRED TO PROVIDE A QUALITY ELEMENTARY AND  
17 SECONDARY EDUCATION FOR EACH PUPIL IN THE PUBLIC SCHOOLS. THE STUDY  
18 SHALL INCLUDE EXAMINING EXEMPLARY SCHOOL DISTRICTS THAT ARE HIGH-  
19 PERFORMING AND LOW-SPENDING SCHOOL DISTRICTS. AS PART OF THE  
20 DETERMINATION UNDER THIS SUBPARAGRAPH, A REVIEW SHALL BE CONDUCTED  
21 OF SCHOOL DISTRICT EFFORTS IN SUPPORT OF PUBLIC SCHOOLS.

22 (ii) AN EXAMINATION OF THE POTENTIAL UTILITY OF GEOGRAPHIC  
23 COST-OF-EDUCATION INDEXING IN THIS STATE.

24 (iii) AN INVESTIGATION OF ADDITIONAL CATEGORIES OF FUNDING THAT  
25 MAY BE NECESSARY TO MEET NEEDS UNIQUE TO SCHOOLS AND PUPILS,  
26 INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING:

27 (A) SOCIOECONOMIC STATUS.

1 (B) LIMITED ENGLISH PROFICIENCY.

2 (C) PUPILS WITH SPECIAL EDUCATION NEEDS.

3 (D) SCARCITY AND DENSITY OF POPULATION.

4 (E) ISSUES RELATED TO THE RURAL, URBAN, OR SUBURBAN NATURE OF  
5 THE SCHOOL DISTRICT.

6 (iv) AN EXAMINATION OF THE IMPACT OF FOOD SERVICE COSTS,  
7 TRANSPORTATION COSTS, COSTS ASSOCIATED WITH COMMUNITY SERVICES,  
8 ADULT EDUCATION COSTS, SCHOOL BUILDING CONSTRUCTION AND MAINTENANCE  
9 AND OTHER CAPITAL COSTS, AND DEBT SERVICE COSTS.

10 (v) A DETERMINATION OF THE COST IMPACT OF PUPIL POPULATION  
11 GROWTH AND DECLINE.

12 (3) NOT LATER THAN 30 DAYS AFTER THE COMPLETION OF THE STUDY  
13 REQUIRED UNDER THIS SECTION, THE DEPARTMENT OF TECHNOLOGY,  
14 MANAGEMENT, AND BUDGET SHALL SUBMIT TO THE LEGISLATURE, THE  
15 GOVERNOR, AND THE LEGISLATIVE AUDITOR GENERAL A REPORT CONTAINING A  
16 DETAILED SUMMARY OF THE FINDINGS FROM THE STUDY.

17 (4) THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET SHALL  
18 ENSURE THAT THE STUDY REQUIRED UNDER THIS SECTION IS COMPLETED  
19 WITHIN 1 YEAR AFTER THE EFFECTIVE DATE OF THIS SECTION. THE  
20 DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET SHALL DEVELOP A  
21 REQUEST FOR PROPOSALS AND AWARD THE CONTRACT REQUIRED UNDER THIS  
22 SECTION IN TIME FOR THIS DEADLINE FOR COMPLETION OF THE STUDY TO BE  
23 MET AND SHALL INCLUDE THIS DEADLINE IN THE REQUEST FOR PROPOSALS  
24 AND IN THE CONTRACT.