

Legislative Analysis



EDUCATION MANDATE ROLLBACK CONTRACTS

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House Bill 4979

Sponsor: Rep. Phil Pavlov

House Bill 4980

Sponsor: Rep. Jase Bolger

Committee: Education

Complete to 5-26-10

A SUMMARY OF HOUSE BILLS 4979 - 4980 AS INTRODUCED 5-20-09

The bills would provide for "education mandate rollback contracts" that would enable officials in local school districts to waive statutory and administrative requirements as part of performance contracts. The bills are tie-barred to each other so that neither could go into effect unless both are enacted into law. A more detailed description of each bill follows. House Bill 4979 is the main bill and would amend the Revised School Code to describe the process for approving rollback contracts. House Bill 4980 makes a complementary amendment to the State School Aid Act.

House Bill 4979 would amend the Revised School Code (380.1290 et al) to specify that a school district could apply to the state school superintendent for an education mandate rollback contract--either for the school district or for one or more schools within the school district. An education mandate rollback contract would allow the state school superintendent to waive a provision of the code, or of the School Aid Act, or a rule promulgated under the acts, designated as part of a performance-based contract with clearly defined and measurable performance goals. A school district could also apply to the state school superintendent to waive certain federal requirements, in keeping with the federal law that allows federal education waivers to be issued by the state.

Committee; resolution; hearing; application

Under the bill, if the board of a school district intended to apply for an education mandate rollback contract, the board would establish a planning committee to develop a resolution and application. That committee would include a representative of each of the school district's collective bargaining units that would be affected by the education mandate rollback contract.

The resolution adopted by the board would have to indicate the board's intent and specify the schools to be covered. Before adoption, the board would be required to hold at least two public hearings at which the types of waivers sought and the need for the waivers would be explained, and at which public comment would be allowed.

The form of a school district's application would be prescribed by the Department of Education, and would have to contain the following eight elements:

- A specific listing of the statutes and rules proposed to be waived, including federal waivers if applicable.
- A statement specifying the need for each waiver, including the purpose and intended results.
- A description, for each school year and for the overall term of the contract, of the specific measurable goals for improved student performance, including goals for improving MEAP scores.
- A description, for each school year, and for the overall term of the contract, of the measurements to be used to determine whether the student performance goals had been met.
- An explanation of how the contract and waivers would assist the school district or school in achieving its specified performance goals.
- A fiscal impact statement that estimates how the waiver or waivers may increase or reduce program costs.
- The specific schools to be covered.
- A copy of the school board's resolution, including an explanation of how the federal public notice requirements were met, if applicable.

The bill requires that the state school superintendent approve or disapprove the application and notify the school district of the decision within 60 days of receiving it. If it is approved, the superintendent would promptly enter into an education mandate rollback contract with the school district. If it were not approved the notice would have to include specific reasons for disapproval, and the school district could submit a revised application.

The state school superintendent could not approve an application unless he or she found all of the following:

- The performance goals contained were specific, and would, if met, constitute improved student achievement.
- The contract would allow the school district to enhance learning and to operate in a more effective, efficient, or economical manner.
- The district had exhibited financial responsibility during the preceding three fiscal years, as determined by the state superintendent (although this would not preclude a contract for a school district in financial hardship, if the hardship was not due to financial irresponsibility).
- The contract would not result in the diminution of wages, hours, or other terms and conditions of employment for employees or collective bargaining units of the school district.

Reducing achievement gaps

The bill requires that the state school superintendent give priority to applications that are focused on reducing student achievement gaps based on race, gender, and socioeconomic status.

Form of the contract; up to five-year term; early termination

The bill requires that the Department of Education prescribe the form of the contract, and describes in some detail the elements of the contract. Among other things, the contract would have to include the assurance that the school district would report its annual progress toward its performance goals; an agreement that renewal would depend upon a demonstration that MEAP scores for the school district or school met adequate annual progress toward performance goals; an agreement on the contents of the empowerment report to be filed by the school district at the contract's end; and the term of the contract (which could not exceed five years).

The bill specifies that the state school superintendent could terminate a contract before the end of its term if the school experienced two consecutive years of declining student performance, based on the performance goals and measurements, or that the school failed for two consecutive years to meet the adequate yearly progress standards of the No Child Left Behind Act of 2001, in both mathematics and English language arts at all applicable grade levels and for all subgroups.

Prohibited waivers

Under the bill, the state school superintendent could not waive any of the following, as part of an education mandate rollback contract:

- Health and safety requirements.
- Statutory teacher certification requirements.
- Any provision under Section 1312 (which concerns corporal punishment).
- A requirement under Part 6A (which concerns public school academies), except waiver of Section 503(6) to the extent necessary to allow waiver of another requirement that meets both of the following: (1) is imposed under a part of this act other than Part 6A; and (2) is a requirement that may be waived under this section for a school district that is not a public school academy.
- Any requirement relating to competitive bidding.
- Any requirement relating to conflicts of interest, ethics, or transparency of operations.
- Any requirements or limitations relating to borrowing money, issuing bonds, notes, or other evidence of indebtedness, or levying taxes.
- Any requirements that would be prohibited under federal law from being waived.

Report to legislature; best practices website.

The bill requires the state school superintendent to submit an annual report to the legislature on the status of the education mandate rollback program, including a report on contracts issued during the year, and on progress made toward attainment of performance goals.

As the initial contracts expired, the Department of Education would be required to post information on its website about the educational innovations and best practices used to achieve student performance goals under the contracts.

Definitions

The bill defines the term "empowerment report" to mean the final evaluation report required to be filed at the end of the term of an education mandate rollback contract. The bill also defines the term "school district" to mean either a school district or a public school academy, and "board" to mean either a school board or the board of directors of a public school academy.

"Sunset" provision.

The bill would be repealed effective 10 years after its effective date.

House Bill 4980 would amend the State School Aid Act (MCL 388.1601 et al) to specify that the requirements of the School Aid Act, and the requirements of the rules promulgated under the act would be subject to waiver under an education mandate rollback contract issued under Section 1290 of the Revised School Code (the section that would be added by House Bill 4979).

FISCAL IMPACT:

A fiscal analysis is in process.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.