

HOUSE BILL No. 5236

August 11, 2009, Introduced by Rep. Pavlov and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled
"The revised school code,"
by amending sections 3, 401, 401a, 402, 416a, 418a, 420, 421, 422,
424, 431a, 432, 433, 434, 441, 442, 443, 445, 461, 462, 475, and
485 (MCL 380.3, 380.401, 380.401a, 380.402, 380.416a, 380.418a,
380.420, 380.421, 380.422, 380.424, 380.431a, 380.432, 380.433,
380.434, 380.441, 380.442, 380.443, 380.445, 380.461, 380.462,
380.475, and 380.485), section 3 as amended by 2007 PA 45, section
401a as added by 1995 PA 289, section 402 as amended by 2000 PA
230, sections 416a, 420, and 421 as added and sections 418a, 422,
424, 431a, 432, 433, 434, 441, 442, 443, 445, 461, 462, and 485 as
amended by 2004 PA 303, and section 475 as added by 2006 PA 347;
and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) "Area" as used in the phrase "area vocational-
2 technical education program" or "area career and technical
3 education program" means the geographical territory, within the
4 boundaries of a K to 12 school district, an intermediate school
5 district, or a community college district, that is designated by
6 the department as the service area for the operation of an area
7 vocational-technical education program.

8 (2) "Area vocational-technical education program", "area
9 career and technical education program", or "career and technical
10 education program" means a program of organized, systematic
11 instruction designed to prepare the following persons for useful
12 employment in recognized occupations:

13 (a) Persons participating in career and technical education
14 readiness activities that lead to enrollment in a career and
15 technical education program in high school.

16 (b) Persons enrolled in high school in a school district,
17 intermediate school district, public school academy, or nonpublic
18 school.

19 (c) Persons who have completed or left high school and who are
20 available for full-time study in preparation for entering the labor
21 market.

22 (d) Persons who have entered the labor market and who need
23 training or retraining to achieve stability or advancement in
24 employment.

25 (3) "Board" or "school board" means the governing body of a
26 local school district unless clearly otherwise stated. **BEGINNING**
27 **JULY 1, 2010, FOR A FIRST CLASS SCHOOL DISTRICT AS DESCRIBED IN**

1 SECTION 402, BOARD OR SCHOOL BOARD MEANS THE MAYOR OF THE CITY WITH
 2 THE GREATEST POPULATION AS OF THE MOST RECENT DECENNIAL CENSUS
 3 LOCATED WITHIN THE BOUNDARIES OF A FIRST CLASS SCHOOL DISTRICT.

4 (4) "Boarding school" means a place accepting for board, care,
 5 and instruction 5 or more children under 16 years of age.

6 (5) "Constituent district" means a local school district the
 7 territory of which is entirely within and is an integral part of an
 8 intermediate school district.

9 Sec. 401. (1) A school district organized as a school district
 10 of the first class shall be governed by this part, by the
 11 provisions of article 2 which are not inconsistent with this part,
 12 and by articles 3 and 4.

13 (2) A school district governed by this part shall be known as
 14 the "school district of the city of _____," and, **UNTIL JULY 1,**
 15 **2010,** shall be under the jurisdiction of the first class school
 16 district board. **BEGINNING JULY 1, 2010, A SCHOOL DISTRICT GOVERNED**
 17 **BY THIS PART SHALL BE UNDER THE JURISDICTION OF THE MAYOR.**

18 (3) ~~The~~ **UNTIL JULY 1, 2010, THE** first class school district
 19 board shall be a body corporate under the name and title of "the
 20 board of education of the school district of the city of
 21 _____" and under that name may sue and be sued.

22 Sec. 401a. (1) Except as provided by law, a first class school
 23 district has all of the powers granted to a general powers school
 24 district in section 11a and has all additional powers granted by
 25 law to a first class school district, ~~or~~ **TO** the board of a first
 26 class school district, **OR TO THE MAYOR WITH REGARD TO THE FIRST**
 27 **CLASS SCHOOL DISTRICT.**

(2) Unless expressly provided in ~~the amendatory act that added this section 1995 PA 289~~, the powers of a first class school district are not diminished by this section or by ~~the amendatory act that added this section 1995 PA 289~~.

Sec. 402. (1) A school district that has a pupil membership of at least ~~100,000~~ **60,000** enrolled on the most recent pupil membership count day is a first class school district governed by this part.

(2) **AS USED IN THIS PART, "MAYOR" MEANS THE MAYOR OF THE CITY WITH THE GREATEST POPULATION AS OF THE MOST RECENT DECENNIAL CENSUS LOCATED WITHIN THE BOUNDARIES OF A FIRST CLASS SCHOOL DISTRICT.**

Sec. 416a. (1) ~~This section applies to a first class school district only if the question under section 410 is approved in the first class school district.~~

~~— (2) The~~ **UNTIL JULY 1, 2010, THE** officers of the first class school district board shall be a president, vice-president, and secretary. In case of a vacancy in the office of president of a first class school district board, the vice-president shall succeed to the office of president for the balance of the unexpired term.

(2) ~~(3)~~ The president, vice-president, and secretary shall perform the duties prescribed by the bylaws and regulations of the board.

(3) ~~(4) The~~ **BEGINNING JULY 1, 2010, THE** chief financial officer or other officer of the first class school district designated by the chief executive officer shall have the custody of all money belonging to the school district and shall pay out money pursuant to this act. The funds shall be deposited with

1 depositories selected by the chief executive officer or his or her
2 designee, and the interest derived shall be paid into the general
3 fund of the school district.

4 **(4) THE TERMS OF OFFICE OF ALL BOARD MEMBERS AND BOARD**
5 **OFFICERS OF A FIRST CLASS SCHOOL DISTRICT ARE TERMINATED EFFECTIVE**
6 **JULY 1, 2010.**

7 Sec. 418a. (1) ~~Regular~~ **UNTIL JULY 1, 2010, REGULAR** meetings of
8 the first class school district board shall be held at least once
9 each month, at a time and place fixed by the bylaws, ~~-. If the~~
10 ~~question under section 410 is not approved, AND~~ not less than 7 of
11 the regular meetings shall be held in different voting districts of
12 the first class school district each year. ~~If the question under~~
13 ~~section 410 is approved, not less than 9 of the regular meetings~~
14 ~~shall be held in different voting districts of the first class~~
15 ~~school district each year.~~ The bylaws may provide for the calling
16 of special meetings. **BEGINNING JULY 1, 2010, THE CHIEF EXECUTIVE**
17 **OFFICER SHALL HOLD MONTHLY MEETINGS OF THE COMMUNITY ADVISORY**
18 **COUNCIL ESTABLISHED UNDER SECTION 420 TO SEEK PUBLIC INPUT. AT**
19 **LEAST 7 OF THESE MONTHLY MEETINGS EACH YEAR SHALL BE HELD IN**
20 **DIFFERENT AREAS OF THE FIRST CLASS SCHOOL DISTRICT, AND NOT MORE**
21 **THAN 5 MAY BE HELD AT THE SCHOOL DISTRICT OFFICES.**

22 (2) ~~The~~ **UNTIL JULY 1, 2010, THE** proceedings and official
23 actions of the first class school district board shall be a public
24 record open to inspection pursuant to section 1202. **BEGINNING JULY**
25 **1, 2010, A RECORD OF THE PROCEEDINGS HELD AND OFFICIAL ACTIONS**
26 **TAKEN BY THE CHIEF EXECUTIVE OFFICER SHALL BE A PUBLIC RECORD OPEN**
27 **TO INSPECTION PURSUANT TO THE FREEDOM OF INFORMATION ACT, 1976 PA**

1 442, MCL 15.231 TO 15.246.

2 (3) The ~~board of the~~ first class school district shall have
 3 made a complete annual audit of its financial transactions. The
 4 ~~board~~ **FIRST CLASS SCHOOL DISTRICT** may employ a firm of certified
 5 public accountants to make the audit or, if the city with the
 6 greatest population located within the boundaries of the school
 7 district has an auditor whose duties are limited to postauditing of
 8 finances and investigation of operations, the ~~board~~ **FIRST CLASS**
 9 **SCHOOL DISTRICT** may arrange for the city's auditor to make the
 10 audit. The audit report shall be made to the board ~~and~~ **OR** the chief
 11 executive officer and shall be a public record. The board ~~may~~
 12 ~~direct~~ **OR** the chief executive officer ~~to~~ **MAY** publish the audit
 13 report by adding to it general school statistics or it may publish
 14 general school statistics separately.

15 (4) ~~If the question under section 410 is not approved in the~~
 16 ~~first class school district, every~~ **UNTIL JULY 1, 2010, EVERY** action
 17 of the first class school district board creating a liability or
 18 debt or originating the disposal or expenditure of property or
 19 money shall be by yea and nay vote entered upon its record.

20 Sec. 420. (1) ~~This section applies to a first class school~~
 21 ~~district only if the question under section 410 is approved in the~~
 22 ~~first class school district.~~

23 ~~— (2) The school board of a first class school district shall~~
 24 **NOT LATER THAN JULY 1, 2010, THE MAYOR SHALL** appoint a chief
 25 executive officer under this section. ~~The initial chief executive~~
 26 ~~officer shall be appointed not later than 30 days after the school~~
 27 ~~board takes office under section 412, with the appointment of the~~

~~initial chief executive officer to take effect at the beginning of the next school fiscal year. All of the following apply to appointment and employment of a chief executive officer under this section:~~

(a) The chief executive officer shall be employed by the school district according to an employment contract entered into with the ~~school board~~ **MAYOR**. The term of the contract shall not exceed 4 years and may be renewed.

~~(b) The mayor shall submit to the school board the name of 1 nominee for the position of chief executive officer. The school board shall approve or disapprove of the nominee. Approval of the nominee shall be by majority vote of the school board. Upon approval by the school board, the nominee is appointed as chief executive officer. If the school board does not approve the nominee, the mayor shall submit to the school board the name of a new nominee.~~

(B) ~~(e)~~ Appointment of a chief executive officer under this section is subject to section 421.

(C) ~~(d)~~ A chief executive officer may be removed from office either by the mayor ~~or by a majority vote of the members serving on the school board with the approval of the mayor. However, a chief executive officer may be removed only for good cause.~~

~~(3) Beginning on the next January 1 occurring at least 1 year after the question under section 410 is presented to the school electors of the first class school district, and until the appointment of an initial chief executive officer for a first class school district takes effect under this section, the person who was~~

~~serving as chief executive officer of the school district under part 5a immediately before the school board takes office under section 412 shall act as the interim chief executive officer of the first class school district under this part. All provisions of this act that would otherwise apply to the chief executive officer of the first class school district apply to the interim chief executive officer, and he or she may exercise all the powers and duties otherwise vested by law in the chief executive officer of the first class school district until a permanent chief executive officer is appointed for the school district under this section.~~

(2) ~~(4) Upon appointment of a chief executive officer for a first class school district under this section, except for the school board's powers under subsection (11),~~ **BEGINNING JULY 1, 2010,** the chief executive officer immediately may exercise all the powers and duties vested by law in the ~~chief executive officer or the school board~~ under this act and all additional powers and duties provided under this part; and the chief executive officer accedes to all the rights, duties, and obligations of an elected school board of a first class school district. Subject to section 421, these powers, rights, duties, and obligations include, but are not limited to, all of the following:

(a) Authority over the expenditure of all school district funds, including proceeds from bonded indebtedness and other funds dedicated to capital projects. ~~However, the chief executive officer shall submit an annual budget and annual procurement goals to the school board for approval as provided under subsection (11)(b).~~

(b) Rights and obligations under collective bargaining

1 agreements and employment contracts entered into by the previous
2 school board. ~~or by a previous chief executive officer.~~

3 (c) Rights to prosecute and defend litigation.

4 (d) Obligations under any judgments entered against the school
5 district.

6 (e) Rights and obligations under statute, rule, and common
7 law.

8 (f) Authority to delegate any of the chief executive officer's
9 powers and duties to 1 or more designees.

10 (g) All other rights, duties, and obligations provided under
11 this part for the chief executive officer or provided under this
12 act or other state law for a school board. ~~except for those school~~
13 ~~board powers listed in subsection (11).~~

14 (3) ~~(5)~~—In addition to his or her other powers, the chief
15 executive officer appointed under this ~~part~~ **SECTION** may terminate
16 any contract entered into by a previous school board or chief
17 executive officer of the school district except for a collective
18 bargaining agreement. However, this subsection does not allow any
19 termination or diminishment of obligations to pay debt service on
20 legally authorized bonds. A contract terminated by a chief
21 executive officer under this subsection is void.

22 (4) ~~(6)~~—Upon appointment of a chief executive officer for a
23 first class school district under this section, each employee of
24 the qualifying school district whose position is not covered by a
25 collective bargaining agreement is employed at the will of the
26 chief executive officer.

27 (5) ~~(7)~~—The chief executive officer shall appoint for the

1 first class school district a chief financial officer, chief
2 academic officer, chief operations officer, and chief purchasing
3 officer. Appointment of a chief financial officer under this
4 section is subject to section 421. These officers are employed at
5 the will of the chief executive officer.

6 (6) ~~(8) Not later than 90 days after the initial appointment~~
7 ~~of a chief executive officer under this section~~ **OCTOBER 1, 2009,**
8 and at least annually thereafter, the chief executive officer shall
9 develop and submit to the mayor, ~~school board,~~ and **THE** department
10 a school district improvement plan that includes at least detailed
11 academic, financial, capital, and operational goals and benchmarks
12 for improvement and a description of strategies to be used to
13 accomplish those goals and benchmarks. The plan also shall include
14 an assessment of available resources and recommendations concerning
15 additional resources or changes in statute or rule, if any, needed
16 to meet those goals and benchmarks. The plan also shall include an
17 evaluation of local school governance issues, including criteria
18 for establishing building-level governance.

19 (7) ~~(9) The chief executive officer shall submit an annual~~
20 ~~report to the mayor, school board, governor, and legislature and~~
21 ~~shall make the annual report available to the community in the~~
22 ~~first class school district. The annual report shall contain at~~
23 ~~least all of the following:~~

24 (a) A summary of the initiatives that have been implemented to
25 improve school quality in the first class school district.

26 (b) Measurements that may be useful in determining
27 improvements in school quality in the first class school district.

1 These measurements shall indicate changes from baseline data from
2 the school year before the appointment of the chief executive
3 officer, and shall include at least all of the following:

4 (i) Standardized test scores of pupils.

5 (ii) Dropout rates.

6 (iii) Daily attendance figures.

7 (iv) Enrollment figures.

8 (v) High school completion and other pertinent completion
9 rates.

10 (vi) Changes made in course offerings.

11 (vii) Proportion of school district resources devoted to direct
12 educational services.

13 (c) A description of long-term performance goals that may
14 include statewide averages or comparable measures of long-term
15 improvement.

16 (8) ~~(10)~~ The chief executive officer shall submit a monthly
17 report, which shall be a public record, to the ~~school board of the~~
18 ~~first class school district~~ **MAYOR** and shall make the monthly report
19 available to the community in the first class school district. The
20 monthly report shall contain at least all of the following:

21 (a) A summary of the initiatives that have been implemented to
22 improve school quality in the first class school district.

23 (b) Daily attendance figures.

24 (c) A description of steps taken to implement the chief
25 executive officer's school district improvement plan.

26 (d) A description of the progress made toward achieving the
27 goals and benchmarks set forth in the chief executive officer's

1 school district improvement plan.

2 (e) A description of progress made toward achieving the long-
3 term performance goals set forth in the annual report under
4 subsection ~~(9)~~-(7) .

5 (f) A copy of any and all completed financial audits
6 authorized by the school district.

7 ~~—— (11) The school board of a first class school district shall~~
8 ~~do all of the following:~~

9 ~~—— (a) Monitor pupil performance.~~

10 ~~—— (b) During June of each year, receive, review, and approve the~~
11 ~~annual budget and procurement goals submitted by the chief~~
12 ~~executive officer, including approval of the annual appropriation~~
13 ~~total for the school district's general operating fund and the~~
14 ~~general fund expenditure budget total for each of the following~~
15 ~~functions, as the functions are defined by the department in~~
16 ~~Bulletin 1022:~~

17 ~~—— (i) Instructions.~~

18 ~~—— (ii) Pupil support services.~~

19 ~~—— (iii) Instructional staff support services.~~

20 ~~—— (iv) School administration.~~

21 ~~—— (v) Business support services.~~

22 ~~—— (vi) Operations and maintenance.~~

23 ~~—— (vii) Pupil transportation services.~~

24 ~~—— (viii) Central support services.~~

25 ~~—— (ix) Community services.~~

26 ~~—— (c) Review all contracts totaling over \$250,000.00 that are~~
27 ~~entered into by the chief executive officer.~~

~~1 (d) Not later than August 31 of each year, provide to the
2 mayor an annual evaluation of the performance of the chief
3 executive officer and make this annual performance evaluation
4 available to the public. To assist in this function, the school
5 board may contract with an independent auditor to conduct a
6 performance and financial audit of the activities of the chief
7 executive officer. If the school board contracts for such an audit,
8 the school board shall review the audit results before preparing
9 the annual performance evaluation.~~

~~10 (e) Form committees as the board considers necessary or
11 desirable to fulfill its functions.~~

~~12 (f) Organize and establish community assistance teams to work
13 with the school board to implement a cohesive, full service
14 community school program addressing the needs and concerns of the
15 school district's population. The school board may delegate to a
16 community assistance team the authority to devise and implement
17 family, community, cultural, and recreational activities to promote
18 the academic mission of the schools. The community assistance teams
19 may also develop parental involvement activities that focus on the
20 encouragement of voluntary parenting education, enhancing parent
21 and family involvement in education, and promoting adult and family
22 literacy.~~

~~23 (12) As used in this section and section 421, "mayor" means
24 the mayor of the city with the greatest population as of the most
25 recent decennial census located within the boundaries of a first
26 class school district.~~

(9) THE CHIEF EXECUTIVE OFFICER SHALL ESTABLISH A COMMUNITY

1 ADVISORY COUNCIL CONSISTING OF PARENTS AND COMMUNITY LEADERS, AND
2 SHALL HOLD MEETINGS OF THE COMMUNITY ADVISORY COUNCIL AS PROVIDED
3 UNDER SECTION 418A.

4 Sec. 421. (1) ~~This section applies to a first class school~~
5 ~~district only if the question under section 410 is approved in the~~
6 ~~first class school district.~~

7 ~~—~~ (2) The mayor shall not nominate a person as chief executive
8 officer under section 420 and the chief executive officer shall not
9 appoint a person as chief financial officer if the person at the
10 time of appointment has a pecuniary interest in a contract to which
11 the first class school district is a party, or in a subcontract
12 under such a contract, other than an employment contract.

13 (2) ~~(3)~~ The chief executive officer shall ensure that the
14 first class school district does not award a contract, and that a
15 subcontract is not awarded under a contract with the first class
16 school district, to the mayor, the chief executive officer, OR the
17 chief financial officer, ~~or a first class school board member,~~ or
18 to the mayor's, chief executive officer's, OR chief financial
19 officer's, ~~or board member's~~ spouse or spouse's sibling or child,
20 sibling or sibling's spouse or child, child or child's spouse, or
21 parent or parent's sibling or spouse.

22 (3) ~~(4)~~ The mayor, chief executive officer, OR chief financial
23 officer, ~~or a first class school board member~~ shall not have a
24 direct or indirect pecuniary interest in any contract with the
25 first class school district that causes a substantial conflict of
26 interest. As used in this subsection, "substantial conflict of
27 interest" means that the pecuniary interest is of such substance as

1 to induce action on the person's part to promote the contract for
2 his or her own personal benefit. A contract between the first class
3 school district and any of the following is not considered a
4 substantial conflict of interest:

5 (a) A corporation in which the person is a stockholder owning
6 1% or less of the total stock outstanding in any class if the stock
7 is not listed on a stock exchange or the stock has a present market
8 value of \$25,000.00 or less if the stock is listed on a stock
9 exchange.

10 (b) A corporation in which a trust, in which the person is a
11 beneficiary under the trust, owns 1% or less of the total stock
12 outstanding in any class if the stock is not listed on a stock
13 exchange or the stock has a present market value of \$25,000.00 or
14 less if the stock is listed on a stock exchange.

15 (c) A professional limited liability company organized
16 pursuant to the Michigan limited liability company act, 1993 PA 23,
17 MCL 450.4101 to 450.5200, if the person is an employee but not a
18 member of the company.

19 Sec. 422. If territory comprising an entire school district is
20 annexed to the city and becomes a part of the first class school
21 district, part 10 shall govern where applicable with respect to the
22 bonded indebtedness of either district existing at the time of
23 annexation. ~~The~~ **UNTIL JULY 1, 2010, THE** first class school district
24 board may use any funds legally available to retire the bonded
25 indebtedness of the annexed district. ~~If the question under section~~
26 ~~410 is approved in the first class school district, then~~ **BEGINNING**
27 **JULY 1, 2010,** the chief executive officer appointed under section

1 420 has the powers and shall perform the duties of the board of the
2 first class school district under this section.

3 Sec. 424. (1) When school property belonging to another school
4 district is taken by annexation by a first class school district, a
5 determination shall be made of the equitable amount that shall be
6 paid by the first class school district. ~~That~~ **UNTIL JULY 1, 2010,**
7 **THAT** determination shall be made by the boards of the 2 districts
8 affected. If the board of the first class school district and the
9 board of the school district from which the property is taken are
10 unable to agree, the matter shall be submitted to a board of
11 arbitration consisting of 1 member appointed by each board and a
12 third member to be selected by the 2 appointed members. The
13 arbitrators by order shall fix a day for hearing and give notice of
14 the hearing as provided in the order. They shall make regulations
15 for the proceedings and shall make a final order determining the
16 amount to be paid by the first class school district to the school
17 district whose property was taken by the annexation and file the
18 order with the county clerk. The order of the arbitrators shall be
19 final. Taxes shall be levied and collected in the manner provided
20 in the order.

21 ~~(2) If the question under section 410 is approved in the first~~
22 ~~class school district, then~~ **BEGINNING JULY 1, 2010,** the chief
23 executive officer appointed under section 420 has the powers and
24 shall perform the duties of the board of the first class school
25 district under this section.

26 Sec. 431a. (1) ~~The~~ **UNTIL JULY 1, 2010, THE** board of the first
27 class school district may take, use, hold, lease, sell, and convey

1 real and personal property, including property received by gift,
 2 devise, or bequest, for the use of the public school within and
 3 without its corporate limits. Proceeds from the sale of real
 4 property shall be credited to accounts of the school district as
 5 provided in section 1262. The first class school district board has
 6 the power to purchase, lease, and take by the right of eminent
 7 domain all property; erect and maintain or lease all buildings;
 8 employ and pay all persons; and do all other things in its judgment
 9 necessary for the proper establishment and management of the public
 10 schools. ~~If the question under section 410 is approved in the first~~
 11 ~~class school district, then~~ **BEGINNING JULY 1, 2010**, the chief
 12 executive officer appointed under section 420 has the powers and
 13 shall perform the duties of the board of the first class school
 14 district under this subsection.

15 (2) ~~The~~ **UNTIL JULY 1, 2010, THE** first class school district
 16 board may adopt and revise as appropriate bylaws and regulations
 17 for conducting the business of the board and ~~, if the question~~
 18 ~~under section 410 is not approved in the first class school~~
 19 ~~district,~~ for the control and government of all schools, school
 20 property, and pupils in the first class school district.

21 (3) If property is sought to be taken by eminent domain,
 22 proceedings may be brought under 1911 PA 149, MCL 213.21 to 213.25,
 23 or the uniform condemnation procedures act, 1980 PA 87, MCL 213.51
 24 to 213.75.

25 Sec. 432. (1) ~~The~~ **UNTIL JULY 1, 2010, THE** first class school
 26 district board annually shall prepare estimates of the amount of
 27 taxes necessary for its needs for the ensuing fiscal year. The

1 estimates shall specify the amount required for the "general fund",
2 the amount required for the "building and site fund", and the
3 amount required for the "debt retirement fund". If the ~~board causes~~
4 ~~the appropriation for the "building and site fund" to be~~ **IS** raised
5 by the issuance of bonds instead of raising the appropriation by
6 taxation, provision shall be made for the retirement of the bonds
7 in a debt retirement fund.

8 (2) ~~The~~ **UNTIL JULY 1, 2010, THE** board shall adopt a budget in
9 the same manner and form as required for its estimates and
10 determine the amount of tax levy necessary for that budget and
11 shall certify on or before the date required by law the amount to
12 the city.

13 (3) The proper officials of the city shall apportion the
14 school taxes in the same manner as the other taxes of the city are
15 apportioned, and the amount apportioned shall be assessed, levied,
16 collected, and returned for the school district in the same manner
17 as taxes of the city. The tax levied by the school district, in the
18 discretion of the legislative body of the city, may be stated
19 separately on each tax bill.

20 (4) ~~If the question under section 410 is approved in the first~~
21 ~~class school district, then~~ **BEGINNING JULY 1, 2010,** the chief
22 executive officer appointed under section 420 has the powers and
23 shall perform the duties of the board of the first class school
24 district under this section.

25 Sec. 433. (1) ~~The~~ **UNTIL JULY 1, 2010, THE** secretary of the
26 first class school district board shall issue and sign a warrant
27 upon the treasurer for payrolls, bills, and accounts that become

1 due and payable under a contract or because of a previous
2 authorization or action of the board after the payrolls, bills, and
3 accounts are registered and charged to the appropriations from
4 which they are payable, ~~—The~~ **AND THE** treasurer, upon receipt of
5 the warrant, shall issue a check in payment thereof.

6 (2) Other claims and demands against the first class school
7 district shall be made under the regulations of the board. The
8 board, before paying a bill, account, or claim, may require that it
9 be accompanied by a certificate of the person rendering it that the
10 services or the property charged have been actually performed or
11 delivered for the school district, that the sums charged are
12 reasonable and just, and that to the best of that person's
13 knowledge and belief no setoff exists nor payment has been made on
14 account except as included or referred to in the account presented.
15 A similar certificate shall be required on all payrolls, the
16 certificate to be made by the person who supervises the services
17 charged.

18 ~~(3) If the question under section 410 is approved in the first~~
19 ~~class school district, then~~ **BEGINNING JULY 1, 2010**, the chief
20 executive officer appointed under section 420 or his or her
21 designee has the powers and shall perform the duties of the board
22 of the first class school district or board officers under this
23 section.

24 Sec. 434. (1) ~~Before~~ **UNTIL JULY 1, 2010, BEFORE** a contract
25 entered into by the first class school district for the purchase of
26 real estate or the erection, remodeling, or repairing of a building
27 is binding on the school district, the secretary shall endorse on

1 the contract that the money proposed to be expended under the
2 contract is actually in the treasury or that the money has been
3 appropriated. A contract submitted shall not be certified by the
4 secretary until all contracts for the completed work covered by the
5 appropriation are submitted, and a warrant shall not be drawn on
6 the account of a contract not containing the certificate.

7 (2) ~~The~~ **UNTIL JULY 1, 2010, THE** board may authorize a contract
8 before the money is available if an appropriation or an
9 authorization of bonds or notes is made for the contract and may
10 borrow on the best terms obtainable on the credit of that
11 appropriation or authorization of bonds or notes sums necessary to
12 make a payment under the contract.

13 (3) ~~If the question under section 410 is approved in the first~~
14 ~~class school district, then~~ **BEGINNING JULY 1, 2010,** the chief
15 executive officer appointed under section 420 or his or her
16 designee has the powers and shall perform the duties of the board
17 of the first class school district or board officers under this
18 section.

19 Sec. 441. ~~The~~ **UNTIL JULY 1, 2010, THE** board of the first class
20 school district, with the consent of the legislative body of the
21 city, may authorize the financial officers of the school district
22 to borrow for not more than 1 year, on the best terms obtainable,
23 sums necessary to pay awards in condemnation proceedings. ~~If the~~
24 ~~question under section 410 is approved in the first class school~~
25 ~~district, then~~ **BEGINNING JULY 1, 2010,** the chief executive officer
26 appointed under section 420 has the powers and shall perform the
27 duties of the board of the first class school district under this

1 section.

2 Sec. 442. (1) ~~The~~ **UNTIL JULY 1, 2010, THE** board of the first
3 class school district may do any of the following:

4 (a) Borrow, subject to the revised municipal finance act, 2001
5 PA 34, MCL 141.2101 to 141.2821, for temporary school purposes sums
6 of money and give notes of the district for temporary school
7 purposes.

8 (b) Borrow, subject to the revised municipal finance act, 2001
9 PA 34, MCL 141.2101 to 141.2821, sums of money for the purpose of
10 purchasing sites for buildings, playgrounds, or athletic fields and
11 purchasing or erecting and equipping a building or making a
12 permanent improvement that the school district is authorized to
13 make. The board may accomplish this by the issuance and sale of
14 bonds of the school district on terms the board considers
15 advisable, or by other reasonable means. The board shall designate
16 officers to execute the bonds on behalf of the school district. The
17 designated officers may include the chief financial officer.

18 (2) A loan shall not be made, except as otherwise provided in
19 this subsection, for a sum that, together with the total
20 outstanding bonded indebtedness of the school district, exceeds 5%
21 of the state equalized valuation of the taxable property within the
22 school district, unless the proposition of making the loans or of
23 issuing bonds is submitted to a vote of the school electors of the
24 school district at a general or special school election and
25 approved by the majority of the school electors voting on the
26 question. Regardless of the amount of outstanding bonded
27 indebtedness of the school district, a vote of the school electors

1 is not necessary in order to issue bonds for a purpose described in
2 section 1274a. Loans may be made or bonds may be issued for the
3 purposes stated in this section in an amount equal to that provided
4 by part 17.

5 ~~(3) If the question under section 410 is approved in the first~~
6 ~~class school district, then~~ **BEGINNING JULY 1, 2010**, the chief
7 executive officer appointed under section 420 has the powers and
8 shall perform the duties of the board of the first class school
9 district under this section.

10 Sec. 443. (1) Proceeds from the sale of first class school
11 district bonds may be expended for the remodeling of existing
12 buildings of the school district if the board determines the
13 remodeling will contribute positively to the health, security, or
14 welfare of the pupils of the school district and if the uses are
15 approved by the superintendent of public instruction. ~~If the~~
16 ~~question under section 410 is approved in the first class school~~
17 ~~district, then~~ **BEGINNING JULY 1, 2010**, the chief executive officer
18 appointed under section 420 has the powers and shall perform the
19 duties of the board of the first class school district under this
20 subsection.

21 (2) As used in this section, "remodeling" means the alteration
22 or construction of structural components of a building including
23 walls, roofs, partitions, hallways, stairways, or means of egress,
24 or the replacement, relocation, or reconstruction of heating,
25 ventilating, incineration, electrical, security, or sanitary
26 systems.

27 Sec. 445. (1) ~~The~~ **UNTIL JULY 1, 2010, THE** board of the first

1 class school district by resolution may submit the proposition of
2 issuing bonds for the purpose of purchasing sites for buildings,
3 playgrounds, or athletic fields and purchasing or erecting and
4 equipping a building or making permanent improvements that the
5 school district is authorized to make to the school electors of the
6 school district at a city or state election, or at a special
7 election called for that purpose.

8 (2) If a majority of the school electors voting on the
9 question approve the issuance of bonds, the board may issue the
10 bonds of the district.

11 (3) ~~The~~ **UNTIL JULY 1, 2010, THE** board shall determine the form
12 of the bonds, the manner in which they shall be executed by the
13 president and secretary of the district, the sums payable and the
14 times of payment, and other terms and conditions the board
15 considers necessary.

16 (4) If the board **OR CHIEF EXECUTIVE OFFICER** determines to
17 issue bonds under this section, sections 432 and 444 shall not
18 apply to the issuance of the bonds and the bonds may be issued in
19 an amount equal to that provided by part 17.

20 (5) The secretary of the board shall file with the city clerk
21 a written notice of the resolution to submit the bonding
22 proposition to the school electors with a draft of the form of the
23 bonding proposition to be submitted. The notice shall be under the
24 seal of the board and filed with the city clerk at least 60 days
25 before the date fixed by the board for the election.

26 (6) The laws of this state pertaining to elections in a city
27 shall govern the practicable submission of the proposition to the

1 school electors. Electors qualified to vote on the bonding
2 proposition shall be registered school electors of the city in
3 which the first class school district is located and otherwise
4 qualified to vote on bonding propositions under the constitution
5 and laws of this state.

6 (7) Bonds issued under this act are subject to the revised
7 municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

8 ~~(8) If the question under section 410 is approved in the first~~
9 ~~class school district, then~~ **BEGINNING JULY 1, 2010**, the chief
10 executive officer appointed under section 420 has the powers and
11 shall perform the duties of the board of the first class school
12 district or board officers under this section.

13 Sec. 461. (1) ~~Upon~~ **UNTIL JULY 1, 2010, UPON** the adoption, by
14 majority vote of the board members serving, of a measure not coming
15 under its general power or authority, the board of the first class
16 school district shall submit the measure to the school electors of
17 the school district at the next state or city election or a special
18 election called for that purpose. This section does not authorize
19 the issuance of bonds. The secretary of the board shall file with
20 the city clerk a written notice of the adoption of the measure
21 together with a written draft of the measure to be submitted to the
22 school electors. The notice shall be under the seal of the board
23 and filed with the city clerk not less than 60 days before the
24 election.

25 (2) The laws of this state pertaining to elections in the city
26 govern the practicable submission of the measure to the school
27 electors.

1 (3) ~~If the question under section 410 is approved in the first~~
2 ~~class school district, then~~ **BEGINNING JULY 1, 2010**, the chief
3 executive officer appointed under section 420 has the powers and
4 shall perform the duties of the board of the first class school
5 district or board officers under this section.

6 Sec. 462. ~~Special~~ **UNTIL JULY 1, 2010, SPECIAL** elections may be
7 called by the board of the first class school district. The board
8 shall call an election on receipt of the written request of not
9 less than 10% of the registered school electors of the district
10 qualified to vote on the question by giving the prescribed notice.
11 The questions to be submitted at the election shall be stated
12 briefly in the notice. ~~If the question under section 410 is~~
13 ~~approved in the first class school district, then~~ **BEGINNING JULY 1,**
14 **2010**, the chief executive officer appointed under section 420 has
15 the powers and shall perform the duties of the board of the first
16 class school district under this section.

17 Sec. 475. (1) Subject to subsection (2), **UNTIL JULY 1, 2010**,
18 the board of a first class school district may establish and
19 maintain a school, class, or program within a school in which
20 enrollment is limited to pupils of a single gender if the school
21 district also makes available to pupils a substantially equal
22 coeducational school, class, or program and a substantially equal
23 school, class, or program for pupils of the other gender.

24 (2) If the board **OR CHIEF EXECUTIVE OFFICER** of a first class
25 school district establishes a single-gender school, class, or
26 program described in subsection (1), the school district shall not
27 require participation by any of its pupils in the single-gender

1 school, class, or program. The board **OR CHIEF EXECUTIVE OFFICER**
2 shall ensure that participation by pupils in a single-gender
3 school, class, or program is wholly voluntary. For the purposes of
4 this subsection, participation by a pupil in a single-gender
5 school, class, or program is not considered to be voluntary unless
6 the school district also makes available to the pupil a
7 substantially equal coeducational school, class, or program.

8 **(3) BEGINNING JULY 1, 2010, THE CHIEF EXECUTIVE OFFICER**
9 **APPOINTED UNDER SECTION 420 HAS THE POWERS AND SHALL PERFORM THE**
10 **DUTIES OF THE BOARD OF THE FIRST CLASS SCHOOL DISTRICT UNDER THIS**
11 **SECTION.**

12 Sec. 485. (1) At least every 2 years, **UNTIL JULY 1, 2010**, the
13 board of the first class school district shall adopt policies and
14 establish programs that provide for and encourage the free flow of
15 information between the school district and the community and that
16 provide for and encourage community input into educational matters
17 considered by the board.

18 (2) In order to implement subsection (1), the board of a first
19 class school district shall do both of the following:

20 (a) Provide for an autonomous school-community organization in
21 each school within the school district. The school-community
22 organization shall be open to all parents and other residents of
23 the school attendance area.

24 (b) Establish procedures for handling complaints, concerns,
25 and recommendations received from parents and other members of the
26 community.

27 ~~(3) If the question under section 410 is approved in the first~~

1 ~~class school district, then~~ **BEGINNING JULY 1, 2010**, the chief
2 executive officer appointed under section 420 has the powers and
3 shall perform the duties of the board of the first class school
4 district under this section.

5 Enacting section 1. Sections 403, 403a, 404, 404b, 410, 411a,
6 412, 412a, 413a, 414a, 415, 416, 417a, 471a, and 483a of the
7 revised school code, 1976 PA 451, MCL 380.403, 380.403a, 380.404,
8 380.404b, 380.410, 380.411a, 380.412, 380.412a, 380.413a, 380.414a,
9 380.415, 380.416, 380.417a, 380.471a, and 380.483a, are repealed
10 effective July 1, 2010.