



HOUSE BILL No. 4365

February 24, 1993, Introduced by Reps. Bryant, Bullard and Kaza and referred to the Committee on Education.

A bill to amend Act No. 451 of the Public Acts of 1976, entitled as amended "The school code of 1976," as amended, being sections 380.1 to 380.1852 of the Michigan Compiled Laws, by adding part 6a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 451 of the Public Acts of 1976, as
2 amended, being sections 380.1 to 380.1852 of the Michigan
3 Compiled Laws, is amended by adding part 6a to read as follows:

4 PART 6A

5 CHARTER SCHOOLS

6 SEC. 501. (1) A CHARTER SCHOOL IS GOVERNED BY THIS PART AND
7 IS NOT SUBJECT TO THE OTHER PROVISIONS OF THIS ACT EXCEPT AS
8 PROVIDED IN THIS PART. A CHARTER SCHOOL IS A PUBLIC SCHOOL UNDER
9 SECTION 2 OF ARTICLE VIII OF THE STATE CONSTITUTION OF 1963.

1 (2) AS USED IN THIS PART:

2 (A) "CERTIFICATED TEACHER" MEANS AN INDIVIDUAL WHO HOLDS A
3 VALID TEACHING CERTIFICATE ISSUED BY THE STATE BOARD UNDER
4 SECTION 1531.

5 (B) "CONVERSION CHARTER SCHOOL" MEANS A CHARTER SCHOOL THAT
6 HAS BEEN ISSUED A CHARTER BY THE STATE BOARD TO BE A CONVERSION
7 CHARTER SCHOOL UNDER SECTION 504.

8 SEC. 502. (1) A CHARTER SCHOOL SHALL BE ORGANIZED AND OPER-
9 ATED BY A PERSON OR ENTITY DESCRIBED IN SUBSECTION (2) UNDER THE
10 DIRECTION OF A BOARD OF DIRECTORS IN ACCORDANCE WITH THIS PART
11 AND WITH BYLAWS ADOPTED BY THE BOARD OF DIRECTORS.

12 (2) ANY OF THE FOLLOWING PERSONS OR ENTITIES MAY APPLY FOR A
13 CHARTER TO ORGANIZE AND OPERATE A CHARTER SCHOOL UNDER THIS
14 PART:

15 (A) FOR A CONVERSION CHARTER SCHOOL, 1 OR MORE CERTIFICATED
16 TEACHERS DESCRIBED IN SECTION 504.

17 (B) FOR A CHARTER SCHOOL THAT IS NOT A CONVERSION CHARTER
18 SCHOOL, ANY OF THE FOLLOWING:

19 (i) ANY 1 OR MORE CERTIFICATED TEACHERS.

20 (ii) A CITY, VILLAGE, OR TOWNSHIP.

21 (iii) AN INTERMEDIATE SCHOOL DISTRICT.

22 (iv) A COMMUNITY COLLEGE.

23 (v) A STATE PUBLIC UNIVERSITY.

24 (vi) A CHARTER SCHOOL CORPORATION MEETING THE REQUIREMENTS
25 OF SUBSECTION (3).

26 (3) A CHARTER SCHOOL CORPORATION SHALL BE ORGANIZED UNDER
27 THE NONPROFIT CORPORATION ACT, ACT NO. 162 OF THE PUBLIC ACTS OF

1 1982, BEING SECTIONS 450.2101 TO 450.3192 OF THE MICHIGAN
2 COMPILED LAWS. A CHARTER SCHOOL CORPORATION SHALL NOT BE AFFILI-
3 ATED WITH A RELIGIOUS ORGANIZATION.

4 (4) A PERSON OR ENTITY DESCRIBED IN SUBSECTION (2) SHALL
5 APPLY TO THE STATE BOARD FOR A CHARTER TO ORGANIZE AND OPERATE A
6 CHARTER SCHOOL UNDER THIS PART.

7 (5) THE APPLICATION FOR A CHARTER SHALL INCLUDE AT LEAST ALL
8 OF THE FOLLOWING:

9 (A) IDENTIFICATION OF THE PERSON OR ENTITY APPLYING FOR THE
10 CHARTER.

11 (B) IF THE APPLICATION IS FOR A CONVERSION CHARTER SCHOOL, A
12 STATEMENT TO THAT EFFECT.

13 (C) A LIST OF THE PROPOSED MEMBERS OF THE BOARD OF DIRECTORS
14 OF THE CHARTER SCHOOL OR A DESCRIPTION OF THE QUALIFICATIONS AND
15 METHOD FOR APPOINTMENT OR ELECTION OF MEMBERS OF THE BOARD OF
16 DIRECTORS.

17 (D) A COPY OF THE PROPOSED BYLAWS OF THE CHARTER SCHOOL,
18 WHICH SHALL INCLUDE AT LEAST ALL OF THE FOLLOWING:

19 (i) THE GOVERNANCE STRUCTURE OF THE CHARTER SCHOOL.

20 (ii) A COPY OF THE EDUCATIONAL GOALS OF THE CHARTER SCHOOL
21 AND THE CURRICULUM TO BE OFFERED AND METHODS OF PUPIL ASSESSMENT
22 TO BE USED BY THE CHARTER SCHOOL. THE CURRICULUM SHALL BE
23 OUTCOMES-BASED.

24 (iii) THE ADMISSION POLICY AND CRITERIA TO BE MAINTAINED BY
25 THE CHARTER SCHOOL. THE ADMISSION POLICY AND CRITERIA SHALL
26 COMPLY WITH SECTION 505.

1 (iv) THE SCHOOL CALENDAR AND SCHOOL DAY SCHEDULE.

2 (v) THE AGE OR GRADE RANGE OF PUPILS TO BE ENROLLED.

3 (E) DESCRIPTIONS OF STAFF RESPONSIBILITIES, OF THE ROLE AND
4 METHOD OF ENSURING INVOLVEMENT OF PARENTS AND LEGAL GUARDIANS,
5 AND OF HOW THE CHARTER SCHOOL'S GOVERNANCE STRUCTURE WILL ENSURE
6 SHARED DECISION-MAKING NECESSARY TO ATTAIN THE CHARTER SCHOOL'S
7 EDUCATIONAL GOALS.

8 (F) IDENTIFICATION OF THE LOCAL AND INTERMEDIATE SCHOOL DIS-
9 TRICTS IN WHICH THE CHARTER SCHOOL WILL BE LOCATED AND A DESCRIP-
10 TION OF THE ANTICIPATED RELATIONSHIP BETWEEN THE CHARTER SCHOOL
11 AND THE LOCAL AND INTERMEDIATE SCHOOL DISTRICTS IN WHICH IT IS TO
12 BE LOCATED.

13 (G) A DESCRIPTION OF HOW THE CHARTER SCHOOL WILL MEET THE
14 REQUIREMENTS OF SECTIONS 1204A, 1277, 1278, AND 1280, COMMONLY
15 REFERRED TO AS "PUBLIC ACT 25 OF 1990", AND OF SECTIONS 1233 AND
16 1246.

17 (H) AN ASSURANCE THAT THE CURRICULUM WILL NOT INCLUDE RELI-
18 GIOUS INSTRUCTION.

19 (I) IF THE APPLICATION IS FOR A CONVERSION CHARTER SCHOOL,
20 EVIDENCE SATISFACTORY TO THE STATE BOARD THAT THE REQUIREMENTS OF
21 SECTION 504 ARE MET.

22 SEC. 503. (1) THE STATE BOARD MAY GRANT A CHARTER TO A
23 PERSON OR ENTITY TO ORGANIZE AND OPERATE A CHARTER SCHOOL IN ANY
24 SCHOOL DISTRICT IN THE STATE IF THE STATE BOARD FINDS THAT THE
25 PERSON OR ENTITY MEETS AND THAT THE PROPOSED CHARTER SCHOOL WILL
26 MEET THE REQUIREMENTS OF THIS PART. CHARTERS SHALL BE GRANTED ON
27 A COMPETITIVE BASIS TAKING INTO CONSIDERATION THE RESOURCES

1 AVAILABLE FOR CHARTER SCHOOLS GENERALLY AND FOR THE PROPOSED
2 CHARTER SCHOOL SPECIFICALLY, THE POPULATION TO BE SERVED BY THE
3 PROPOSED CHARTER SCHOOL, AND THE EDUCATIONAL OUTCOMES TO BE
4 ACHIEVED BY THE PROPOSED CHARTER SCHOOL. THE TOTAL NUMBER OF
5 CHARTERS GRANTED BY THE STATE BOARD AND IN EFFECT IN A STATE
6 FISCAL YEAR SHALL NOT EXCEED 1 IN EACH SCHOOL DISTRICT.

7 (2) A CHARTER GRANTED TO A PERSON OR ENTITY TO ORGANIZE AND
8 OPERATE A CHARTER SCHOOL IS A CONTRACT BETWEEN THE CHARTER SCHOOL
9 AND THE STATE BOARD AND SHALL CONTAIN AT LEAST ALL OF THE
10 FOLLOWING:

11 (A) A COMMITMENT BY THE CHARTER SCHOOL TO COMPLY WITH THIS
12 PART AND RULES PROMULGATED UNDER THIS PART.

13 (B) THE EDUCATIONAL OUTCOMES THE CHARTER SCHOOL IS TO
14 ACHIEVE AND THE STANDARDS TO WHICH IT WILL BE HELD ACCOUNTABLE,
15 WHICH SHALL INCLUDE AT LEAST ALL OF THE OUTCOMES INCLUDED IN THE
16 CORE CURRICULUM OF THE SCHOOL DISTRICT IN WHICH THE CHARTER
17 SCHOOL IS LOCATED THAT ARE ALSO INCLUDED IN THE STATE BOARD MODEL
18 CORE CURRICULUM.

19 (C) A DESCRIPTION OF THE METHOD TO BE USED TO MONITOR THE
20 CHARTER SCHOOL'S COMPLIANCE WITH THIS PART AND ITS PERFORMANCE IN
21 MEETING ITS TARGETED EDUCATIONAL OUTCOMES.

22 (D) A DESCRIPTION OF THE PROCESS FOR AMENDING THE CHARTER
23 DURING THE TERM OF THE CHARTER.

24 (E) SPECIFIC OPERATING REQUIREMENTS FOR THE CHARTER SCHOOL,
25 WHICH SHALL INCLUDE AT LEAST ALL OF THE MATTERS SPECIFIED IN SEC-
26 TION 502(5), (C), (D), (E), (F), AND (G).

1 (F) IF THE CHARTER IS FOR A CONVERSION CHARTER SCHOOL,
2 IDENTIFICATION OF THE EXISTING SCHOOL FACILITIES TO BE OCCUPIED
3 IN WHOLE OR PART BY THE CONVERSION CHARTER SCHOOL.

4 (3) A CHARTER ISSUED UNDER THIS SECTION IS VALID FOR 5 YEARS
5 AND SHALL BE RENEWED FOR THE SAME NUMBER OF YEARS BY THE STATE
6 BOARD IF THE STATE BOARD DETERMINES THAT THE CHARTER SCHOOL HAS
7 ACHIEVED THE EDUCATIONAL OUTCOMES REQUIRED IN THE CHARTER AND HAS
8 COMPLIED WITH THE OTHER REQUIREMENTS SPECIFIED IN THIS PART AND
9 IN THE CHARTER. THE CHARTER SCHOOL AND THE STATE BOARD MAY AGREE
10 TO MODIFICATIONS IN THE CHARTER AT THE TIME OF RENEWAL.

11 SEC. 504. (1) THE STATE BOARD SHALL ISSUE A CHARTER TO
12 ESTABLISH A CONVERSION CHARTER SCHOOL IF ALL OF THE FOLLOWING ARE
13 MET:

14 (A) THE CHARTER APPLICATION TO THE STATE BOARD IS SUBMITTED
15 BY 1 OR MORE CERTIFICATED TEACHERS EMPLOYED BY THE SCHOOL DIS-
16 TRICT AT THE SCHOOL TO BE CONVERTED.

17 (B) THE CHARTER APPLICATION TO THE STATE BOARD IS SUPPORTED
18 BY THE AFFIRMATIVE VOTE OF AT LEAST A MAJORITY OF THE CERTIFI-
19 CATED TEACHERS EMPLOYED AT THE SCHOOL TO BE CONVERTED. THE VOTE
20 REQUIRED UNDER THIS SUBDIVISION SHALL BE HELD WITHIN 60 DAYS
21 BEFORE THE DATE THE CHARTER APPLICATION IS SUBMITTED.

22 (C) THE CHARTER APPLICATION TO THE STATE BOARD IS SUPPORTED
23 BY THE AFFIRMATIVE VOTE OF AT LEAST A MAJORITY OF THE PARENTS OR
24 LEGAL GUARDIANS OF THE PUPILS ENROLLED IN THE SCHOOL TO BE CON-
25 VERTED WHO ARE PRESENT AND VOTE ON THE QUESTION AT A PUBLIC MEET-
26 ING ON THE ISSUE OF CONVERTING ALL OR A PART OF THE SCHOOL TO A
27 CONVERSION CHARTER SCHOOL. THE MEETING AT WHICH THE VOTE IS

1 TAKEN SHALL BE HELD WITHIN 60 DAYS BEFORE THE DATE THE CHARTER
2 APPLICATION IS SUBMITTED. PUBLIC NOTICE SHALL BE GIVEN FOR THE
3 MEETING IN THE SAME MANNER AS NOTICE OF A MEETING OF A SCHOOL
4 BOARD UNDER SECTION 1201.

5 (2) IF THE CHARTER FOR A CONVERSION CHARTER SCHOOL IDENTI-
6 FIES EXISTING SCHOOL FACILITIES TO BE OCCUPIED BY THE CONVERSION
7 CHARTER SCHOOL, THE SCHOOL DISTRICT IN WHICH THE CONVERSION
8 CHARTER SCHOOL IS TO BE LOCATED SHALL ALLOW THE CONVERSION
9 CHARTER SCHOOL TO CONVERT THOSE SCHOOL FACILITIES TO THE USE OF
10 THE CONVERSION CHARTER SCHOOL, AS SPECIFIED IN THE CHARTER. THE
11 SCHOOL DISTRICT AND THE CONVERSION CHARTER SCHOOL SHALL ENTER
12 INTO A LEASE AGREEMENT CHARGING A REASONABLE RENT FOR THE
13 FACILITIES. THE LEASE AGREEMENT SHALL SPECIFY THE PARTY THAT HAS
14 FINANCIAL LIABILITY FOR ALL UTILITIES, MAINTENANCE, IMPROVEMENTS,
15 AND OTHER COSTS FOR THE FACILITIES OCCUPIED BY THE CHARTER
16 SCHOOL.

17 SEC. 505. (1) A CHARTER SCHOOL SHALL NOT CHARGE TUITION AND
18 SHALL NOT DISCRIMINATE IN ITS PUPIL ADMISSIONS POLICIES OR PRAC-
19 TICES ON THE BASIS OF INTELLECTUAL OR ATHLETIC ABILITY, MEASURES
20 OF ACHIEVEMENT OR APTITUDE, OR ANY OTHER BASIS THAT WOULD BE
21 ILLEGAL IF USED BY A SCHOOL DISTRICT. HOWEVER, A CHARTER SCHOOL
22 MAY LIMIT ADMISSION TO PUPILS WHO ARE WITHIN A PARTICULAR RANGE
23 OF AGE OR GRADE LEVEL OR ON ANY OTHER BASIS NOT SPECIFICALLY PRO-
24 HIBITED UNDER THIS PART THAT WOULD BE LEGAL IF USED BY A SCHOOL
25 DISTRICT.

26 (2) A CHARTER SCHOOL SHALL NOT ENROLL A PUPIL WHO IS NOT A
27 RESIDENT OF THIS STATE. ENROLLMENT IN THE CHARTER SCHOOL SHALL

1 BE OPEN TO ALL PUPILS WHO RESIDE IN THIS STATE WHO MEET THE
2 ADMISSION POLICY. IF THERE ARE MORE APPLICATIONS TO ENROLL IN
3 THE CHARTER SCHOOL THAN THERE ARE SPACES AVAILABLE, PUPILS SHALL
4 BE SELECTED TO ATTEND USING A RANDOM SELECTION PROCESS. HOWEVER,
5 ENROLLMENT PRIORITY MAY BE GIVEN TO A SIBLING OF A PUPIL ALREADY
6 ENROLLED IN THE CHARTER SCHOOL.

7 (3) A CHARTER SCHOOL MAY INCLUDE GRADES K TO 12 OR ANY COM-
8 BINATION OF THOSE GRADES, AS SPECIFIED IN ITS CHARTER. THE STATE
9 BOARD MAY APPROVE AMENDMENT OF A CHARTER WITH RESPECT TO AGES OF
10 PUPILS OR GRADES OFFERED.

11 SEC. 506. (1) A CHARTER SCHOOL IS SUBJECT TO THE REQUIRE-
12 MENTS OF SECTIONS 1204A, 1277, 1278, AND 1280, COMMONLY REFERRED
13 TO AS "PUBLIC ACT 25 OF 1990"; TO THE REQUIREMENTS OF SECTIONS
14 1233 AND 1246; AND TO ALL HEALTH AND SAFETY LAWS THAT ARE GENER-
15 ALLY APPLICABLE TO SCHOOLS AND SCHOOL BUILDINGS.

16 (2) A CHARTER SCHOOL SHALL MEET GENERALLY ACCEPTED STANDARDS
17 OF FINANCIAL MANAGEMENT FOR SCHOOLS, AS SPECIFIED BY STATE BOARD
18 RULE.

19 SEC. 507. (1) A CHARTER SCHOOL MAY EMPLOY OR CONTRACT WITH
20 PERSONNEL AS NECESSARY FOR THE OPERATION OF THE SCHOOL, PRESCRIBE
21 THEIR DUTIES, AND FIX THEIR COMPENSATION.

22 (2) UPON WRITTEN REQUEST BY THE EMPLOYEE, THE BOARD OF A
23 SCHOOL DISTRICT MAY GRANT A LEAVE OF ABSENCE TO AN EMPLOYEE OF
24 THE SCHOOL DISTRICT TO TEACH IN A CHARTER SCHOOL.

25 SEC. 508. (1) A CHARTER SCHOOL OPERATING UNDER THIS PART
26 SHALL RECEIVE STATE SCHOOL AID PER PUPIL IN MEMBERSHIP AT THE
27 CHARTER SCHOOL IN AN AMOUNT EQUAL TO THE BASIC PER PUPIL

1 OPERATING EXPENDITURE OF THE SCHOOL DISTRICT IN WHICH THE CHARTER
2 SCHOOL IS LOCATED OR THE STATE AVERAGE BASIC PER PUPIL OPERATING
3 EXPENDITURE, WHICHEVER IS MORE. AS USED IN THIS SUBSECTION,
4 "BASIC PER PUPIL OPERATING EXPENDITURE" MEANS THE AMOUNT OF STATE
5 AID PAID PER PUPIL UNDER SECTION 21(1) OF THE STATE SCHOOL AID
6 ACT OF 1979, BEING SECTION 388.1621 OF THE MICHIGAN COMPILED
7 LAWS, PLUS LOCAL SCHOOL OPERATING TAX REVENUE PER PUPIL.

8 (2) IN ADDITION TO THE FUNDING UNDER SUBSECTION (1), A
9 CHARTER SCHOOL SHALL BE CONSIDERED A LOCAL SCHOOL DISTRICT FOR
10 FUNDING UNDER SECTIONS OF THE STATE SCHOOL AID ACT OF 1979 OTHER
11 THAN SECTION 21(1) OF THAT ACT, MAY APPLY FOR FUNDING UNDER FED-
12 ERAL LAW, AND MAY ACCEPT DONATIONS FROM OTHER PUBLIC OR PRIVATE
13 SOURCES.

14 (3) A PUPIL ENROLLED IN A CHARTER SCHOOL SHALL NOT BE
15 COUNTED IN MEMBERSHIP IN A SCHOOL DISTRICT.

16 SEC. 509. THE STATE BOARD SHALL PROMULGATE RULES NECESSARY
17 TO IMPLEMENT THIS PART, INCLUDING AT LEAST RULES SPECIFYING THE
18 PROCEDURES FOR APPLYING FOR A CHARTER TO ORGANIZE AND OPERATE A
19 CHARTER SCHOOL, CRITERIA FOR APPROVAL OF AN APPLICATION, PROCE-
20 DURES FOR ENSURING THAT A CHARTER SCHOOL CONTINUES TO MEET THE
21 REQUIREMENTS OF THIS PART, SPECIFICATION OF GENERALLY ACCEPTED
22 STANDARDS OF FINANCIAL MANAGEMENT TO BE MET BY A CHARTER SCHOOL,
23 AND PROCEDURES AND GROUNDS FOR REVOCATION OF A CHARTER. THE
24 RULES SHALL INCLUDE AS GROUNDS FOR REVOCATION OF A CHARTER AT
25 LEAST EACH OF THE FOLLOWING: FAILURE TO ABIDE BY AND SUBSTAN-
26 Tially MEET THE EDUCATIONAL GOALS AND OUTCOMES SET FORTH IN THE
27 CHARTER, FAILURE TO MAINTAIN APPLICABLE HEALTH AND SAFETY

1 STANDARDS, AND FAILURE TO MEET GENERALLY ACCEPTED STANDARDS OF
2 FINANCIAL MANAGEMENT FOR SCHOOLS.