

SENATE BILL No. 1229

March 16, 2010, Introduced by Senators JELINEK and ALLEN and referred to the Committee on Reforms and Restructuring.

A bill to amend 1976 PA 451, entitled "The revised school code," by amending sections 627, 1321, 1322, 1323, 1324, 1325, 1332, and 1333 (MCL 380.627, 380.1321, 380.1322, 380.1323, 380.1324, 380.1325, 380.1332, and 380.1333), section 627 as amended by 1995 PA 289, section 1321 as amended by 2008 PA 1, section 1323 as added by 1986 PA 151, section 1324 as amended by 1994 PA 416, section 1325 as added by 1992 PA 140, and section 1333 as amended by 1989 PA 159, and by adding section 1320.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 627. (1) An intermediate school board shall do all of the
2 following:

3 (a) Upon request of the board of a constituent district,

1 furnish services on a management, consultant, or supervisory basis
2 to the district. The intermediate school board may charge a
3 constituent district for the costs of services furnished under this
4 subdivision.

5 (b) Upon request of the board of a constituent district,
6 direct, supervise, and conduct cooperative educational programs on
7 behalf of the district. The intermediate school board may utilize
8 available funds not otherwise obligated by law and accept
9 contributions from other sources for the purpose of financing the
10 programs. The funds shall be deposited with the treasurer in a
11 cooperative education fund and shall be disbursed as the
12 intermediate school board directs. The intermediate school board
13 may employ personnel and take other action necessary to direct,
14 supervise, and conduct cooperative educational programs.

15 (c) Conduct cooperative programs mutually agreed upon by 2 or
16 more intermediate school boards.

17 (d) Conduct cooperative programs mutually agreed upon with 1
18 or more public school academies.

19 (2) An intermediate school board may conduct or participate in
20 cooperative programs for information technology systems which may
21 include, but are not limited to, equipment for storage, retrieval,
22 processing, and transmission of voice, data, or video
23 communications; contract with public schools or other educational
24 institutions, government agencies, public broadcasting stations or
25 systems, or information technology service providers in conducting
26 the programs; and acquire and install the equipment, software, and
27 training necessary for the programs in the manner and at the places

1 the intermediate school board considers appropriate.

2 (3) Upon request of the board of a constituent school district
3 or public school academy located within the intermediate school
4 district, an intermediate school board may provide, either solely
5 or as part of a consortium of intermediate school districts,
6 comprehensive school improvement support services to the district
7 or public school academy. These services may include, but are not
8 limited to, all of the following:

9 (a) The development of a core curriculum.

10 (b) The evaluation of a core curriculum.

11 (c) The preparation of 1 or more school improvement plans.

12 (d) The dissemination of information concerning 1 or more
13 school improvement plans.

14 (e) The preparation of an annual educational report.

15 (f) Professional development.

16 (g) Educational research.

17 (h) The compilation of instructional objectives, instructional
18 resources, pupil demographics, and pupil academic achievement.

19 (i) Assistance in obtaining school accreditation.

20 (j) The provision of general technical assistance.

21 (4) To the extent allowed by law, if the most cost-effective
22 business services are not available to constituent districts, an
23 intermediate school board shall offer to provide for constituent
24 districts and public school academies located within the
25 intermediate school district business services that can be
26 accomplished more cost-effectively by an intermediate school
27 district. An intermediate school district may charge a fee for

1 these services, and may contract with a third party for provision
2 of some or all of these services. ~~These~~ **SUBJECT TO SUBSECTION (5)**
3 **AND SECTION 1320, THESE** services may include, but are not limited
4 to, any of the following:

- 5 (a) Data processing.
- 6 (b) Payroll.
- 7 (c) Class scheduling.
- 8 (d) Distance learning coordination and delivery.
- 9 (e) Transportation services.

10 (5) **BEGINNING JULY 1, 2010, AN INTERMEDIATE SCHOOL DISTRICT**
11 **SHALL PROVIDE TRANSPORTATION SERVICES FOR CONSTITUENT DISTRICTS AND**
12 **PUBLIC SCHOOL ACADEMIES LOCATED WITHIN THE INTERMEDIATE SCHOOL**
13 **DISTRICT IN ACCORDANCE WITH SECTION 1320.**

14 **SEC. 1320. (1) BEGINNING JULY 1, 2010, AN INTERMEDIATE SCHOOL**
15 **DISTRICT SHALL PROVIDE TRANSPORTATION SERVICES ON BEHALF OF ITS**
16 **CONSTITUENT DISTRICTS, OR PUBLIC SCHOOL ACADEMIES LOCATED WITHIN**
17 **THE INTERMEDIATE SCHOOL DISTRICT, THAT CHOOSE TO PROVIDE**
18 **TRANSPORTATION FOR PUPILS. AN INTERMEDIATE SCHOOL DISTRICT MAY**
19 **CHARGE A FEE TO A CONSTITUENT DISTRICT OR PUBLIC SCHOOL ACADEMY FOR**
20 **PROVIDING TRANSPORTATION SERVICES, NOT TO EXCEED THE ACTUAL COST TO**
21 **THE INTERMEDIATE SCHOOL DISTRICT.**

22 (2) **AN INTERMEDIATE SCHOOL DISTRICT MAY CONTRACT OR ENTER INTO**
23 **AN AGREEMENT WITH ANY PERSON OR ENTITY, INCLUDING, BUT NOT LIMITED**
24 **TO, ANOTHER GOVERNMENTAL ENTITY, AN AUTHORITY, OR A PRIVATE ENTITY,**
25 **TO PROVIDE THE TRANSPORTATION SERVICES UNDER SUBSECTION (1), OR MAY**
26 **HAVE THESE SERVICES PROVIDED ON AN EMPLOYMENT BASIS BY A GROUP OF**
27 **ITS EMPLOYEES AFTER OBTAINING COMPETITIVE BIDS UNDER SUBSECTION**

1 (3). THE INTERMEDIATE SCHOOL DISTRICT SHALL NOT ENTER INTO OR RENEW
2 A CONTRACT OR A COLLECTIVE BARGAINING AGREEMENT WITH A PROVIDER FOR
3 PROVIDING THESE SERVICES WITHOUT FIRST OBTAINING COMPETITIVE BIDS
4 UNDER SUBSECTION (3).

5 (3) BEFORE ENTERING INTO OR RENEWING A CONTRACT, AGREEMENT, OR
6 COLLECTIVE BARGAINING AGREEMENT DESCRIBED IN SUBSECTION (2), AN
7 INTERMEDIATE SCHOOL BOARD SHALL OBTAIN COMPETITIVE BIDS ON THE
8 PROVISION OF THE TRANSPORTATION SERVICES. NOT LATER THAN MAY 1,
9 2010, THE SUPERINTENDENT OF PUBLIC INSTRUCTION SHALL DEVELOP AND
10 MAKE AVAILABLE TO INTERMEDIATE SCHOOL DISTRICTS A MODEL COMPETITIVE
11 BIDDING PROCESS THAT MAY BE USED FOR THE PURPOSES OF THIS
12 SUBSECTION. THIS MODEL PROCESS MAY BE BASED ON THE PROCESS
13 PRESCRIBED FOR COMPETITIVE BIDDING OF CONSTRUCTION CONTRACTS UNDER
14 SECTION 1267. THIS MODEL PROCESS AND THE COMPETITIVE BIDDING
15 PROCESS ADOPTED BY AN INTERMEDIATE SCHOOL DISTRICT SHALL REQUIRE
16 THAT COMPETING BIDS WILL BE POSTED, WITH A LINK ON THE HOMEPAGE, ON
17 THE INTERMEDIATE SCHOOL DISTRICT'S WEBSITE.

18 (4) SUBSECTION (3) DOES NOT APPLY TO CONTRACTS OF LESS THAN
19 \$20,000.00. THE MAXIMUM AMOUNT SPECIFIED IN THIS SUBSECTION SHALL
20 BE ADJUSTED EACH YEAR BY MULTIPLYING THE AMOUNT FOR THE IMMEDIATELY
21 PRECEDING YEAR BY THE PERCENTAGE BY WHICH THE AVERAGE CONSUMER
22 PRICE INDEX FOR ALL ITEMS FOR THE 12 MONTHS ENDING AUGUST 31 OF THE
23 YEAR IN WHICH THE ADJUSTMENT IS MADE DIFFERS FROM THAT INDEX'S
24 AVERAGE FOR THE 12 MONTHS ENDING ON AUGUST 31 OF THE IMMEDIATELY
25 PRECEDING YEAR AND ADDING THAT PRODUCT TO THE MAXIMUM AMOUNT THAT
26 APPLIED IN THE IMMEDIATELY PRECEDING YEAR, ROUNDING TO THE NEAREST
27 WHOLE DOLLAR.

1 Sec. 1321. (1) Subject to the balance of this section, the
2 board of a school district providing transportation for its
3 resident pupils, other than students with a disability transported
4 under article 3 or other pupils who cannot safely walk to school,
5 shall provide transportation for each resident public or nonpublic
6 school pupil if all of the following requirements are met:

7 (a) The school district provides transportation for the
8 elementary school level, middle or junior high school level, or
9 high school level, as defined by the local school board, in which
10 the pupil is enrolled.

11 (b) The pupil is a person for whom the school district is
12 eligible to receive state school aid for transportation.

13 (c) The pupil is attending either the public or the nearest
14 state approved nonpublic school in the school district to which the
15 pupil is eligible to be admitted.

16 (2) Transportation provided under subsection (1) shall be
17 without charge to the resident pupil, the parent, guardian, or
18 person standing in loco parentis to the pupil.

19 (3) A school district is not required to transport or pay for
20 transportation of a resident pupil living within 1-1/2 miles, by
21 the nearest traveled route, to the public or state approved
22 nonpublic school in which the pupil is enrolled. A school district
23 is not required to transport or pay for the transportation of a
24 resident pupil attending a nonpublic school who lives in an area
25 less than 1-1/2 miles from a public school in which public school
26 pupils are not transported, except that the school district is
27 required to transport or pay for the transportation of the resident

1 pupil from the public school within the area to the nonpublic
2 school the pupil attends.

3 (4) A school district is not required to transport or pay for
4 the transportation of resident pupils to state approved nonpublic
5 schools located outside the district unless the school district
6 transports some of its resident pupils, other than students with a
7 disability under article 3, to public schools located outside the
8 district, in which case the school district shall transport or pay
9 for the transportation of resident pupils attending a state
10 approved nonpublic school at least to the distance of the public
11 schools located outside the district to which the district
12 transports resident pupils and in the same general direction.

13 **(5) BEGINNING JULY 1, 2010, A SCHOOL DISTRICT SHALL NOT**
14 **DIRECTLY PROVIDE TRANSPORTATION SERVICES FOR PUPILS BUT MAY PROVIDE**
15 **THESE SERVICES THROUGH ITS INTERMEDIATE SCHOOL DISTRICT AS PROVIDED**
16 **UNDER SECTION 1320.**

17 Sec. 1322. (1) ~~A~~**SUBJECT TO SECTION 1320, A SCHOOL DISTRICT**
18 **THAT PROVIDES TRANSPORTATION FOR PUPILS SHALL TRANSPORT A** pupil
19 attending public school or the nearest state approved nonpublic
20 school available, to which nonpublic school the pupil may be
21 admitted, ~~shall be transported along the regular routes as~~
22 determined by the board **OF THE SCHOOL DISTRICT** to public and state
23 approved nonpublic schools. Transportation to public and the
24 nearest state approved nonpublic school located within or outside
25 the district to which nonpublic school the pupil is eligible to be
26 admitted shall be provided under the rules promulgated by the state
27 board. Rules shall not require the transportation or payment for

1 transportation for nonpublic school pupils on days when public
2 school pupils are not transported.

3 (2) This section shall not be construed to require or permit
4 transportation of pupils to a state approved nonpublic school
5 attending in the elementary grades when transportation is furnished
6 by the school district for secondary pupils only, nor to require or
7 permit the transportation of pupils to a state approved nonpublic
8 school attending the secondary grades when transportation is
9 furnished by the district for elementary pupils only.

10 (3) Vehicles used for the transportation of pupils shall be
11 adequate and of ample capacity.

12 Sec. 1323. (1) ~~Except~~ **SUBJECT TO SECTION 1320, EXCEPT** as
13 otherwise provided in this section, the board of a school district
14 that provides auxiliary services to pupils pursuant to section 1296
15 shall provide transportation from the nonpublic school to and from
16 the site where the auxiliary services are provided to resident and
17 nonresident nonpublic school pupils receiving those services, to
18 the extent the reasonable costs of the transportation of nonspecial
19 education pupils are paid for by the state. ~~, except for pupils~~
20 ~~whose transportation costs are being reimbursed under section 71 of~~
21 ~~the state school aid act of 1979, Act No. 94 of the Public Acts of~~
22 ~~1979, being section 388.1671 of the Michigan Compiled Laws.~~

23 (2) The board of a school district that does not provide
24 transportation for public school pupils, other than special
25 education pupils, is not required to transport nonpublic school
26 pupils to and from auxiliary service sites for nonspecial education
27 auxiliary services.

1 (3) The requirements of subsection (1) do not apply if the
2 superintendent of public instruction determines that a school
3 district is in substantial compliance with section 1296 without the
4 provision of transportation between the nonpublic school and the
5 site where the auxiliary services are provided.

6 Sec. 1324. ~~The~~**SUBJECT TO SECTION 1320, THE** board of a school
7 district or board of directors of a public school academy may enter
8 into a contract with the board of another school district or board
9 of directors of a public school academy or with private persons to
10 furnish transportation for nonresident pupils attending public and
11 state approved nonpublic schools located within the school district
12 or in other school districts. The price paid for the transportation
13 shall not be less than the actual cost of the transportation to the
14 school district or public school academy furnishing transportation.

15 Sec. 1325. (1) ~~A~~**SUBJECT TO SECTION 1320, A** school district,
16 intermediate school district, or consortium consisting of any
17 combination of local or intermediate districts may contract with
18 the board of another district to provide transportation for the
19 pupils of the other district either within or outside the other
20 district.

21 (2) For purposes of providing the transportation, and subject
22 to the requirements of this act for school buildings, supplies, and
23 vehicles, a local or intermediate district or consortium that
24 enters into a contract with another district to provide
25 transportation as described in subsection (1) may do 1 or more of
26 the following:

27 (a) Acquire 1 or more sites, acquire or construct 1 or more

1 buildings, or improve or enlarge 1 or more existing buildings.

2 (b) Furnish, equip, operate, and maintain 1 or more buildings.

3 (c) Acquire school buses, other school vehicles, and related
4 supplies.

5 Sec. 1332. (1) ~~The~~**SUBJECT TO SECTION 1320, THE** board of a
6 school district may collect a fee for transporting pupils enrolled
7 in grades K to 12 to or from nonmandatory and noncredit events
8 sponsored by the school district. Fees charged shall cover expenses
9 for the trips involved, under rules promulgated by the state board.

10 (2) A board of education shall not purchase additional school
11 buses for the sole purpose of implementing this section.

12 (3) Insurance to indemnify the school district, its officers,
13 or employees against liability for damages arising out of the use
14 of school buses shall be obtained before fees or fares are charged.

15 Sec. 1333. (1) ~~Pursuant~~**SUBJECT TO SECTION 1320, PURSUANT** to
16 an agreement made under subsection (4), the board of a school
17 district may permit the use of a school bus, which is not otherwise
18 being used for school purposes, by an organization or group for
19 purposes of transporting senior citizens or retired or disabled
20 persons, or by a nonprofit organization for purposes of
21 transporting its members, to or from an activity, event, or outing,
22 if the board determines that suitable or economically feasible
23 public or private transportation is not available for this purpose.
24 Mileage, insurance, and other costs may be paid by the group or
25 organization or may be waived by the board of the school district.

26 (2) The board of a school district may permit the use of a
27 school bus for the purposes of transporting persons other than

1 pupils to school-sponsored events. The board may collect a fee for
2 transporting persons other than pupils to or from school-sponsored
3 events to cover expenses for the trips involved. Insurance to
4 indemnify the school district, its officers, or employees against
5 liability for damages arising out of the use of school buses shall
6 be obtained before persons other than pupils are transported and
7 fees charged. The pupils of the district should be given first
8 priority for any transportation furnished by the board.

9 (3) The board of a school district shall not purchase
10 additional school buses for the sole purpose of implementing this
11 section.

12 (4) A local unit of government, including a city, county,
13 village, or township, may enter into an agreement with a board of a
14 school district within its area for the use of school buses to
15 transport senior citizens or retired or disabled persons or members
16 of a nonprofit organization, subject to the same terms and
17 conditions provided in subsection (1).

18 (5) As used in this section, "nonprofit organization" means
19 any 1 of the following:

20 (a) A corporation organized under the nonprofit corporation
21 act, ~~Act No. 162 of the Public Acts of 1982, being sections~~
22 ~~450.2101 to 450.3192 of the Michigan Compiled Laws 1982 PA 162, MCL~~
23 ~~450.2101 TO 450.3192.~~

24 (b) A corporation to which the nonprofit corporation act
25 applies as provided in sections 121 and 123 of ~~Act No. 162 of the~~
26 ~~Public Acts of 1982, being sections 450.2121 and 450.2123 of the~~
27 ~~Michigan Compiled Laws~~ **THE NONPROFIT CORPORATION ACT, 1982 PA 162,**

1 MCL 450.2121 AND 450.2123.

2 (c) A group, society, organization, or association organized
3 to carry out any lawful purpose not involving pecuniary profit or
4 gain for its officers, trustees, or members.

5 (6) The state board shall promulgate rules to implement this
6 section.