

SUBSTITUTE FOR  
SENATE BILL NO. 1005

A bill to amend 1976 PA 451, entitled "The revised school code," by amending sections 371, 372, 374a, 376, and 402 (MCL 380.371, 380.372, 380.374a, 380.376, and 380.402), sections 371, 372, 374a, and 376 as added and section 402 as amended by 1999 PA 10, and by adding part 4A and section 1206.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

**1** PART 4A

2 APPOINTMENT OF CHIEF EXECUTIVE OFFICER FOR A SCHOOL DISTRICT  
3 UNDER COURT ORDER

**4** SEC. 271. AS USED IN THIS PART:

5 (A) "CHIEF EXECUTIVE OFFICER" MEANS THE CHIEF EXECUTIVE  
6 OFFICER APPOINTED FOR A QUALIFYING SCHOOL DISTRICT UNDER SECTION  
7 272.

8 (B) "QUALIFYING SCHOOL DISTRICT" MEANS A SCHOOL DISTRICT  
9 WITH A PUPIL MEMBERSHIP BETWEEN 4,500 AND 6,500 PUPILS THAT IS  
10 SUBJECT TO A COURT DESEGREGATION ORDER. HOWEVER, SUCH A SCHOOL

1 DISTRICT IS NOT A QUALIFYING SCHOOL DISTRICT IF THE COURT  
2 DESEGREGATION ORDER TO WHICH IT IS SUBJECT INCLUDES A STIPULATED  
3 SETTLEMENT AGREEMENT BETWEEN THAT SCHOOL DISTRICT AND THE PLAIN-  
4 TIFFS THAT WAS ORDERED BY THE COURT BEFORE AUGUST 30, 1998 AND  
5 THAT PROVIDES FOR THE TRANSITION TO DISMISSAL OF THAT SCHOOL DIS-  
6 TRICT FROM THE DESEGREGATION LITIGATION.

7 SEC. 272. (1) NOT LATER THAN 60 DAYS AFTER THE EFFECTIVE  
8 DATE OF THIS PART OR THE DATE ON WHICH A SCHOOL DISTRICT BECOMES A  
9 QUALIFYING SCHOOL DISTRICT, WHICHEVER IS LATER, A CHIEF EXECUTIVE  
10 OFFICER SHALL BE APPOINTED  
11 FOR THE QUALIFYING SCHOOL DISTRICT AS PROVIDED IN THIS  
12 SUBSECTION. THE APPOINTMENT SHALL BE BY A MAJORITY VOTE OF THE  
13 FOLLOWING OFFICIALS:

14 (A) THE GOVERNOR OR THE GOVERNOR'S DESIGNEE.

15 (B) THE SUPERINTENDENT OF PUBLIC INSTRUCTION OR HIS OR HER  
16 DESIGNEE.

17 (C) THE INTERMEDIATE SUPERINTENDENT OF THE INTERMEDIATE  
18 SCHOOL DISTRICT IN WHICH THE QUALIFYING SCHOOL DISTRICT IS  
19 LOCATED.

20 (2) THE CHIEF EXECUTIVE OFFICER APPOINTED UNDER SUBSECTION  
21 (1) SHALL PURSUE AND PROMOTE THE BEST INTERESTS OF THE QUALIFYING  
22 SCHOOL DISTRICT AND HAS THE POWERS AND DUTIES PROVIDED UNDER THIS  
23 PART. THE CHIEF EXECUTIVE OFFICER IS EMPLOYED AT THE WILL OF THE  
24 OFFICIALS DESCRIBED IN SUBSECTION (1) AND MAY BE REMOVED BY  
25 MAJORITY VOTE OF THOSE OFFICIALS.

26 (3) THE CHIEF EXECUTIVE OFFICER SHALL APPOINT FOR THE QUALI-  
FYING SCHOOL DISTRICT A CHIEF FINANCIAL OFFICER, CHIEF ACADEMIC  
OFFICER, CHIEF OPERATIONS OFFICER, AND CHIEF PURCHASING OFFICER.

1 THESE OFFICERS ARE EMPLOYED AT THE WILL OF THE CHIEF EXECUTIVE  
2 OFFICER.

3 (4) IF A VACANCY OCCURS IN A POSITION DESCRIBED IN THIS SEC-  
4 TION, A SUCCESSOR SHALL BE APPOINTED IN THE SAME MANNER AS THE  
5 ORIGINAL APPOINTMENT.

6 SEC. 273. (1) UPON THE EFFECTIVE DATE OF THIS PART OR, IF A  
7 SCHOOL DISTRICT BECOMES A QUALIFYING SCHOOL DISTRICT AFTER THE  
8 EFFECTIVE DATE OF THIS PART, BEGINNING ON THE DATE ON WHICH A SCHOOL  
9 DISTRICT BECOMES A QUALIFYING SCHOOL DISTRICT, THE  
10 POWERS AND DUTIES OF THE ELECTED SCHOOL BOARD OF THE QUALIFYING  
11 SCHOOL DISTRICT AND OF ITS OFFICERS ARE SUSPENDED UNLESS AND  
12 UNTIL THE ELECTED SCHOOL BOARD IS REINSTATED UNDER SECTION 275,  
13 EXCEPT THAT THE ELECTED SCHOOL BOARD SHALL CONTINUE TO MEET AS AN  
14 ADVISORY BOARD TO PROVIDE INPUT TO THE CHIEF EXECUTIVE OFFICER ON  
15 AN ADVISORY BASIS ONLY AND SHALL CONTINUE TO HOLD SCHOOL BOARD  
16 ELECTIONS TO ELECT SCHOOL BOARD MEMBERS AS OTHERWISE PROVIDED BY  
17 LAW. NOTWITHSTANDING ANY BOARD POLICY, BYLAW, OR RESOLUTION TO  
18 THE CONTRARY, THESE ELECTED SCHOOL BOARD MEMBERS SHALL SERVE  
19 WITHOUT COMPENSATION OR REIMBURSEMENT UNLESS AND UNTIL THE  
20 ELECTED SCHOOL BOARD IS REINSTATED UNDER SECTION 275.

21 (2) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (1), UPON THE  
22 EFFECTIVE DATE OF THIS PART OR, IF A SCHOOL DISTRICT BECOMES A  
23 QUALIFYING SCHOOL DISTRICT AFTER THE EFFECTIVE DATE OF THIS PART,  
24 BEGINNING ON THE DATE ON WHICH A SCHOOL DISTRICT BECOMES A  
25 QUALIFYING SCHOOL DISTRICT, AND UNTIL APPOINTMENT OF A CHIEF  
26 EXECUTIVE OFFICER UNDER SECTION 272, ALL PROVISIONS OF THIS ACT  
27 THAT WOULD OTHERWISE APPLY TO THE SCHOOL BOARD OF THE QUALIFYING  
28 SCHOOL DISTRICT OR TO THE CHIEF EXECUTIVE OFFICER APPLY TO THE  
29 SUPERINTENDENT OF SCHOOLS OF THE QUALIFYING SCHOOL DISTRICT, AND  
30 THE SUPERINTENDENT OF SCHOOLS OF THE QUALIFYING SCHOOL DISTRICT  
31 IMMEDIATELY MAY EXERCISE ALL THE POWERS AND DUTIES OTHERWISE  
32 VESTED BY LAW IN THE BOARD OF THE QUALIFYING SCHOOL DISTRICT AND  
33 IN ITS OFFICERS, AND ALL POWERS AND DUTIES OF THE CHIEF EXECUTIVE

1 OFFICER AS PROVIDED UNDER THIS PART. WITHIN 30 DAYS AFTER THE  
2 EFFECTIVE DATE OF THIS PART OR THE DATE ON WHICH A SCHOOL DISTRICT  
3 BECOMES A QUALIFYING SCHOOL DISTRICT, WHICHEVER IS LATER, THE  
4 SUPERINTENDENT OF SCHOOLS OF THE  
5 QUALIFYING SCHOOL DISTRICT SHALL INITIATE A FINANCIAL AUDIT OF  
6 THE QUALIFYING SCHOOL DISTRICT. THE RESULTS OF THIS AUDIT SHALL  
7 BE PROVIDED TO THE CHIEF EXECUTIVE OFFICER APPOINTED UNDER  
8 SECTION 272.

9 (3) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (1), UPON  
10 APPOINTMENT OF A CHIEF EXECUTIVE OFFICER FOR A QUALIFYING SCHOOL  
11 DISTRICT UNDER SECTION 272, ALL PROVISIONS OF THIS ACT THAT WOULD  
12 OTHERWISE APPLY TO THE ELECTED SCHOOL BOARD OF THE QUALIFYING  
13 SCHOOL DISTRICT APPLY TO THE CHIEF EXECUTIVE OFFICER; THE CHIEF  
14 EXECUTIVE OFFICER IMMEDIATELY MAY EXERCISE ALL THE POWERS AND  
15 DUTIES OTHERWISE VESTED BY LAW IN THE ELECTED SCHOOL BOARD OF THE  
16 QUALIFYING SCHOOL DISTRICT AND IN ITS SECRETARY AND TREASURER,  
17 AND ALL ADDITIONAL POWERS AND DUTIES PROVIDED UNDER THIS PART;  
18 AND THE CHIEF EXECUTIVE OFFICER ACCEDES TO ALL THE RIGHTS,  
19 DUTIES, AND OBLIGATIONS OF THE ELECTED SCHOOL BOARD OF THE QUALI-  
20 FYING SCHOOL DISTRICT. THESE POWERS, RIGHTS, DUTIES, AND OBLIGA-  
21 TIONS INCLUDE, BUT ARE NOT LIMITED TO, ALL OF THE FOLLOWING:

22 (A) AUTHORITY OVER THE EXPENDITURE OF ALL SCHOOL DISTRICT  
23 FUNDS, INCLUDING PROCEEDS FROM BONDED INDEBTEDNESS AND OTHER  
24 FUNDS DEDICATED TO CAPITAL PROJECTS.

25 (B) RIGHTS AND OBLIGATIONS UNDER COLLECTIVE BARGAINING  
26 AGREEMENTS AND EMPLOYMENT CONTRACTS ENTERED INTO BY THE ELECTED  
SCHOOL BOARD, EXCEPT FOR EMPLOYMENT CONTRACTS OF THOSE EMPLOYEES  
DESCRIBED IN SUBSECTION (5).

1 (C) RIGHTS TO PROSECUTE AND DEFEND LITIGATION.

2 (D) OBLIGATIONS UNDER A FEDERAL DESEGREGATION ORDER ENTERED  
3 INTO BY OR ENTERED AGAINST THE ELECTED SCHOOL BOARD.

4 (E) RIGHTS AND OBLIGATIONS UNDER STATUTE, RULE, AND COMMON  
5 LAW.

6 (F) AUTHORITY TO DELEGATE ANY OF THE CHIEF EXECUTIVE  
7 OFFICER'S POWERS AND DUTIES TO 1 OR MORE DESIGNEES.

8 (4) IN ADDITION TO HIS OR HER OTHER POWERS, THE CHIEF EXECU-  
9 TIVE OFFICER APPOINTED UNDER THIS PART MAY TERMINATE ANY CONTRACT  
10 ENTERED INTO BY THE ELECTED SCHOOL BOARD OF THE QUALIFYING SCHOOL  
11 DISTRICT EXCEPT FOR A COLLECTIVE BARGAINING AGREEMENT. HOWEVER,  
12 THIS SUBSECTION DOES NOT ALLOW ANY TERMINATION OR DIMINISHMENT OF  
13 OBLIGATIONS TO PAY DEBT SERVICE ON LEGALLY AUTHORIZED BONDS. A  
14 CONTRACT TERMINATED BY A CHIEF EXECUTIVE OFFICER UNDER THIS SUB-  
15 SECTION IS VOID.

16 (5) BEGINNING ON THE EFFECTIVE DATE OF THIS PART OR, IF A  
17 SCHOOL DISTRICT BECOMES A QUALIFYING SCHOOL DISTRICT AFTER THE  
18 EFFECTIVE DATE OF THIS PART, ON THE DATE ON WHICH A SCHOOL DISTRICT  
19 BECOMES A QUALIFYING SCHOOL DISTRICT, AND UNTIL  
20 APPOINTMENT OF A CHIEF EXECUTIVE OFFICER FOR A QUALIFYING SCHOOL  
21 DISTRICT UNDER SECTION 272, EACH EMPLOYEE OF THE QUALIFYING  
22 SCHOOL DISTRICT WHOSE POSITION IS NOT COVERED BY A COLLECTIVE  
23 BARGAINING AGREEMENT IS EMPLOYED AT THE WILL OF THE SUPERINTEN-  
24 DENT OF SCHOOLS OF THE QUALIFYING SCHOOL DISTRICT. UPON APPOINT-  
25 MENT OF A CHIEF EXECUTIVE OFFICER FOR A QUALIFYING SCHOOL DIS-  
26 TRICT UNDER SECTION 272, EACH EMPLOYEE OF THE QUALIFYING SCHOOL  
DISTRICT WHOSE POSITION IS NOT COVERED BY A COLLECTIVE BARGAINING  
AGREEMENT IS EMPLOYED AT THE WILL OF THE CHIEF EXECUTIVE  
OFFICER.

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1       (6) NOT LATER THAN 90 DAYS AFTER THE INITIAL APPOINTMENT OF  
2 A CHIEF EXECUTIVE OFFICER UNDER THIS PART, AND AT LEAST ANNUALLY  
3 THEREAFTER, THE CHIEF EXECUTIVE OFFICER SHALL DEVELOP AND SUBMIT  
4 TO THE SCHOOL DISTRICT ACCOUNTABILITY BOARD CREATED IN  
5 SECTION 376 A SCHOOL DISTRICT IMPROVEMENT PLAN THAT INCLUDES AT  
6 LEAST DETAILED ACADEMIC, FINANCIAL, CAPITAL, AND OPERATIONAL  
7 GOALS AND BENCHMARKS FOR IMPROVEMENT AND A DESCRIPTION OF STRATE-  
8 GIES TO BE USED TO ACCOMPLISH THOSE GOALS AND BENCHMARKS. IF THE  
9 QUALIFYING SCHOOL DISTRICT HAS DEVELOPED A 5-YEAR SCHOOL IMPROVE-  
10 MENT PLAN FOR THE SCHOOL DISTRICT, THE CHIEF EXECUTIVE OFFICER  
11 SHALL GIVE SUBSTANTIAL CONSIDERATION TO THAT PROGRESS PLAN IN  
12 DEVELOPING THE ACADEMIC GOALS AND BENCHMARKS INCLUDED IN THE  
13 SCHOOL DISTRICT IMPROVEMENT PLAN UNDER THIS SUBSECTION. THE PLAN  
14 UNDER THIS SUBSECTION ALSO SHALL INCLUDE AN ASSESSMENT OF AVAIL-  
15 ABLE RESOURCES AND RECOMMENDATIONS CONCERNING ADDITIONAL  
16 RESOURCES OR CHANGES IN STATUTE OR RULE, IF ANY, NEEDED TO MEET  
17 THOSE GOALS AND BENCHMARKS. THE PLAN UNDER THIS SUBSECTION ALSO  
18 SHALL INCLUDE AN EVALUATION OF LOCAL SCHOOL GOVERNANCE ISSUES,  
19 INCLUDING CRITERIA FOR ESTABLISHING BUILDING-LEVEL GOVERNANCE.

20       (7) A CHIEF EXECUTIVE OFFICER SHALL SUBMIT AN ANNUAL REPORT  
21 TO THE GOVERNOR, SCHOOL DISTRICT ACCOUNTABILITY BOARD CREATED IN  
22 SECTION 376, AND LEGISLATURE AND SHALL MAKE THE ANNUAL REPORT  
23 AVAILABLE TO THE COMMUNITY IN THE QUALIFYING SCHOOL DISTRICT.  
24 THE ANNUAL REPORT SHALL CONTAIN AT LEAST ALL OF THE FOLLOWING:

25       (A) A SUMMARY OF THE INITIATIVES THAT HAVE BEEN IMPLEMENTED  
26 TO IMPROVE SCHOOL QUALITY IN THE QUALIFYING SCHOOL DISTRICT.

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1 (B) MEASUREMENTS THAT ARE RELATED TO ATTAINMENT OF THE  
2 BENCHMARKS FOR IMPROVEMENT IN SCHOOL QUALITY IN THE QUALIFYING  
3 SCHOOL DISTRICT. THESE MEASUREMENTS SHALL INDICATE CHANGES FROM  
4 BASELINE DATA FROM THE SCHOOL YEAR BEFORE THE APPOINTMENT OF THE  
5 CHIEF EXECUTIVE OFFICER, AND SHALL INCLUDE AT LEAST ALL OF THE  
6 FOLLOWING:

7 (i) STANDARDIZED TEST SCORES OF PUPILS.

8 (ii) DROPOUT RATES.

9 (iii) DAILY ATTENDANCE FIGURES.

10 (iv) ENROLLMENT FIGURES.

11 (v) HIGH SCHOOL COMPLETION AND OTHER PERTINENT COMPLETION  
12 RATES.

13 (vi) CHANGES MADE IN COURSE OFFERINGS.

14 (vii) PROPORTION OF SCHOOL DISTRICT RESOURCES DEVOTED TO  
15 DIRECT EDUCATIONAL SERVICES.

16 (C) A DESCRIPTION OF LONG-TERM PERFORMANCE GOALS THAT MAY  
17 INCLUDE STATEWIDE AVERAGES OR COMPARABLE MEASURES OF LONG-TERM  
18 IMPROVEMENT.

19 (8) IN ADDITION TO THE MEMBERS OF THE ELECTED SCHOOL BOARD  
20 SERVING ON THE ADVISORY BOARD DESCRIBED IN SUBSECTION (1), EACH  
21 OF THE OFFICIALS DESCRIBED IN SECTION 272(1) SHALL APPOINT A  
22 MEMBER TO THE ADVISORY BOARD. THESE ADDITIONAL 3 MEMBERS OF THE  
23 ADVISORY BOARD EACH SHALL SERVE AT THE WILL OF THE APPOINTING  
24 OFFICIAL, AND A VACANCY AMONG THEM SHALL BE FILLED IN THE SAME  
25 MANNER AS THE ORIGINAL APPOINTMENT. THESE ADDITIONAL MEMBERS  
26 SHALL SERVE WITHOUT COMPENSATION OR REIMBURSEMENT. IF THE  
27 ELECTED SCHOOL BOARD IS REINSTATED UNDER SECTION 275, THE SERVICE

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1 OF THESE ADDITIONAL MEMBERS ON THE ADVISORY BOARD SHALL CEASE  
2 EFFECTIVE UPON THE REINSTATEMENT.

3 (9) THE GOVERNOR, SUPERINTENDENT OF PUBLIC INSTRUCTION,  
4 STATE BOARD, SCHOOL DISTRICT ACCOUNTABILITY BOARD CREATED IN  
5 SECTION 376, THIS STATE, OR A CHIEF EXECUTIVE OFFICER OR OTHER  
6 OFFICER APPOINTED UNDER THIS PART IS IMMUNE FROM LIABILITY FOR  
7 ANY OBLIGATION OF OR CLAIM AGAINST A QUALIFYING SCHOOL DISTRICT  
8 RESULTING FROM AN ACTION TAKEN UNDER THIS PART.

9 SEC. 275. (1) AFTER THE EXPIRATION OF 5 YEARS AFTER THE  
10 INITIAL APPOINTMENT OF A CHIEF EXECUTIVE OFFICER IN A QUALIFYING  
11 SCHOOL DISTRICT UNDER THIS PART, THE QUESTION OF WHETHER TO  
12 RETAIN THE CHIEF EXECUTIVE OFFICER AND THE AUTHORITY UNDER THIS  
13 PART TO APPOINT THE CHIEF EXECUTIVE OFFICER SHALL BE PLACED ON  
14 THE BALLOT IN THE QUALIFYING SCHOOL DISTRICT UNDER THIS SECTION.

15 (2) THE QUESTION UNDER SUBSECTION (1) SHALL BE PLACED ON THE  
16 BALLOT IN THE QUALIFYING SCHOOL DISTRICT AT THE NEXT SCHOOL ELEC-  
17 TION OCCURRING AT LEAST 90 DAYS AFTER THE EXPIRATION OF 5 YEARS  
18 AFTER THE DATE OF THE INITIAL APPOINTMENT OF THE CHIEF EXECUTIVE  
19 OFFICER.

20 (3) THE QUESTION UNDER SUBSECTION (1) SHALL BE IN SUBSTAN-  
21 Tially THE FOLLOWING FORM:

22 "SHALL THE CHIEF EXECUTIVE OFFICER SERVING IN  
23 \_\_\_\_\_ (NAME OF QUALIFYING SCHOOL DISTRICT) UNDER  
24 PART 4A OF THE REVISED SCHOOL CODE BE RETAINED AND SHALL STATE  
25 OFFICIALS RETAIN THE AUTHORITY TO APPOINT A CHIEF EXECUTIVE  
26 OFFICER? A VOTE IN THE AFFIRMATIVE CONTINUES THE CHIEF EXECUTIVE  
27 OFFICER IN PLACE IN THE SCHOOL DISTRICT AND CONTINUES THE

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1 AUTHORITY OF STATE OFFICIALS TO APPOINT A CHIEF EXECUTIVE OFFICER  
2 FOR THE SCHOOL DISTRICT. A VOTE IN THE NEGATIVE WILL RESULT IN  
3 THE ELECTION OF A NEW ELECTED SCHOOL BOARD AS THE GOVERNING BODY  
4 OF THE SCHOOL DISTRICT AND WILL RENDER THE PROVISIONS OF LAW  
5 ESTABLISHING AUTHORITY TO APPOINT A CHIEF EXECUTIVE OFFICER INAP-  
6 PLICABLE FOR THIS SCHOOL DISTRICT.

7 YES ( )

8 NO ( )" .

9 (4) IF THE QUESTION UNDER SUBSECTION (1) IS APPROVED BY A  
10 MAJORITY OF THE SCHOOL ELECTORS VOTING ON THE QUESTION EITHER  
11 UNDER SUBSECTION (1) OR PURSUANT TO SUBDIVISION (C), ALL OF THE  
12 FOLLOWING APPLY:

13 (A) THE CHIEF EXECUTIVE OFFICER CONTINUES IN PLACE IN THE  
14 QUALIFYING SCHOOL DISTRICT.

15 (B) THE AUTHORITY OF THE OFFICIALS DESCRIBED IN  
16 SECTION 272(1) TO APPOINT A CHIEF EXECUTIVE OFFICER CONTINUES IN  
17 THE QUALIFYING SCHOOL DISTRICT.

18 (C) THE QUESTION MAY NOT BE PLACED ON THE BALLOT AGAIN IN  
19 THE QUALIFYING SCHOOL DISTRICT UNTIL THE EXPIRATION OF 5 YEARS  
20 AFTER THE ELECTION AT WHICH THE QUESTION WAS APPROVED. THE QUES-  
21 TION MAY BE PLACED ON THE BALLOT AGAIN IN THE QUALIFYING SCHOOL  
22 DISTRICT UNDER THIS SUBDIVISION IF PETITIONS CALLING FOR THE  
23 QUESTION TO BE PLACED ON THE BALLOT ARE FILED WITH THE COUNTY  
24 CLERK FOR THE COUNTY IN WHICH THE QUALIFYING SCHOOL DISTRICT IS  
25 LOCATED NOT SOONER THAN 4 YEARS AFTER THE QUESTION WAS MOST  
26 RECENTLY ON THE BALLOT AND IF THE PETITIONS ARE SIGNED BY A  
27 NUMBER OF SCHOOL ELECTORS OF THE QUALIFYING SCHOOL DISTRICT AT

05327'99 (S-2)

1 LEAST EQUAL TO 10% OF THE NUMBER OF VOTES CAST WITHIN THE CITY IN  
2 WHICH THE QUALIFYING SCHOOL DISTRICT IS LOCATED FOR SECRETARY OF  
3 STATE IN THE MOST RECENT NOVEMBER GENERAL ELECTION IN WHICH A  
4 SECRETARY OF STATE WAS ELECTED. IF THOSE PETITIONS ARE SUBMITTED  
5 AND VERIFIED, THE QUESTION SHALL BE PLACED ON THE BALLOT IN THE  
6 QUALIFYING SCHOOL DISTRICT AT THE NEXT NOVEMBER GENERAL ELECTION  
7 OCCURRING AT LEAST 5 YEARS AFTER THE QUESTION WAS MOST RECENTLY  
8 ON THE BALLOT AND AT LEAST 90 DAYS AFTER THE PETITIONS ARE SUB-  
9 MITTED AND VERIFIED.

10 (5) IF THE QUESTION UNDER SUBSECTION (1) IS NOT APPROVED BY  
11 A MAJORITY OF THE SCHOOL ELECTORS VOTING ON THE QUESTION EITHER  
12 UNDER SUBSECTION (1) OR PURSUANT TO SUBSECTION (4)(C), ALL OF THE  
13 FOLLOWING APPLY EFFECTIVE JULY 1 FOLLOWING THE ELECTION:

14 (A) EFFECTIVE ON THE NEXT JULY 1 FOLLOWING THE ELECTION, THE  
15 ELECTED SCHOOL BOARD OF THE QUALIFYING SCHOOL DISTRICT IS REIN-  
16 STATED AS THE GOVERNING BODY OF THE QUALIFYING SCHOOL DISTRICT  
17 AND AS OF THAT DATE THE ELECTED SCHOOL BOARD AND ITS OFFICERS  
18 AGAIN SHALL BE FULLY VESTED WITH ALL POWERS AND DUTIES THAT THEY  
19 HAD BEFORE THE EFFECTIVE DATE OF THIS PART.

20 (B) THE POWERS OF THE CHIEF EXECUTIVE OFFICER APPOINTED FOR  
21 THE QUALIFYING SCHOOL DISTRICT UNDER THIS PART AND OF ALL OTHER  
22 OFFICERS APPOINTED UNDER SECTION 272 SHALL CEASE.

23 (C) THE PROVISIONS OF THIS PART SHALL NOT APPLY TO THAT  
24 QUALIFYING SCHOOL DISTRICT.

Sec. 371. As used in this part:

(a) "Chief executive officer", EXCEPT AS USED IN SUBDIVISION  
(B), means the chief executive officer appointed for a qualifying  
school district under section 374.

(b) "Mayor" means the ~~mavor~~ CHIEF EXECUTIVE OFFICER of the  
city, ~~in which~~ VILLAGE, OR TOWNSHIP WITH THE GREATEST POPULATION  
AS OF THE MOST RECENT DECENNIAL CENSUS LOCATED WITHIN THE BOUNDARIES  
OF a qualifying school district. ~~is located.~~

(c) "Qualifvinq school district" means a school district of the  
first class under part 6.

Sec. 372. (1) ~~Not later than 30 days after the effective date~~  
~~of the amendatory act that added this part~~ APRIL 25, 1999 OR, IF A  
QUALIFYING SCHOOL DISTRICT BECOMES A SCHOOL DISTRICT OF THE FIRST  
CLASS AFTER APRIL 25, 1999, NOT LATER THAN 30 DAYS AFTER THE DATE  
THE QUALIFYING SCHOOL DISTRICT BECOMES A SCHOOL DISTRICT OF THE  
FIRST CLASS, the mavor shall appoint a school reform board for a  
qualifvinq school district.

(2) A school reform board established under this section shall  
consist of the following 7 members:

(a) Six members appointed by the mavor.

(b) For a period of 5 years after the ~~effective date of the~~  
~~amendatory act that added this part~~ DATE OF THE INITIAL APPOINTMENT  
OF THE MEMBERS OF THE SCHOOL REFORM BOARD APPOINTED UNDER  
SUBDIVISION (A), the superintendent of public instruction or his or

her designee. After this period, the mayor shall appoint the seventh member of the school reform board.

(3) A person who is a current member of the elected school board of a qualifying school district is not eligible for appointment as a member of the school reform board for that qualifying school district. Section 1101(1) does not disqualify any person from appointment to a school reform board under this section or from appointment as an officer under section 374. However, at least a majority of the appointed members of a school reform board must be school electors of the qualifying school district.

(4) Except for the superintendent of public instruction or his or her designee, members of a school reform board shall serve at the will of the mayor. The term of an appointed member shall be 4 years, except that of the members first appointed under subsection (2)(a). 2 shall be appointed for a term of 2 years, 2 shall be appointed for a term of 3 years, and 2 shall be appointed for a term of 4 years.

(5) If a member of a school reform board is removed from office by the mayor or is unable to complete his or her term, the mayor shall appoint a successor for the balance of the unexpired term. At the end of a member's term, the mayor shall appoint a successor or reappoint the member.

(6) The mayor shall call the first meeting of the school reform board and shall designate a chairperson of the school reform board from among its members. If there is a vacancy in the office of chairperson, the mayor shall designate a successor.

(7) At the first meeting of the school reform board, the school reform board may elect from among its members other officers as it considers necessary or appropriate. After the first meeting, the school reform board shall meet at least monthly, or more frequently at the call of the chairperson or if requested by 4 or more members.

(8) A majority of the members of the school reform board constitute a quorum for the transaction of business at a meeting of the school reform board. A majority of the members present and serving are required for official action of the school reform board.

(9) Members of the school reform board shall serve without compensation. However, members may be reimbursed for their actual and necessary expenses incurred in the performance of their official duties as members of the school reform board.

Sec. 374a. For a period of 1 year after leaving office, a member of a school reform board appointed under this part or a chief executive officer of a qualifying school district or another officer appointed under section 374 is ineligible for election or appointment to any elective office of the qualifying school district or of ~~the~~ A city, VILLAGE, OR TOWNSHIP in which ANY PORTION OF the qualifying school district is located.

25 Sec. 376. (1) The school district accountability board is  
26 created in the department. The school district accountability  
27 board consists of the following 5 members:

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- 1 (a) The superintendent of public instruction.  
2 (b) The state treasurer.  
3 (c) The state budget director.  
4 (d) Two members of the general public appointed by the gov-  
5 ernor with the advice and consent of the senate.

6 (2) The state treasurer shall serve as chairperson of the  
7 school district accountability board.

8 (3) The school district accountability board shall do all of  
9 the following with respect to a qualifying school district in  
10 which a school reform board has been established under this part  
11 OR UNDER PART 4A:

12 (a) Receive and review the district improvement plan submit-  
13 ted under section 373 OR SECTION 273.

14 (b) Monitor the progress being made by the school reform  
15 board in achieving the goals and benchmarks identified in the  
16 district improvement plan submitted under section 373 OR SECTION  
17 273.

18 (c) Based on the experience of the school reform board in  
19 its efforts to achieve reform, make recommendations to the gover-  
20 nor for additional resources for the qualifying school district  
21 and on changes in statute or rule, if any, needed to achieve  
22 reform.

23 (4) The powers and duties of the school district account-  
24 ability board are limited to a qualifying school district in  
25 which a school reform board is in place UNDER EITHER THIS PART OR  
26 PART 4A.

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1       (5) The business that the school district accountability  
2 board may perform shall be conducted at a public meeting of the  
3 school district accountability board held in compliance with the  
4 open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

5       (6) A writing prepared, owned, used, in the possession of,  
6 or retained by the school district accountability board in the  
7 performance of an official function is subject to the freedom of  
8 information act, 1976 PA 442, MCL 15.231 to 15.246.

Sec. 402. A school district that has a pupil membership of at  
least 100,000 enrolled on the most recent pupil membership count day  
is a ~~single~~ first class school district governed by this part.

9       SEC. 1206. IF A SCHOOL DISTRICT BECOMES A QUALIFYING SCHOOL  
10 DISTRICT UNDER PART 4A, ALL POWERS AND DUTIES OF THE SCHOOL BOARD  
11 OF THE SCHOOL DISTRICT AND OF ITS OFFICERS ARE SUBJECT TO PART  
12 4A.