

HOUSE BILL No. 4609

March 18, 2009, Introduced by Reps. Meltzer, Opsommer, Lori, Haines, Moss, Lund,
McMillin and Hildenbrand and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled
"The revised school code,"
(MCL 380.1 to 380.1852) by adding section 1220.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 1220. (1) NOT LATER THAN DECEMBER 31 OF EACH YEAR, EACH
2 SCHOOL DISTRICT AND PUBLIC SCHOOL ACADEMY SHALL POST ON ITS WEBSITE
3 A REPORT CONTAINING ALL OF THE FOLLOWING INFORMATION FOR THE
4 IMMEDIATELY PRECEDING SCHOOL FISCAL YEAR IN THE FORM AND MANNER
5 PRESCRIBED BY THE DEPARTMENT:

6 (A) ALL OF THE FOLLOWING GENERAL INFORMATION:

7 (i) THE AMOUNT OF THE SCHOOL DISTRICT'S OR PUBLIC SCHOOL
8 ACADEMY'S TOTAL BUDGET.

9 (ii) THE NUMBER OF FULL-TIME EQUATED PUPILS SERVED BY THE

1 SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY.

2 (iii) THE NUMBER OF EMPLOYEES EMPLOYED BY THE SCHOOL DISTRICT OR
3 PUBLIC SCHOOL ACADEMY.

4 (B) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2) AND
5 SUBJECT TO SUBSECTION (9), FOR EACH MEMBER OF THE SCHOOL BOARD OR
6 BOARD OF DIRECTORS OR SCHOOL ADMINISTRATOR OF THE SCHOOL DISTRICT
7 OR PUBLIC SCHOOL ACADEMY WHO HAD TRAVEL EXPENSES DURING THE SCHOOL
8 FISCAL YEAR THAT TOTALED MORE THAN \$3,000.00 AND THAT WERE PAID FOR
9 WITH SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY FUNDS, ALL OF THE
10 FOLLOWING INFORMATION CONCERNING THAT TRAVEL:

11 (i) THE TOTAL COST OF AIR TRAVEL.

12 (ii) THE TOTAL COST OF OVERNIGHT LODGING.

13 (iii) THE TOTAL COST OF CAR RENTAL.

14 (iv) THE TOTAL COST OF MEALS.

15 (v) THE DATES, PURPOSE, AND LOCATIONS OF TRAVEL.

16 (vi) THE NAME AND POSITION OF THE BOARD OR BOARD OF DIRECTORS
17 MEMBER OR ADMINISTRATOR.

18 (C) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3) AND SUBJECT
19 TO SUBSECTION (5), FOR EACH CONTRACT, OTHER THAN AN EMPLOYMENT
20 CONTRACT OR A CONTRACT THAT IS REPORTED UNDER SUBDIVISION (F), THAT
21 WAS ENTERED INTO BY THE SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY
22 DURING THE SCHOOL FISCAL YEAR AND THAT OBLIGATED THE SCHOOL
23 DISTRICT OR PUBLIC SCHOOL ACADEMY FOR AN AMOUNT IN EXCESS OF
24 \$100,000.00; WAS NOT COMPETITIVELY BID AND OBLIGATED THE SCHOOL
25 DISTRICT OR PUBLIC SCHOOL ACADEMY FOR AN AMOUNT IN EXCESS OF
26 \$25,000.00; OR WAS ENTERED INTO WITH AN ENTITY IN WHICH A MEMBER OF
27 THE SCHOOL BOARD OR BOARD OF DIRECTORS OR A SCHOOL ADMINISTRATOR OF

1 THE SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY, OR A FAMILY MEMBER OF
2 A MEMBER OF THE SCHOOL BOARD OR BOARD OF DIRECTORS OR A SCHOOL
3 ADMINISTRATOR OF THE SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY, WAS
4 KNOWN BY THE SCHOOL BOARD OR BOARD OF DIRECTORS TO HAVE A MONETARY
5 INTEREST, A DESCRIPTION OF THE CONTRACT THAT INCLUDES AT LEAST ALL
6 OF THE FOLLOWING:

7 (i) THE SUBJECT MATTER AND COST OF THE CONTRACT.

8 (ii) WHETHER THE CONTRACT WAS COMPETITIVELY BID OR WAS A
9 SINGLE-SOURCE CONTRACT.

10 (iii) THE NAME AND POSITION OF EACH INDIVIDUAL WHO SIGNED THE
11 CONTRACT ON BEHALF OF THE SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY.

12 (D) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (3), IF THERE
13 WAS A MODIFICATION MADE DURING THE SCHOOL FISCAL YEAR TO AN
14 EXISTING CONTRACT THAT RESULTED IN AN ADDITIONAL FINANCIAL
15 OBLIGATION OWED BY THE SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY IN
16 EXCESS OF \$100,000.00 OR THAT RESULTED IN THE TOTAL FINANCIAL
17 OBLIGATION OWED BY THE SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY
18 FROM THE EXISTING CONTRACT EXCEEDING \$100,000.00, OR WAS A
19 MODIFICATION TO AN EXISTING CONTRACT THAT WAS NOT COMPETITIVELY BID
20 AND THE MODIFICATION RESULTED IN AN ADDITIONAL FINANCIAL OBLIGATION
21 OWED BY THE SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY IN EXCESS OF
22 \$25,000.00 OR RESULTED IN THE TOTAL FINANCIAL OBLIGATION OWED BY
23 THE SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY FROM THE EXISTING
24 CONTRACT EXCEEDING \$25,000.00, A DESCRIPTION OF THE MODIFICATION
25 AND THE TOTAL AMOUNT OF THE ADDITIONAL AND TOTAL FINANCIAL
26 OBLIGATION.

27 (E) SUBJECT TO SUBSECTION (4), FOR EACH SCHOOL DISTRICT OR

1 PUBLIC SCHOOL ACADEMY EMPLOYEE WITH A COMPENSATION PACKAGE WITH A
2 TOTAL ANNUAL MONETARY VALUE IN THE TOP 3% AMONG THE SCHOOL
3 DISTRICT'S OR PUBLIC SCHOOL ACADEMY'S EMPLOYEES, ALL OF THE
4 FOLLOWING:

5 (i) THE DOLLAR VALUE OF HIS OR HER SALARY.

6 (ii) THE DOLLAR VALUE OF ALL EXPENSE ACCOUNTS PROVIDED FOR THE
7 EMPLOYEE AND THE DOLLAR VALUE OF ALL REIMBURSED EXPENSES.

8 (iii) THE DOLLAR VALUE OF ANY BONUS, STIPEND, OR ANY OTHER FORM
9 OF SUPPLEMENTAL COMPENSATION. AS USED IN THIS SUBPARAGRAPH,
10 "SUPPLEMENTAL COMPENSATION" MEANS ANY PAYMENT OR BENEFIT MADE
11 AVAILABLE TO THAT EMPLOYEE THAT IS NOT GENERALLY MADE AVAILABLE TO
12 ALL TEACHING, ADMINISTRATIVE, AND EXECUTIVE-LEVEL EMPLOYEES OF THE
13 SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY.

14 (F) TOTAL COSTS INCURRED DURING THE SCHOOL FISCAL YEAR, AND
15 THE SOURCE OR SOURCES OF THE MONEY EXPENDED DURING THE SCHOOL
16 FISCAL YEAR, FOR FIBER OPTIC OR CABLE EQUIPMENT AND OPERATING
17 SYSTEM SOFTWARE FOR FIBER OPTIC OR CABLE EQUIPMENT NETWORKS. THE
18 DESCRIPTION OF THE SOURCE OR SOURCES OF THE MONEY EXPENDED FOR
19 PURPOSES DESCRIBED IN THIS SUBDIVISION SHALL SPECIFY THE AMOUNT
20 USED FROM EACH OF THE SEPARATE FUNDS MAINTAINED BY THE SCHOOL
21 DISTRICT OR PUBLIC SCHOOL ACADEMY AND USED FROM EACH OTHER SOURCE.

22 (G) EXPENDITURES DURING THE SCHOOL FISCAL YEAR FOR PUBLIC
23 RELATIONS, POLLING, LOBBYING, OR LEGAL SERVICES AND A DESCRIPTION
24 OF THE SERVICES RECEIVED BY THE SCHOOL DISTRICT OR PUBLIC SCHOOL
25 ACADEMY IN RETURN.

26 (H) FOR EACH PERSON NOT INCLUDED UNDER SUBDIVISION (E) OR (G)
27 TO WHOM THE SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY WAS REQUIRED

1 TO ISSUE A FEDERAL INCOME TAX FORM 1099 THAT SHOWED PAYMENTS IN
2 EXCESS OF \$25,000.00 DURING THE SCHOOL FISCAL YEAR, THE TOTAL
3 AMOUNT PAID TO THE PERSON, A DESCRIPTION OF THE PROJECT OR PROJECTS
4 FOR WHICH THE PERSON WAS CONTRACTED, AND THE SERVICES PROVIDED BY
5 THE PERSON.

6 (I) THE AMOUNT AND PERCENTAGE OF THE SCHOOL DISTRICT'S OR
7 PUBLIC SCHOOL ACADEMY'S TOTAL BUDGET THAT WAS SPENT ON EACH OF THE
8 FOLLOWING:

9 (i) ADMINISTRATIVE COSTS, AS DEFINED UNDER THE MICHIGAN PUBLIC
10 SCHOOL ACCOUNTING MANUAL.

11 (ii) PUBLIC RELATIONS, SURVEYS, POLLING, LOBBYING, AND LEGAL
12 SERVICES.

13 (J) A LIST OF ALL MOTOR VEHICLES WEIGHING 7,500 POUNDS OR LESS
14 THAT WERE OWNED OR LEASED BY THE SCHOOL DISTRICT OR PUBLIC SCHOOL
15 ACADEMY DURING THE SCHOOL FISCAL YEAR AND ARE NOT REPORTED UNDER
16 SUBDIVISION (C) AND A DESCRIPTION OF THE PURPOSES FOR WHICH EACH OF
17 THESE MOTOR VEHICLES WAS USED.

18 (2) SUBSECTION (1) (B) DOES NOT APPLY TO ANY OF THE FOLLOWING:

19 (A) ROUND-TRIP AIR TRAVEL ON A SCHEDULED AIRLINE FROM A
20 LOCATION IN THE UPPER PENINSULA TO A LOCATION IN THE LOWER
21 PENINSULA OR CHARTERED ROUND-TRIP AIR TRAVEL FROM A LOCATION IN THE
22 UPPER PENINSULA TO A LOCATION IN THE LOWER PENINSULA IF THE COST OF
23 THE CHARTERED AIR TRAVEL IS LESS THAN THE PUBLISHED COST OF THE
24 SAME AIR TRAVEL ON A SCHEDULED AIRLINE.

25 (B) TRAVEL EXPENSES FOR AIR OR BOAT TRAVEL FOR WORK-RELATED
26 PURPOSES WITHIN THIS STATE BETWEEN AN ISLAND AND THE MAINLAND.

27 (C) TRAVEL EXPENSES FOR TRAVEL WITHIN THE BOUNDARIES OF THE

1 SCHOOL DISTRICT FOR WORK-RELATED PURPOSES.

2 (D) MILEAGE REIMBURSEMENT.

3 (3) SUBSECTION (1) (C) AND (D) DOES NOT APPLY TO A CONTRACT FOR
4 UTILITIES OR TO A CONTRACT FOR AN ANNUITY OR RETIREMENT BENEFIT IN
5 WHICH ALL EMPLOYEES ARE ELIGIBLE TO PARTICIPATE UNLESS THE CONTRACT
6 IS FOR PAYMENT OF A COMMISSION TO A THIRD-PARTY BROKER FOR SECURING
7 1 OF THOSE CONTRACTS.

8 (4) IF A SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY HAS FEWER
9 THAN 3 EMPLOYEES IN THE TOP 3% OF EMPLOYEES AS DESCRIBED IN
10 SUBSECTION (1) (E), THE SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY
11 SHALL INCLUDE THE INFORMATION REQUIRED UNDER SUBSECTION (1) (E) FOR
12 EACH SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY EMPLOYEE WITH A
13 COMPENSATION PACKAGE WITH A TOTAL MONETARY VALUE IN THE TOP 3 AMONG
14 THE SCHOOL DISTRICT'S OR PUBLIC SCHOOL ACADEMY'S EMPLOYEES. IF A
15 SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY HAS MORE THAN 20 EMPLOYEES
16 IN THE TOP 3% OF EMPLOYEES AS DESCRIBED IN SUBSECTION (1) (E), THE
17 SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY SHALL INCLUDE THE
18 INFORMATION UNDER SUBSECTION (1) (E) FOR EACH SCHOOL DISTRICT OR
19 PUBLIC SCHOOL ACADEMY EMPLOYEE WITH A COMPENSATION PACKAGE WITH A
20 TOTAL MONETARY VALUE IN THE TOP 20 AMONG THE SCHOOL DISTRICT'S OR
21 PUBLIC SCHOOL ACADEMY'S EMPLOYEES.

22 (5) FOR THE PURPOSES OF SUBSECTION (1) (C), A MEMBER OF THE
23 SCHOOL BOARD OR BOARD OF DIRECTORS OR SCHOOL ADMINISTRATOR OF A
24 SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY, OR A FAMILY MEMBER OF A
25 MEMBER OF THE SCHOOL BOARD OR BOARD OF DIRECTORS OR SCHOOL
26 ADMINISTRATOR OF A SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY, IS NOT
27 CONSIDERED TO HAVE A MONETARY INTEREST IN ANY OF THE FOLLOWING

1 CONTRACTS:

2 (A) A CONTRACT BETWEEN THE SCHOOL DISTRICT OR PUBLIC SCHOOL
3 ACADEMY AND ANY OF THE FOLLOWING:

4 (i) A CORPORATION IN WHICH A MEMBER OF THE SCHOOL BOARD OR
5 BOARD OF DIRECTORS, SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY
6 ADMINISTRATOR, OR FAMILY MEMBER IS A STOCKHOLDER OWNING 1% OR LESS
7 OF THE TOTAL STOCK OUTSTANDING IN ANY CLASS IF THE STOCK IS NOT
8 LISTED ON A STOCK EXCHANGE OR OWNING STOCK THAT HAS A PRESENT
9 MARKET VALUE OF \$25,000.00 OR LESS IF THE STOCK IS LISTED ON A
10 STOCK EXCHANGE.

11 (ii) A CORPORATION IN WHICH A TRUST, IF A MEMBER OF THE SCHOOL
12 BOARD OR BOARD OF DIRECTORS, SCHOOL DISTRICT OR PUBLIC SCHOOL
13 ACADEMY ADMINISTRATOR, OR FAMILY MEMBER IS A BENEFICIARY UNDER THE
14 TRUST, OWNS 1% OR LESS OF THE TOTAL STOCK OUTSTANDING IN ANY CLASS
15 IF THE STOCK IS NOT LISTED ON A STOCK EXCHANGE OR OWNING STOCK THAT
16 HAS A PRESENT MARKET VALUE OF \$25,000.00 OR LESS IF THE STOCK IS
17 LISTED ON A STOCK EXCHANGE.

18 (iii) A PROFESSIONAL LIMITED LIABILITY COMPANY ORGANIZED
19 PURSUANT TO THE MICHIGAN LIMITED LIABILITY COMPANY ACT, 1993 PA 23,
20 MCL 450.5101 TO 450.5200, IF A MEMBER OF THE SCHOOL BOARD OR BOARD
21 OF DIRECTORS, SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY
22 ADMINISTRATOR, OR FAMILY MEMBER IS AN EMPLOYEE BUT NOT A MEMBER OF
23 THE COMPANY.

24 (B) A CONTRACT BETWEEN THE SCHOOL DISTRICT OR PUBLIC SCHOOL
25 ACADEMY AND ANY OF THE FOLLOWING:

26 (i) A CORPORATION IN WHICH A MEMBER OF THE SCHOOL BOARD OR
27 BOARD OF DIRECTORS, SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY

1 ADMINISTRATOR, OR FAMILY MEMBER IS NOT A DIRECTOR, OFFICER, OR
2 EMPLOYEE.

3 (ii) A FIRM, PARTNERSHIP, OR OTHER UNINCORPORATED ASSOCIATION,
4 IN WHICH A MEMBER OF THE SCHOOL BOARD OR BOARD OF DIRECTORS, SCHOOL
5 DISTRICT OR PUBLIC SCHOOL ACADEMY ADMINISTRATOR, OR FAMILY MEMBER
6 IS NOT A PARTNER, MEMBER, OR EMPLOYEE.

7 (iii) A CORPORATION OR FIRM THAT HAS AN INDEBTEDNESS OWED TO A
8 MEMBER OF THE SCHOOL BOARD OR BOARD OF DIRECTORS, SCHOOL DISTRICT
9 OR PUBLIC SCHOOL ACADEMY ADMINISTRATOR, OR FAMILY MEMBER.

10 (6) THE DEPARTMENT SHALL INCLUDE ON ITS WEBSITE A LINK TO THE
11 PAGE ON EACH SCHOOL DISTRICT'S OR PUBLIC SCHOOL ACADEMY'S WEBSITE
12 THAT INCLUDES THE SCHOOL DISTRICT'S OR PUBLIC SCHOOL ACADEMY'S
13 REPORT UNDER SUBSECTION (1).

14 (7) THE DEPARTMENT SHALL WORK WITH SCHOOL DISTRICTS AND PUBLIC
15 SCHOOL ACADEMIES TO DETERMINE THE FORM AND MANNER FOR THE POSTING
16 OF THE REPORT UNDER SUBSECTION (1).

17 (8) A SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY SHALL MAINTAIN
18 THE REPORT UNDER SUBSECTION (1) ON ITS WEBSITE ONLY FOR THE MOST
19 RECENT REPORTING PERIOD, BUT SHALL MAINTAIN PAPER COPIES OF
20 PREVIOUS REPORTS FOR AT LEAST 10 YEARS.

21 (9) BEGINNING JANUARY 1, 2010, THE MONETARY AMOUNT SPECIFIED
22 IN SUBSECTION (1)(B) SHALL BE ADJUSTED EACH JANUARY 1 BY
23 MULTIPLYING THE AMOUNT FOR THE IMMEDIATELY PRECEDING YEAR BY THE
24 PERCENTAGE BY WHICH THE AVERAGE CONSUMER PRICE INDEX FOR ALL ITEMS
25 FOR THE 12 MONTHS ENDING AUGUST 31 OF THE YEAR IN WHICH THE
26 ADJUSTMENT IS MADE DIFFERS FROM THAT INDEX'S AVERAGE FOR THE 12
27 MONTHS ENDING ON AUGUST 31 OF THE IMMEDIATELY PRECEDING YEAR AND

1 ADDING THAT PRODUCT TO THE MAXIMUM AMOUNT THAT APPLIED IN THE
2 IMMEDIATELY PRECEDING YEAR, ROUNDING TO THE NEAREST WHOLE DOLLAR.
3 THE ADJUSTMENT SHALL APPLY ONLY TO EXPENDITURES OR VIOLATIONS
4 OCCURRING AFTER THE DATE OF THE ADJUSTING OF THE AMOUNT. THE
5 ADJUSTED AMOUNT SHALL BE DETERMINED AND ANNOUNCED BY THE DEPARTMENT
6 ON OR BEFORE DECEMBER 15 OF EACH YEAR AND SHALL BE PROVIDED TO ALL
7 PERSONS REQUESTING THE ADJUSTED AMOUNT. IF THE INDEX IS
8 UNAVAILABLE, THE DEPARTMENT SHALL MAKE A REASONABLE APPROXIMATION.

9 (10) AS USED IN THIS SECTION:

10 (A) "COMPETITIVELY BID" MEANS THAT A CONTRACT WAS ENTERED INTO
11 THROUGH A REQUEST FOR INFORMATION, A REQUEST FOR PROPOSAL, OR A
12 FORMAL COMPETITIVE BID PROCESS THAT WAS ADVERTISED AND OPEN TO THE
13 PUBLIC, AND INCLUDES A CONTRACT ENTERED INTO ON BEHALF OF THE
14 SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY BY A FEDERAL, STATE, OR
15 LOCAL GOVERNMENTAL ENTITY THAT PERFORMED A REQUEST FOR INFORMATION,
16 REQUEST FOR PROPOSAL, OR FORMAL COMPETITIVE BID PROCESS OR BY A
17 NONPROFIT CORPORATION OR NONPROFIT ASSOCIATION THAT PERFORMED A
18 REQUEST FOR INFORMATION, REQUEST FOR PROPOSAL, OR FORMAL
19 COMPETITIVE BID PROCESS.

20 (B) "FAMILY MEMBER" MEANS A PERSON'S SPOUSE OR SPOUSE'S
21 SIBLING OR CHILD; A PERSON'S SIBLING OR SIBLING'S SPOUSE OR CHILD;
22 A PERSON'S CHILD OR CHILD'S SPOUSE; OR A PERSON'S PARENT OR
23 PARENT'S SPOUSE, AND INCLUDES THESE RELATIONSHIPS AS CREATED BY
24 ADOPTION OR MARRIAGE.

25 (C) "TOTAL BUDGET" MEANS BUDGET FOR ALL FUNDS HELD BY THE
26 SCHOOL DISTRICT OR PUBLIC SCHOOL ACADEMY OR HELD BY THE FISCAL
27 AGENT OF A PUBLIC SCHOOL ACADEMY ON BEHALF OF THE PUBLIC SCHOOL

1 ACADEMY.

2 (11) THIS SECTION SHALL BE KNOWN AS THE "SCHOOL SUNSHINE LAW".