

SUBSTITUTE FOR  
HOUSE BILL NO. 4693

A bill to amend 1976 PA 451, entitled  
"The revised school code,"  
(MCL 380.1 to 380.1852) by adding section 1294.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1294. (1) A school district may apply to the  
2 superintendent of public instruction for an educational  
3 flexibility and empowerment contract under this section for the  
4 school district or for 1 or more schools operated by the school  
5 district. An ed-flex contract allows the superintendent of  
6 public instruction to waive a provision of this act or of the  
7 state school aid act of 1979, or of a rule promulgated under this  
8 act or the state school aid act of 1979, designated as part of a  
9 performance-based contract with clearly defined and measurable  
10 performance goals. A school district also may apply to the  
11 superintendent of public instruction for waiver of certain

1 federal requirements, in accordance with federal law allowing  
2 federal education waivers to be issued by this state.

3       (2) Before applying for an ed-flex contract, the board of a  
4 school district must adopt a resolution indicating the board's  
5 intent to apply for the educational flexibility and empowerment  
6 contract. If the contract is not intended to cover the entire  
7 school district, the resolution shall specify the schools to be  
8 covered. Before adopting the resolution, the board shall hold at  
9 least 2 public hearings at which the types of waivers sought and  
10 the need for the waivers are explained and public comment is  
11 allowed.

12       (3) A school district shall submit an application for an  
13 ed-flex contract to the superintendent of public instruction in  
14 the form and manner prescribed by the department. The  
15 application shall contain at least all of the following:

16       (a) A specific listing of the statutes and rules proposed to  
17 be waived. If the application is intended to also serve as an  
18 application for federal waivers under federal law, the  
19 application also shall include a specific listing of the federal  
20 statutes and regulations proposed to be waived.

21       (b) A statement specifying the need for waiver for each  
22 statute or rule proposed to be waived, including the purpose and  
23 intended results for each waiver.

24       (c) A description, for each school year and for the overall  
25 term of the contract, of the specific measurable goals for  
26 improved pupil performance in the school district or school.  
27 These goals shall include, but are not limited to, goals for

1 improving MEAP scores.

2 (d) A description, for each school year and for the overall  
3 term of the contract, of the measurements to be used to determine  
4 whether the pupil performance goals under subdivision (c) have  
5 been met.

6 (e) An explanation of how the contract and the waivers will  
7 assist the school district or school in achieving its specified  
8 performance goals.

9 (f) If the contract is not intended to cover the entire  
10 school district, the specific schools to be covered.

11 (g) A copy of the board resolution required under subsection  
12 (2). If the application is intended to also serve as an  
13 application for federal waivers under federal law, the  
14 application also shall include an explanation of how the public  
15 notice requirements of federal law have been met.

16 (4) Within 60 days after receiving an application under  
17 subsection (3), the superintendent of public instruction shall  
18 approve or disapprove the application and notify the school  
19 district of the decision. If the superintendent of public  
20 instruction approves the application, the superintendent of  
21 public instruction shall promptly enter into an ed-flex contract  
22 with the school district. If the superintendent of public  
23 instruction disapproves the application, the notification to the  
24 school district shall include notice of the specific reasons for  
25 the disapproval, and the school district may submit a revised  
26 application. If the superintendent of public instruction does  
27 not act on an application and notify the school district of his

House Bill No. 4693 (H-1) as amended June 19, 2003

1 or her decision within the time limits required under this  
2 subsection, the application is considered approved and the  
3 superintendent of public instruction shall promptly enter into  
4 the proposed ed-flex contract with the school district.

5 (5) The superintendent of public instruction shall not  
6 approve an application submitted under subsection (3) unless he  
7 or she finds all of the following:

8 (a) That the performance goals contained in the application  
9 are sufficiently specific and will, if met, constitute improved  
10 pupil achievement.

11 (b) That the contract will allow the school district to  
12 enhance learning and to operate in a more effective, efficient,  
13 or economical manner.

[(c) That the district has exhibited financial responsibility during  
the preceding 3 fiscal years, as determined by the superintendent of  
public instruction. This does not preclude the approval of an  
educational flexibility and empowerment contract for a school district in  
current financial hardship, so long as the hardship is not due to  
financial irresponsibility as determined by the superintendent of public  
instruction.]

14 (6) In approving applications submitted under subsection (3),  
15 the superintendent of public instruction shall give priority to  
16 applications that are focused on reducing pupil achievement gaps  
17 based on race, gender, and socioeconomic status.

18 (7) The department shall prescribe the form of an ed-flex  
19 contract. The contract shall include at least all of the  
20 following:

21 (a) All matters addressed in the application.

22 (b) Assurance that the school district will report its annual  
23 progress toward its performance goals.

24 (c) An agreement that, in order for the contract to be  
25 renewed, the MEAP scores for the school district or school must  
26 demonstrate adequate annual progress toward meeting the  
27 performance goals and must attain a specific measurable benchmark

1 by the end of the contract.

2 (d) An agreement on the contents of the empowerment report to  
3 be filed by the school district at the end of the contract term.  
4 The empowerment report shall summarize the performance goals  
5 achieved during the term of the contract and the programs,  
6 curriculum, or other innovative approaches used to achieve these  
7 goals.

8 (e) The term of the contract, which shall not exceed 5  
9 years.

10 (8) The superintendent of public instruction may terminate an  
11 ed-flex contract before the end of its term if the superintendent  
12 of public instruction determines that the school district or  
13 school has experienced 2 consecutive years of declining pupil  
14 performance, based on the performance goals and measurements set  
15 in the contract. The superintendent of public instruction is not  
16 required to terminate an ed-flex contract if he or she determines  
17 that the decline is due to exceptional or uncontrollable  
18 circumstances.

19 (9) At the conclusion of the term of an ed-flex contract, the  
20 school district shall submit its empowerment report describing  
21 how the school district or school met or did not meet the  
22 performance goals set forth in the contract. The superintendent  
23 of public instruction may renew the ed-flex contract if the  
24 performance goals have been met.

25 (10) The superintendent of public instruction may not waive  
26 any of the following as part of an ed-flex contract:

27 (a) Health and safety requirements.

1 (b) A requirement under part 6a, except waiver of section  
2 503(6) to the extent necessary to allow waiver of another  
3 requirement that meets both of the following:

4 (i) Is imposed under a part of this act other than part 6a.

5 (ii) Is a requirement that may be waived under this section  
6 for a school district that is not a public school academy.

7 (11) The superintendent of public instruction shall submit an  
8 annual report to the legislature on the status of the educational  
9 flexibility and empowerment program under this section, including  
10 a report on ed-flex contracts issued during the year, and on  
11 progress made toward attainment of performance goals.

12 (12) As the initial educational flexibility and empowerment  
13 contracts issued under this section expire, the department shall  
14 post information on its website on the educational innovations  
15 and best practices used to achieve pupil performance goals under  
16 the contracts.

17 (13) Except as otherwise provided in subsection (10), any  
18 provision of this act or the state school aid act of 1979, or of  
19 any rule promulgated under this act or the state school aid act  
20 of 1979, is subject to waiver under an ed-flex contract.

21 (14) As used in this section:

22 (a) "Ed-flex contract" means an educational flexibility and  
23 empowerment contract issued to a school district under this  
24 section for the school district or for 1 or more schools operated  
25 by the school district.

26 (b) "Empowerment report" means the final evaluation report  
27 required to be filed at the end of the term of an ed-flex

House Bill No. 4693 (H-1) as amended June 19, 2003

1 contract under subsection (9).

2 (c) "MEAP scores" means the scores achieved by the pupils of  
3 a school district or school, as applicable, on all Michigan  
4 educational assessment program tests administered to pupils of  
5 the school district or school.

[(d) "School district" means either a school district or a public  
school academy, and "board" means either a school board or the board of  
directors of a public school academy.]

6 (15) This section shall be known and may be cited as the  
7 "educational flexibility and empowerment law".