

Act No. 8
Public Acts of 2011
Approved by the Governor
March 16, 2011
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March 16, 2011
EFFECTIVE DATE: March 16, 2011

**STATE OF MICHIGAN
96TH LEGISLATURE
REGULAR SESSION OF 2011**

Introduced by Senators Pavlov, Brandenburg, Marleau and Proos

ENROLLED SENATE BILL No. 157

AN ACT to amend 1976 PA 451, entitled "An act to provide a system of public instruction and elementary and secondary schools; to revise, consolidate, and clarify the laws relating to elementary and secondary education; to provide for the organization, regulation, and maintenance of schools, school districts, public school academies, intermediate school districts, and other public school entities; to prescribe rights, powers, duties, and privileges of schools, school districts, public school academies, intermediate school districts, and other public school entities; to provide for the regulation of school teachers and certain other school employees; to provide for school elections and to prescribe powers and duties with respect thereto; to provide for the levy and collection of taxes; to provide for the borrowing of money and issuance of bonds and other evidences of indebtedness; to establish a fund and provide for expenditures from that fund; to provide for and prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to provide for licensure of boarding schools; to prescribe penalties; and to repeal acts and parts of acts," by amending section 1280c (MCL 380.1280c), as added by 2009 PA 204.

The People of the State of Michigan enact:

Sec. 1280c. (1) Beginning in 2010, not later than September 1 of each year, the superintendent of public instruction shall publish a list identifying the public schools in this state that the department has determined to be among the lowest achieving 5% of all public schools in this state, as defined for the purposes of the federal incentive grant program created under sections 14005 and 14006 of title XIV of the American recovery and reinvestment act of 2009, Public Law 111-5.

(2) Except as otherwise provided in subsection (16), the superintendent of public instruction shall issue an order placing each public school that is included on the list under subsection (1) under the supervision of the state school reform/redesign officer described in subsection (9). Within 90 days after a public school is placed under the supervision of the state school reform/redesign officer under this section, the school board or board of directors operating the public school shall submit a redesign plan to the state school reform/redesign officer. For a public school operated by a school board, the redesign plan shall be developed with input from the local teacher bargaining unit and the local superintendent. The redesign plan shall require implementation of 1 of the 4 school intervention models that are provided for the lowest achieving schools under the federal incentive grant program created under sections 14005 and 14006 of title XIV of the American recovery and reinvestment act of 2009, Public Law 111-5, known as the "race to the top" grant program. These models are the turnaround model, restart model, school closure, and transformation model. The redesign plan shall include an executed addendum to each applicable collective bargaining agreement in effect for the public school that meets the requirements of subsection (8).

(3) Within 30 days after receipt of a redesign plan for a public school under subsection (2), the state school reform/redesign officer shall issue an order approving, disapproving, or making changes to the redesign plan. If the order makes changes to the redesign plan, the school board or board of directors has 30 days after the order to change the redesign plan to incorporate those changes into the redesign plan and resubmit it to the state school reform/redesign officer for approval or disapproval.

(4) The state school reform/redesign officer shall not disapprove a redesign plan that includes all of the elements required under federal law for the school intervention model included in the redesign plan. A school board or board of directors may appeal disapproval of a redesign plan on this basis to the superintendent of public instruction. The decision of the superintendent of public instruction on the appeal is final.

(5) If the state school reform/redesign officer approves a redesign plan under this section, the school board or board of directors shall implement the redesign plan for the public school beginning with the beginning of the next school year that begins after the approval. The school board or board of directors shall regularly submit monitoring reports to the state school reform/redesign officer on the implementation and results of the plan in the form and manner, and according to a schedule, as determined by the state school reform/redesign officer.

(6) The state school reform/redesign school district is created. The state school reform/redesign school district is a school district for the purposes of section 11 of article IX of the state constitution of 1963 and for receiving state school aid under the state school aid act of 1979 and is subject to the leadership and general supervision of the state board over all public education under section 3 of article VIII of the state constitution of 1963. The state school reform/redesign school district is a body corporate and is a governmental agency. Except as otherwise provided in subsection (7), if the state school reform/redesign officer does not approve the redesign plan, or if the state school reform/redesign officer determines that the redesign plan is not achieving satisfactory results, the state school reform/redesign officer shall issue an order placing the public school in the state school reform/redesign school district, imposing for the public school implementation of 1 of the 4 school intervention models described in subsection (2) beginning with the beginning of the next school year; and imposing an addendum to each applicable collective bargaining agreement in effect for the public school as necessary to implement the school intervention model and that meets the requirements of subsection (8). All of the following apply to the state school reform/redesign school district:

(a) The state school reform/redesign school district shall consist of schools that are placed in the state school reform/redesign school district.

(b) The state school reform/redesign officer shall act as the superintendent of the state school reform/redesign school district. With respect to schools placed in the state school reform/redesign school district, the state school reform/redesign officer has all of the powers and duties described in this section; all of the provisions of this act that would otherwise apply to the school board that previously operated a school placed in the state school reform/redesign school district apply to the state school reform/redesign officer with respect to that school, except those relating to taxation or borrowing; except as otherwise provided in this section, the state school reform/redesign officer may exercise all the powers and duties otherwise vested by law in the school board that previously operated a school placed in the state school reform/redesign school district and in its officers, except those relating to taxation or borrowing, and may exercise all additional powers and duties provided under this section; and, except as otherwise provided in this section, the state school reform/redesign officer accedes to all the rights, duties, and obligations of the school board with respect to that school. These powers, rights, duties, and obligations include, but are not limited to, all of the following:

(i) Authority over the expenditure of all funds attributable to pupils at that school, including that portion of proceeds from bonded indebtedness and other funds dedicated to capital projects that would otherwise be apportioned to that school by the school board that previously operated the school according to the terms of the bond issue or financing documents.

(ii) Subject to subsection (8), rights and obligations under collective bargaining agreements and employment contracts entered into by the school board for employees at the school.

(iii) Rights to prosecute and defend litigation.

(iv) Rights and obligations under statute, rule, and common law.

(v) Authority to delegate any of the state school reform/redesign officer's powers and duties to 1 or more designees, with proper supervision by the state school reform/redesign officer.

(vi) Power to terminate any contract or portion of a contract entered into by the school board that applies to that school. However, this subsection does not allow any termination or diminishment of obligations to pay debt service on legally authorized bonds and does not allow a collective bargaining agreement to be affected except as provided under subsection (8). A contract terminated by the state school reform/redesign officer under this subsection is void.

(7) If the state school reform/redesign officer determines that better educational results are likely to be achieved by appointing a chief executive officer to take control of multiple public schools, the state school reform/redesign officer may make a recommendation to the superintendent of public instruction for appointment of a chief executive officer to take control over those multiple schools. If the superintendent of public instruction appoints a chief executive officer to take control of multiple public schools under this subsection, the chief executive officer shall impose for those public schools implementation of 1 of the 4 school intervention models described in subsection (2) and impose an addendum to each applicable collective bargaining agreement in effect for those public schools as necessary to implement the school intervention model and that meets the requirements of subsection (8). With respect to those public schools, the chief executive officer has all of the same powers and duties that the state school reform/redesign officer has for public schools placed in the state school reform/redesign school district under subsection (6). The chief executive officer shall

regularly submit monitoring reports to the state school reform/redesign officer on the implementation and results of the intervention model in the form and manner, and according to a schedule, as determined by the state school reform/redesign officer. The chief executive officer shall exercise any other powers or duties over the public schools as may be directed by the superintendent of public instruction.

(8) An addendum to a collective bargaining agreement under this section shall provide for any of the following that are necessary for the applicable school intervention model to be implemented at each affected public school:

(a) That any contractual or other seniority system that would otherwise be applicable shall not apply at the public school. This subdivision does not allow unilateral changes in pay scales or benefits.

(b) That any contractual or other work rules that are impediments to implementing the redesign plan shall not apply at the public school. This subdivision does not allow unilateral changes in pay scales or benefits.

(c) That the state school reform/redesign officer shall direct the expenditure of all funds attributable to pupils at the public school and the principal or other school leader designated by the state school reform/redesign officer shall have full autonomy and control over curriculum and discretionary spending at the public school.

(9) The superintendent of public instruction shall hire a state school reform/redesign officer to carry out the functions under this section and as otherwise prescribed by law. The state school reform/redesign officer shall be chosen solely on the basis of his or her competence and experience in educational reform and redesign. The state school reform/redesign officer is exempt from civil service. The state school reform/redesign officer is responsible directly to the superintendent of public instruction to ensure that the purposes of this section are carried out, and accordingly the position of state school reform/redesign officer should be a position within the department that is exempt from the classified state civil service. The department shall request that the civil service commission establish the position of state school reform/redesign officer as a position that is exempt from the classified state civil service.

(10) If the state school reform/redesign officer imposes the restart model for a public school in the state school reform/redesign school district, or a chief executive officer under subsection (7) imposes the restart model for multiple public schools under that subsection, all of the following apply:

(a) The state school reform/redesign officer or chief executive officer shall enter into an agreement with an educational management organization to manage and operate the public school or schools. The state school reform/redesign officer or chief executive officer shall provide sufficient oversight to ensure that the public school or schools will be operated according to all of the requirements for a restart model.

(b) There shall be considered to be no collective bargaining agreement in effect that applies to employees working at the public school or schools under this model at the time of imposition of the model.

(11) If the state school reform/redesign officer imposes the turnaround model for a public school in the state school reform/redesign school district, or a chief executive officer under subsection (7) imposes the turnaround model for multiple public schools under that subsection, all of the following apply:

(a) A collective bargaining agreement that applies to employees working at the public school or schools under this model at the time of imposition of the model, and any successor collective bargaining agreement, continues to apply with respect to pay scales and benefits.

(b) Subject to any addendum to the collective bargaining agreement that applies to the public school or schools, an employee who is working at the public school or schools and who was previously employed in the same school district that previously operated that school shall continue to retain and accrue seniority rights in that school district according to the collective bargaining agreement that applies to employees of that school district.

(12) If more than 9 public schools operated by a school district are on the list under subsection (1), the transformation model may not be implemented for more than 50% of those schools.

(13) If the state school reform/redesign officer determines that a public school that is subject to the measures under subsection (6) or (7) has made significant improvement in pupil achievement and should be released from the measures that have been imposed under subsection (6) or (7), the state school reform/redesign officer may recommend this to the superintendent of public instruction. If the superintendent of public instruction agrees with the determination and recommendation, the superintendent of public instruction may release the public school from the measures that have been imposed under subsection (6) or (7).

(14) At least annually, the state school reform/redesign officer shall submit a report to the standing committees of the senate and house of representatives having jurisdiction over education legislation on the progress being made in improving pupil proficiency due to the measures under this section.

(15) As soon as practicable after the federal department of education has adopted the final work rules and formula for identifying the lowest achieving 5% of all public schools in this state for the purposes of the federal incentive grant program created under sections 14005 and 14006 of title XIV of the American recovery and reinvestment act of 2009, Public Law 111-5, known as the "race to the top" grant program, the department shall post all of the following on its website:

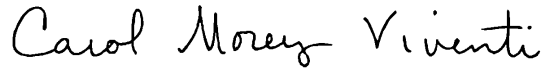
(a) The federal work rules and formula.

(b) A list of the public schools in this state that have been identified for these purposes as being among the lowest achieving 5% of all public schools in this state. The department shall update this list as it considers appropriate.

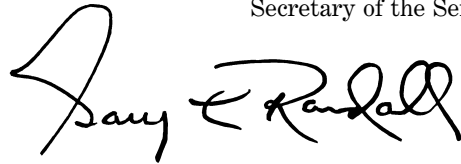
(16) If a school that is included on the list under subsection (1) is operated by a school district in which an emergency manager is in place under the local government and school district fiscal accountability act, then the superintendent of public instruction shall not issue an order placing the school under the supervision of the state school reform/redesign officer.

Enacting section 1. This amendatory act does not take effect unless House Bill No. 4214 of the 96th Legislature is enacted into law.

This act is ordered to take immediate effect.



Secretary of the Senate



Clerk of the House of Representatives

Approved

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Governor