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Senate Bill 636 (as reported without amendment) Senate Bill 637 (Substitute S-1 as reported) Senate Bill 639 (as reported without amendment) Sponsor: Senator Wayne Kuipers (S.B. 636)

Senator Nancy Cassis (S.B. 637) Senator Patricia L. Birkholz (S.B. 638) Senator Bill Hardiman (S.B. 639)

Committee: Education

## **CONTENT**

<u>Senate Bill 636</u> would create Part 6D (Neighborhood Public Schools) of the Revised School Code to do the following:

- -- Allow certificated teachers, parents of pupils, local units of government, community colleges, universities, governmental agencies, and others to apply to a sponsoring body for a performance contract to organize and operate a neighborhood public school (NPS).
- -- Require a performance contract to include specific educational outcomes the NPS would achieve, the standards to which it would be held accountable, and procedures and grounds for revoking or terminating the contract.
- -- Permit the conversion of an existing school to an NPS if a majority of the certificated teachers employed at the school and a majority of the parents of pupils enrolled at the school approved, and other requirements were met.
- -- Permit the creation of a cyber school NPS that provided full-time instruction through online learning or otherwise through a computer or other technology.
- -- Establish admissions requirements.
- -- Prohibit an NPS from levying any tax.
- -- Require an NPS to comply with certain requirements of the Code, including "Public Act 25 of 1990" mandates and the performance of criminal history checks.
- -- Provide that the sponsoring body of an NPS would be its fiscal agent, and allow the sponsoring body to charge an oversight fee, which it could use for specific purposes.
- -- Require the Superintendent of Public Instruction to establish alternative routes to certification or other approval that would allow teachers to teach in NPSs.

Sponsoring bodies would include the State Board of Education; the board of a school district, ISD, community college, or State public university; and the mayor of a city with a population of at least 65,000.

The bill also would revise several sections of the Code to do the following:

- -- Require an NPS to adopt a core curriculum that complied with the content standards of the Michigan Merit Standard and meet certain other requirements, if it wanted to be accredited.
- -- Require an NPS to meet the teacher certification requirements currently prescribed for a school district or intermediate school district (ISD).
- -- Require the board of a district or ISD to grant a leave of absence to an employee to teach in an NPS.

Senate Bill 637 (S-1) would amend the State School Aid Act to do the following:

- -- Require per-pupil allocations for an NPS to be calculated in the same manner as currently provided for a public school academy (PSA).
- -- Establish provisions for determining membership in an NPS, for the purpose of calculating the amount of school aid the NPS would receive.
- -- Require an NPS to receive additional allowances for at-risk pupils and for special education programs and services in the same manner as currently provided for a PSA.
- -- Exempt a cyber school NPS from certain requirements, and authorize the Superintendent of Public Instruction to waive any provisions of the Act or rules promulgated under the Act for a cyber school NPS.

<u>Senate Bill 639</u> would amend the public employment relations Act to prohibit collective bargaining agreements between a public school employer and a bargaining representative of its employees from including decisions concerning the grant of a leave of absence to teach in an NPS.

Senate Bills 637 (S-1) and 639 are tie-barred to Senate Bill 636.

MCL 380.5 et al. (S.B. 636) 388.1603 et al. (S.B. 637) 423.201 & 423.215 (S.B. 639)

## **FISCAL IMPACT**

<u>State</u>: To the extent that the creation of neighborhood public schools, conversion schools, or cyber schools yielded more students who were either retained in school or brought back into the public school system when they otherwise would have dropped out, the State would incur higher school aid budget costs, equal to the number of these students multiplied by the per-pupil foundation allowance. To the extent that students in public schools simply transferred from one school to another, there would be no State costs, though individual school districts' finances would be affected by the pupil migration.

The Department of Education would incur costs in administering the additional contract applications, similar to costs incurred now by the Charter Schools unit at the Department. In addition, the Department would see increased costs with the requirement to establish alternative routes to certification or other approval that would allow teachers to obtain certification or other approval to teach in neighborhood public schools.

<u>Local</u>: As mentioned above, local school districts whose pupils decided to transfer to a new neighborhood public school would see declining revenue based on how many students transferred. This is similar to the phenomenon that exists under current law with respect to public school academies (i.e., charter schools). Also, the requirement that local school districts grant their employees leaves of absence, if those employees wanted to teach at one of the newly created schools, could create a personnel (and, therefore, cost) issue until new staff were hired to replace those on leave.

Date Completed: 12-3-09 Fiscal Analyst: Kathryn Summers

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.

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