



**House
Legislative
Analysis
Section**

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SCHOOL REORGANIZATION

House Bill 5306

Sponsor: Rep. Robert DeMars
Committee: Education

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Mich. State Law

**A SUMMARY OF HOUSE BILL 5306 AS
INTRODUCED 11-15-90**

The School Code governs the process of consolidation or annexation between school districts, regulating such things as election procedures, transfer of authority, debt transfer, and the granting of new taxing powers. The bill would amend the act to add two new types of school reorganization, attachment and partial property transfer, which would be similar procedurally to existing reorganization plans, and to recodify procedures for all types of school reorganization. Generally, most of the bill's provisions would follow current reorganization guidelines. The bill, however, would add new provisions governing school district employee rights, including the protection and transfer of seniority rights and tenure, and collective bargaining agreements that would apply under any of the school reorganization methods. The following briefly summarizes the bill's major provisions for new reorganization procedures.

Protection of School Employees' Rights. If a school or part of a school was closed for reorganization purposes, a school district employee laid off or terminated due to the closure would have seniority and other employment rights that had already accrued (in the former district) in any district that accepted all or part of a closed grade or school. Within 20 days after a vote to close a school, the employee would temporarily be considered an employee of both the closing and receiving districts; also, he or she would retain seniority and other employment rights from the original district, and would have those that accrued in the new district. Seniority would have to be determined under the new district's appropriate collective bargaining agreement or, if none existed, according to the new district's seniority standards and would have to be granted as if the employee originally had worked there.

An employee of a closing district who was on layoff on June 1 of the school year just before closure occurred could not displace an active employee in any accepting district. However, a tenured teacher with employment rights pursuant to the bill could replace a probationary teacher who worked in a position for which the tenured teacher was certified. A district could not lay off or recall employees to skirt the bill's protections. Except as otherwise specified, when an employee accepted a position with an accepting district his or her employment rights in all other districts would terminate; also, the employee would be due all rights and benefits which he or she otherwise would have had if employed originally by the accepting district, unless modified by a collective bargaining agreement. Rights and benefits provided under the teachers' tenure act would also be due, including tenure status, as if he or she had worked there originally.

If a district reopened and operated part or all of a discontinued district, an employee of that district who transferred elsewhere could choose, based on seniority, to

return to the reopened district. An employee of the accepting district who was laid off or terminated due to the reopening and operation of the closed district would have employment rights based on seniority and those rights that accrued during employment in the reopened district. Within 20 days after school electors voted to reopen part or all of a district, the employee would temporarily be considered an employee of both the reopened and accepting districts, and would retain seniority and other rights in his or her original district as well as those that accrued based on seniority in the reopened district. These seniority rights would have to be determined under the appropriate collective bargaining agreement or, if none existed, under that district's seniority standards, and the rights would have to be granted as if the employee were originally employed by that district. A change of seniority in any successor agreement consistent with the parties' obligations could be made under the Public Employment Relations Act.

An employee of an accepting district who was on layoff on June 1 of the school year just before a discontinued district was reopened could not displace an active employee in the reopened district. A tenured teacher who was granted employment rights, however, could replace a probationary teacher who was employed in a position for which the tenured teacher was certified. Upon accepting a position with a district that reopened and operated, an employee's employment rights in all other districts would terminate.

Within 20 days after the official canvass date of an election on reorganization, an employee of a sending district would be considered a receiving district's employee. An employee with these employment rights would have seniority and those rights which accrued based on seniority in the receiving district. These rights would have to be determined under the receiving district's collective bargaining agreement or, if none existed, according to the district's seniority standards. Seniority rights would have to be granted as if the employee had originally been employed by the receiving district.

An employee of a sending district who was on layoff on June 1 of the school year just prior to the reorganization's effective date could not displace an active employee in the receiving district. A tenured teacher granted employment rights pursuant to the bill, however, could replace a probationary teacher who worked in a position for which the tenured teacher was certified. A district could not lay off or recall employees to skirt these provisions.

Under a reorganization that occurred as an attachment or partial property transfer, when an employee accepted a position with a receiving district his or her employment rights in all other districts would terminate.

Other Employment Rights. Unless modified by a collective bargaining agreement, a person employed under a reorganization plan would be entitled to all rights and benefits to which he or she otherwise would have been

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entitled if he or she originally had been employed by the district to which these rights were attached. An employee of a sending district employed by a reorganized district would be entitled to all rights and benefits provided for under the teachers' tenure act, to which he or she would have been entitled if employed originally by the reorganized district, including tenure status.

Collective Bargaining under Reorganization. Questions regarding an appropriate collective bargaining representative or unit composition involving a reorganized district's employees would have to be filed with the employment relations commission, created under Public Act 176 of 1939 (which provides for mediation between various groups). If filed within 60 days after the official canvass date of the election, the commission — pursuant to authority granted it under its enabling act — would have to hold a hearing, if required, within 30 days after the filing and issue a decision within 30 days after the hearing. If an election was required by the commission it would have to be held within 30 days after the order was issued. Not later than four months after the official canvass date, but earlier upon request of either party, the reorganized district's interim board would have to meet and bargain with the employees' respective collective bargaining agents over wages, hours, and other terms and conditions of employment after the reorganization's effective date.

If an agreement in a consolidation had not been reached by the bargaining agent(s) of the consolidated district's employees before the consolidation's effective date, the consolidated district would have to implement on an interim basis, until an agreement was reached, the collective bargaining agreement of the sending district with the most pupils on the official canvass date. If this occurred, an employee would be entitled to all rights and benefits that arose under the interim agreement as if he or she had been employed originally by the district with the most pupils.

If an agreement in an attachment, annexation, or partial property transfer had not been reached with the appropriate bargaining agent(s) of the receiving district's employees before the reorganization's effective date, the receiving district would have to implement its existing collective bargaining agreement. In this case, an employee would be entitled to all rights and benefits that arose under the interim agreement as if he or she had originally been employed by the receiving district.

Increase of Constitutional Tax Limitation. If an original district that voted to increase the constitutional limitation on taxes for either building and site or general fund purposes (in which the term of years for which the millage was voted had not expired) proposed to take part in a reorganization, the board resolution required for reorganization could provide that reorganization would take effect only if the original district's electors approved a similar increase in the constitutional limitation on taxes (for the same amounts, purposes, and number of years as were effective for the original district).

MCL 380.5, et al.