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BILL ANALYSIS



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Senate Bill 679
 Sponsor: Senator Leon Stille
 Committee: Education

Date Completed: 10-12-95

SUMMARY OF SENATE BILL 679 as introduced 9-26-95:

The bill would amend the School Code of 1976, which it would rename the "Revised School Code", to do the following:

- Replace second, third, and fourth class school districts and primary school districts with "general powers school districts".
- Remove the maximum of 75 on the total number of public school academy contracts that all State public universities may issue; permit community colleges to contract for more than one academy; and provide that a school district "that operates grades K-12" could issue a contract.
- Provide that revenue from taxes levied by a school district could be used to support a public school academy operated by the district.
- Require the State Board of Education to report to the Legislature on mandates imposed on school districts, intermediate school districts (ISDs), and public school academies.
- Provide that a school-age child residing in the State could attend any public school in the State offering the appropriate grade level for the child in the ISD in which the child resided.
- Delete requirements that the State Board propose rules establishing a required core academic curriculum.
- Increase the required number of pupil instruction days in a school year to 195 by the 2002-2003 school year, and increase the minimum number of pupil instruction hours to 1,170 by the 2002-2003 school year.

- Provide for the issuance of a teaching certificate to an out-of-state teacher without requiring him or her to pass a basic skills or subject area examination.
- Provide for the issuance of a teaching certificate to a person who met certain criteria, including at least five years' occupational experience and passage of basic skills and subject area examinations, without requiring him or her to meet other requirements.

The bill also would repeal entire parts of the Code pertaining to primary districts; districts of the fourth, third, and second classes; joint high school districts; and, school elections and board of education membership. The bill would repeal various sections of the Code including those on: assistance for students not advancing in grade level; bilingual education; teaching dispute management; nature study areas; multicultural education; site-based decision-making; school boards' reporting annually to the State Board; the levy of taxes; teacher sabbatical leaves for professional improvement; continuing education requirements for administrators; employment of school psychological and nursing services; and, provisions dealing with school property, including requiring that environmental assessments be made for certain construction projects and providing for energy conservation improvements.

In addition, the bill would repeal various academic requirements including those pertaining to: pupil performance standards; student portfolios; establishment of grades and courses to provide a core academic

curriculum; adult education; regulation of student conduct; establishment of academic and/or attendance standards for eligibility to enroll in drivers education courses; and, prohibition against students' carrying pocket pagers. The bill also would repeal certain provisions concerning tuition pupils, textbooks, libraries, health and physical education, including sex education; administrator certification; condemnation of property required by a school district; and, employment of certain additional personnel for special education programs.

"School District"

Currently, the Code defines "school district" or "local school district" as a primary school district (a district that does not operate a high school) or a school district of the first, second, third, or fourth class. The bill would define "school district" or "local school district" as a general powers school district, regardless of previous classification, or a school district of the first class.

General Powers School Districts

Under the Code, each school district, except a district governed by a local act, must be organized and conducted as a primary school district or a school district of the first, second, third, or fourth class. The bill provides, instead, that each school district, except a first class district, would have to be organized and conducted as a general powers school district regardless of its previous classification. As of the bill's effective date, each school district formerly organized as a primary school district or as a second, third, or fourth class district, and each local or special act school district, would be considered to be a general powers school district.

A general powers school district and the board of a general powers school district would have the duties prescribed by law on and after the bill's effective date. Unless prohibited by law, a general powers school district and its board would have all of the powers necessary to perform all of the functions of the district, including the following:

- Educating pupils and providing for the safety and welfare of pupils while at school or a school-sponsored activity or while en route using school district transportation to or from school or a school-sponsored activity.
- Acquiring, constructing, maintaining, repairing, or renovating school property,

facilities, equipment, technology, or furnishings.

- Hiring, contracting for, scheduling, supervising, or terminating personnel to carry out school district and board powers.
- Spending, accounting for, or investing school district money, and qualifying for State school aid.

The board of a general powers school district could adopt bylaws concerning the board's structure. The bylaws could establish or change board procedures, the number of board members, members' terms of office, the number of board officers, officers' titles and duties, and any other matter related to the effective and efficient functioning of the board.

First Class School District

The bill provides that a first class school district (i.e., a district with a pupil membership of 120,000) and its board, unless prohibited by law, would have all of the powers of a general powers school district and of the board of a general powers school district, respectively, and have all additional powers granted by law to a first class school district and its board.

A first class school district and its board would have the duties prescribed by law on and after the bill's effective date.

Public School Academies

Under the Code, various entities may act as the authorizing body to issue a contract to organize and operate public school academies. These entities include the board of a school district, an intermediate school board, the board of a community college, and the governing board of a State public university. The bill would refer specifically to the board of a school district "that operates grades K-12". The bill also would remove a provision under which a community college board may not issue a contract for more than one public school academy. In addition, the bill would delete a provision that the combined total number of contracts for public school academies issued by all State public universities may not exceed 75.

Currently, to the extent applicable, the progress and outcomes of pupils in a public school academy must be assessed using at least a Michigan education assessment program (MEAP) test or an assessment instrument developed under the Code for a State-endorsed high school

diploma, or one or more of the following nationally normed tests: the California achievement test, the Stanford achievement test, the Iowa test of basic skills, or the metropolitan achievement test. The bill provides, instead, that pupil progress and outcomes would have to be assessed using at least a MEAP test or an assessment instrument developed for a State-endorsed high school diploma.

The Code specifies that an academy may not levy ad valorem property taxes or any other tax for any purpose. The bill would add that operation of one or more public school academies by a school district would not affect the district's ability to levy ad valorem property taxes or any other tax. The bill also provides that if a school district applied for and obtained a contract to operate one or more public school academies under Part 6B, the power of the school district to levy taxes for any purpose under the Code would not be affected by the operation of a public school academy by the district. Revenue from taxes levied by a school district under the Code could be used to support the operation or facilities of a public school academy operated by the district in the same manner as that revenue may be used under the Code by school districts to support school district operations and facilities.

The Code provides that the board of a school district must award a State-endorsed high school diploma to an eligible graduate if certain criteria are met, and may award a high school diploma to a pupil who successfully completes local district requirements established according to State law, regardless of whether the pupil is eligible for any State endorsement. In this context, a school district also is subject to provisions concerning reevaluations, special programs, and accommodations for pupils with disabilities. The bill would extend these provisions to public school academies.

Intermediate School Districts

The bill specifies that an ISD and an intermediate school board, unless prohibited by law, would have all of the powers necessary to perform all of the functions of the ISD, including all of the following:

- Educating pupils and providing for the safety and welfare of pupils while at school or a school-sponsored activity or while en route using school district transportation to or from school or a school-sponsored activity.
- Acquiring, constructing, maintaining, repairing, or renovating ISD property,

facilities, equipment, technology, or furnishings.

- Hiring, contracting for, scheduling, supervising, or terminating personnel to carry out ISD and intermediate school board powers.
- Spending, accounting for, or investing ISD money, and qualifying for State school aid.

An ISD and intermediate school board would have the duties prescribed by law on and after the bill's effective date.

In addition to an ISD's current statutory responsibilities, to the extent allowed by law, an ISD would have to offer at least all of the following services to constituent districts and to public school academies located within the ISD: data processing; payroll; class scheduling; distance learning coordination and delivery; other business services that could be accomplished more cost effectively by an ISD; and transportation services.

Consolidation

The Code provides that two or more school districts, except districts of the first and second class, in which the total combined pupil membership is 75 or more, may consolidate to form a single school district. The consolidated district must be a school district of the fourth or third class, depending on the classification to which its pupil membership entitles it. The bill would delete this language, and provide that two or more school districts could consolidate to form a single school district.

State Board Report

Within 180 days after the bill's effective date, the State Board of Education would have to prepare and submit to the committees of the Legislature with responsibility for education legislation a report that detailed the mandates imposed on school districts, intermediate school districts, and public school academies, and on their boards, by the School Code, the State School Aid Act, other State statute, or rule. The report also would have to make recommendations on: mandates that should be eliminated; mandates applying to school districts or ISDs or their boards that should be made subject to waiver by the State Board or the Superintendent of Public Instruction and on requirements for obtaining such a waiver; and mandates applying to public school academies or their boards that should be made subject to waiver by the authorizing body and on requirements for obtaining such a waiver.

Open Enrollment

The bill provides that a school-age child residing in this State could attend any public school in the State offering the appropriate grade level for the child in the ISD in which the child resided. The board of a school district could not interfere with the right of a school-age child residing within its territory to attend school outside the school district boundaries or to change his or her school of enrollment during the school year. The board of a school district would have to provide for an open enrollment opportunity in each school and grade for nonresident school-age children. ("School-age child" would mean a child who was at least six years of age on December 1 of the particular school year and who was not older than 18 as of the first day of the particular school year or, for an individual who qualified for special education programs and services, who was not older than 26. For purposes of enrolling in kindergarten, a child who was at least five on December 1 of the particular school year would be a school-age child.)

Except as provided below, if the number of children seeking to enroll in a school or grade exceeded the open enrollment available in the school or grade, the school board would have to ensure that children were selected on a random basis for enrollment in the school or grade. Enrollment priority, however, would have to be given to a sibling of a pupil enrolled in the school or school district.

Except as provided below, the board of a school district would have to allow any pupil who was enrolled in the district under open enrollment in the immediately preceding school year to enroll in the school district in the appropriate grade and, unless that grade were not offered at that school, in the same school as he or she attended in the previous school year.

If the parent or legal guardian of a nonresident school-age child intended to enroll the child in a school district for a school year under open enrollment, the parent or guardian would have to notify the school district of that intention, and of the school and grade in which the parent or guardian wanted the child enrolled, by April 30 of the immediately preceding school year, or by a later date if established by school district policy. A school district could refuse to enroll a nonresident school-age child for whom this notification was not received. By June 30 of each year, or earlier if established by school district policy, a school district would have to notify the parent or guardian

of each nonresident school-age child for whom the district had received a timely notification, of whether the child could enroll in the district in the school and grade indicated and, if the child were not allowed to enroll in that school and grade, the reason for the refusal.

A school district also could refuse to enroll a nonresident school-age child who had been expelled from another school district or public school or who had documented behavioral problems while enrolled in another district or public school.

Currently, the Code provides that a person, resident of a school district not maintaining a kindergarten and at least five years of age on the first day of enrollment of the school year, has a right to attend public school in the district. The bill specifies, instead, that a child who was at least five on the first day of enrollment of the school year would have a right to attend public school in this State.

School Boards/Merit Pay

Under the Code, for travel within the boundaries of its district, the board of a school district or ISD may not spend funds received by the district from any source for the purchase, rental, or lease of cars for board members or for chauffeurs for board members. The bill also would prohibit a district from spending funds to provide credit cards for board members.

The bill would permit the board of a school district to enter into an agreement with a public school academy to provide services to the academy or to pupils of the academy. The services could be provided on a cooperative basis. A school district could charge the academy for these services.

The bill also provides that a school district or ISD could implement and maintain a system of compensation for its employees that was based on the job performance, accomplishments, contributions, and merit of individual employees. A school district or ISD could use subjective methods of evaluating employees for the purposes of that system of compensation.

School Improvement Plans/Core Curricula

Under the Code, if the board of a school district wants all of the schools of the district to be accredited, the board must adopt and implement a three- to five-year school improvement plan and continuing school improvement process for each

school within the school district. The bill would retain this requirement but delete requirements that the State Board, by April 1, 1994, revise its existing criteria for school improvement plans to ensure that plans include at least specific matters; that ISDs, by September 1 each year, submit to the Department of Education a copy of a three- to five-year ISD school improvement plan and continuing school improvement process for the ISD; that school improvement plans of a school district be maintained on file with the ISD to which a school district is constituent; and that the State Board annually review a random sampling of school improvement plans and submit to the Legislature a report on school improvement activities.

The Code also provides that, if the board of a school district wants all of the schools of the district to be accredited, the board must make available to all pupils attending public school in the district a core academic curriculum in each of the curricular areas specified in the State Board-recommended model core academic curriculum developed under the Code. In addition, the board of each school district, considering the academic curricular outcomes recommended by the State Board, must establish a core academic curriculum for its pupils at the elementary, middle, and secondary school levels, and determine the aligned instructional program for delivering the core curriculum and identify the courses and programs in which it will be taught.

The bill would retain these provisions but delete requirements that the State Board, by September 1, 1994, develop and submit for public hearing proposed rules establishing a required core academic curriculum for all school districts, and, by January 1, 1996, submit the proposed rules to the Joint Committee on Administrative Rules. The bill also would delete a requirement that, beginning in the 1997-98 school year, the board of a school district provide to each pupil the core academic curriculum required under the State Board rules.

Pupil Instruction Days/Hours

Under the Code, if the board of a school district does not want the district's State school aid payments to be withheld as described in the State School Aid Act, the board must ensure that the minimum number of days of pupil instruction in a school year is 180 and that the minimum number of hours of pupil instruction in a school year is 900 for the 1994-95 school year, 990 for the 1995-96 and 1996-97 school years, 1,035 for the 1997-98 and 1998-99 school years, and 1,080 for the 1999-

2000 school year and each succeeding school year.

Under the bill, a school board would have to ensure that the minimum number of days of pupil instruction in a school year was 180 through the 1999-2000 school year and 185 in the 2000-2001 school year, 190 in the 2001-2002 school year, and 195 in the 2002-2003 school year and each succeeding school year. The bill would increase the minimum hours of pupil instruction to 1,110 for the 2000-2001 school year, 1,140 for the 2001-2002 school year, and 1,170 for the 2002-2003 school year and each succeeding school year.

Teacher Certification

Under the Code, the State Board may issue a teaching certificate only to a person who has passed a basic skills examination and appropriate available subject area examinations. If a person holds a teaching certificate from another state or a teaching degree from an out-of-state teacher preparation institute, the State Board may accept passage of an equivalent examination approved by the Board to meet the examination requirements. The bill generally would retain these requirements but would add the provisions described below.

The bill specifies that, if a person holding a teaching certificate from another state applied to the State Board for a Michigan teaching certificate and met the requirements of the bill, the State Board would have to issue to the person a Michigan professional education teaching certificate and applicable endorsements comparable to those the person held in the other state, without requiring the person to pass a basic skills examination or the applicable subject area examination otherwise required by the Code. To be eligible to receive a Michigan professional education teaching certificate, a person would have to provide evidence satisfactory to the Department that he or she met all of the following requirements:

- Had taught successfully for at least three years in a position for which the person's teaching certification from the other state was valid.
- Had earned, after his or her initial certification in another state, at least 18 semester credit hours in a planned course of study at a State Board-approved institution of higher education or had earned, at any time, a State Board-approved master's or doctoral degree.

- Had met the elementary or secondary, as applicable, reading credit requirement established under State Board rule.

Someone who received a teaching certificate and endorsement under this provision would be eligible to receive one or more additional endorsements comparable to endorsements the person hold in another state only if the person passed the appropriate subject area examinations required under the Code. The State Board could deny a Michigan teaching certificate to an out-of-state teacher for fraud, material misrepresentation, or concealment in the person's application for a certificate or for a conviction of the person as an adult of an act of immoral conduct contributing to the delinquency of a child or a felony related reasonably and adversely to the person's ability to serve in an elementary or secondary school.

Beginning January 1, 1996, the State Board would have to issue to a person a teaching certificate authorizing him or her to teach in grades 9 to 12 only and the appropriate subject area endorsement, without requiring the person to meet any other requirements, if the person demonstrated that he or she met all of the following requirements:

- Had at least a bachelor's degree from a State Board-approved college or university.
- Had passed both the basic skills examination and the appropriate available subject area examination for each subject area in which the person applied to be certified.
- Had at least five years of occupational experience directly related to each subject area in which the person applied to teach. (Experience in the U.S. military would be considered occupational experience.)
- Paid all fees normally charged to other applicants for the same certification or endorsement.

For the purposes of certification under this provision, the State Board would have to make arrangements to provide reasonable opportunities for people to take the basic skills and subject area examinations.

Other Provisions

The Code provides that the board of a K to 12 school district must, and the board of a primary district or a fourth class school district that does not operate a K to 12 program may, establish and

operate a school lunch program. The board of a K to 12 school district must establish and operate a school breakfast program (except under certain circumstances), and the board of a primary school district or a fourth class school district that does not operate all of grades K to 12 may establish and operate a breakfast program. Under the bill, the board of a K to 12 school district still would be required to establish and operate lunch and breakfast programs, and the board of "another school district" could establish and operate lunch and breakfast programs.

Under the Code, a child placed by a court or child placing agency in a licensed home, or a child whose parents or legal guardians are unable to provide a home for the child and who is placed in a licensed home or in a home of relatives in the school district, for the purpose of securing a suitable home for the child and not for an educational purpose, must be considered a resident for education purposes of the school district where the home in which the child is living is located. The bill would refer to a child placed in "a licensed home or other home in the school district", and would delete the prohibition against placement for an educational purpose.

Under the Code, a teacher employed as a substitute teacher with an assignment to one specific teaching position, after 60 days of service, must be granted annual leave and other privileges granted to regular teachers by the school district for the duration of that assignment. The bill would refer to 60 days of service "in that assignment".

The Code requires that the State Board and the board of each school district ensure that the MEAP tests are not used to measure pupils' values or attitudes. The bill would include public school academies in this requirement.

The bill would delete provisions allowing school boards to engage qualified instructors and provide facilities and equipment for instruction in sex education.

The Code specifies how funds appropriated by the Legislature to support professional development and education must be allocated, and the purposes for which the funds may be used. The bill would include any other purpose authorized in the appropriation for professional development in the State School Aid Act.

The bill would require that, beginning in the 2000-2001 school year, the board of each school district

provide at least five days of teacher professional development each school year for each teacher. These professional development days could not be counted toward the intensive professional development required under the Code during the first three years of a teacher's employment in classroom teaching.

The Code specifies cases in which a child is not required to attend a public school. The bill would include a child who had graduated from high school or had fulfilled all requirements for high school graduation.

The bill provides that a school district or ISD would have the power of eminent domain for acquiring sites for schools, athletic fields, or playgrounds, and would have to exercise that power according to the Uniform Condemnation Procedures Act.

The Code describes specific days on which a school officer or teacher must have each school under his or her control observe the day by a commemorative exercise. The bill would delete reference to October 21, Carleton's birthday, and October 27, Roosevelt's birthday.

Repeals

Part 1. General Provisions

The bill would repeal provisions on a school district's loss of organization, if there are not enough qualified persons in the district to hold or accept office; and the dissolution of that district by the ISD to which the district belongs (MCL 380.12). The bill also would repeal provisions on a combined school district's assumption of the bonded indebtedness of the disorganized school district (MCL 380.13).

Part 2. Primary School Districts

The bill would repeal the entire part, including provisions governing school districts that do not operate a grade above the eighth grade. This includes provisions regarding the selection of board members; a district's annual meeting; discontinuance of a school or grade; board of education meetings; duties of board officers; transportation of pupils within the school district; and, authorization for a district to obtain voter approval for the acquisition, lease, or disposal of real property (MCL 380.71-380.87).

Part 3. Districts of the Fourth Class

The bill would repeal the entire part, including provisions governing school districts with a pupil membership of more than 75 and less than 2,400.

This includes provisions on reclassification of primary school districts to fourth class districts; board member elections and terms; duties of the board and board officers; authority for operations such as employing a superintendent and establishment of a high school; transportation within the district; acquisition of sites or buildings; board borrowing power; and, annual elections (MCL 380.101-380.155).

Part 3a. Joint High School Districts

The bill would repeal the entire part, including provisions providing authorization and procedures for fourth class school districts jointly to operate a high school that will serve the participating school districts. This includes provisions on the administration of this district; the appointment of a governing board; the employment of employees from participating districts; employment of a principal or director for the joint high school; dissolution of a joint district; consolidation of participating districts to form a single district; and, additional participants in a joint high school district (MCL 380.171-380.187).

Part 4. Districts of the Third Class

The bill would repeal the entire part, including provisions governing school districts with a pupil membership of more than 2,400 and less than 30,000. This includes provisions on the reclassification of fourth class districts as third class districts; the election and terms of board members; employment of a superintendent and other administrators; borrowing powers of the board; the levy of school taxes; and, the establishment and maintenance of a library and/or museum (MCL 380.201-380.260).

Part 5. School Districts of the Second Class

The bill would repeal the entire part, including provisions governing school districts with a pupil membership of more than 30,000 and less than 120,000. This includes provisions on the reclassification of third class districts as second class districts; board nominations, elections, officers, and meetings; board borrowing powers; the submission of propositions to the voters; certification of taxes; employment of a superintendent and administrative staff; and, funds for maintenance of school district or public libraries (MCL 380.301-380.362).

Part 8. Reclassification of School Districts

The bill would repeal the entire part, including provisions for the reclassification of school districts, including changing the membership of the

board of a reclassified district; and for the continuance of a district operating under a special or local act that had been repealed (MCL 380.805-380.812).

Part 12. School Elections; Nonregistration School Districts

The bill would repeal the entire part, including provisions that specify that the secretary of a school district, a local act district, or an ISD is the chief election officer, with the Secretary of State having supervisory control over school election officials. The bill also would repeal provisions concerning the following: publication and posting of election notices, notification of the change from a nonregistration to a registration district; application for a ballot; absentee voting; number of votes required to elect board member; canvass of school elections; petition for recount of votes; special elections; repeat of elections on school annexation, consolidation, or bonding; and, voter qualification (MCL 380.1001-380.1027).

Part 13. Registration School Districts

The bill would repeal the entire part, including provisions that establish procedures for conducting elections in a school district situated wholly or partly in a city or township; voter qualification; use of city and township registration records; election procedures when city and township registration records not used; notice of last day of voter registration; board of election inspectors; filing of candidate nominating petitions; preparation of official ballot; and, application of general election laws (MCL 380.1051-380.1071).

Part 14. Boards of Education; Membership

The bill would repeal the entire part, which specifies that a school elector is eligible for election or appointment to an office in a school district; specifies events resulting in the vacancy of the office of a board member and provides for the filling of vacancies; specifies that each member of a school board is subject to recall; and requires notice to the county clerk of the filling of a vacancy (MCL 380.1101-380.1106).

Part 15. School Districts; Powers and Duties Generally

The bill would repeal certain sections of this part, which concern the following: meeting the needs of a diverse pupil population (MCL 380.1147b); providing special assistance to pupils falling behind or not advancing in grade level (MCL

380.1149); permitting a public higher educational institution to offer courses at a school district and permit a pupil to receive college and high school credit (MCL 380.1150); defining certain terms pertaining to bilingual education (MCL 380.1152); establishing a bilingual instruction program (MCL 380.1153); requiring a full-time bilingual instruction program (MCL 380.1154); notifying parents of a child's placement in a bilingual instruction program (MCL 380.1155); establishing a school district advisory board on bilingual instruction (MCL 380.56); providing for in-service bilingual instruction training (MCL 380.1157); permitting high school credit to be given to pupils studying American Sign Language (MCL 380.1157b); and, specifying State Board of Education duties in complying with the bilingual provisions (MCL 380.1158).

The bill also would repeal provisions on: requiring the State Board to develop guidelines on the teaching of dispute management and resolution (MCL 380.1167); requiring the State Board to develop a curriculum guide for teaching consumer economics (MCL 380.1168); requiring time to be devoted to teaching about the humane treatment and protection of animals and birds (MCL 380.1171); permitting a school district to develop a nature study area (MCL 380.1171a); requiring the State Board to promulgate rules concerning personality tests (MCL 380.1172); requiring appropriate authorities of a public school to consider the degree to which instructional materials reflect the pluralistic, multiracial, and multiethnic nature of society (MCL 380.1173); permitting the State Board to develop guidelines for expanding curricula to include materials on the culture of ethnic, religious, and racial minority peoples, and the contributions of women (MCL 380.1174); permitting a school board, by the 1995-96 school year, to develop and implement a curriculum to ensure multicultural education in all grade levels (MCL 380.1174a); permitting voters in a local act district to adopt applicable provisions of the Code (MCL 380.1176); and, permitting voters to approve a one-year tax to provide housing for the superintendent, administrators, and teachers employed in the district (MCL 380.1186).

Part 16. Boards of Education; Powers and Duties Generally

The bill would repeal certain sections of this part, which concern the following: requiring school board business to be conducted at a public meeting and certain records to be maintained and open for public inspection (MCL 380.1201-

380.1202); requiring a school board to ensure that decisions made at a school building level are made by using site-based decision-making (MCL 380.1202a); requiring a school board and ISD board to publish a financial report (MCL 380.1203); requiring a school board to make an annual report to the State Board (MCL 380.1204); providing for the administration of oaths (MCL 380.1205); permitting a school board to receive real or personal property for scholarships or other educational purposes (MCL 380.1210); requiring operating taxes to be accounted for under a "general fund" and permitting other fund designations (MCL 380.1215); and, specifying the use of money raised by tax (MCL 380.1216).

The bill also would repeal provisions concerning: assessing, levying, and collecting school taxes (MCL 380.1218); requiring the deposit of district funds in certain depositories (MCL 380.1221); specifying the maximum deposit of funds (MCL 380.1222); permitting the investment of certain funds (MCL 380.1223); permitting the purchase of a tax-deferred investment for employees (MCL 380.1224); permitting school boards to levy up to 18 mills on nonhomestead property for local school operating purposes, hold harmless millage that allows high revenue districts to receive the full foundation allowance, and enhancement millages, as well as borrow money and issue notes for school operating purposes (MCL 380.1225); and, requiring a county to furnish a statement of a school district's assessed valuation (MCL 380.1226).

In addition, the bill would repeal sections concerning: terminating teachers' contracts and substituting a new contract with increased benefits (MCL 380.1232); prohibiting noncertificated teachers to teach or nonendorsed teachers to serve as counselors and providing for the annual renewal of the vocational authorization for a noncertificated vocational teacher (MCL 380.1233); providing for employment counseling and placement services for students (MCL 380.1233a); and, permitting teacher sabbatical leave for professional improvement (MCL 380.1235).

Sections that do the following also would be repealed: establish continuing education requirements for superintendents and other school administrators and provide for the hiring of principals, assistants and other employees (MCL 380.1246-380.1248); require a school board or ISD board to permit each secondary school teacher to review a copy of the official transcript of

each pupil the teacher taught (MCL 380.1249); permit a school board to hire personnel to provide school psychological services and nursing services, and to employ an attorney (MCL 380.1251-380.1253); permit the payment of actual and necessary expenses of school board members and employees, and specify that the expenses are a public record (MCL 380.1254); and, allow the use of a district's general fund to provide employee economic benefits (MCL 380.1255).

Provisions that do the following also would be repealed: provide for legal representation and indemnification against civil liability for persons who inspect, monitor, or remove asbestos (MCL 380.1256); prohibit deed restrictions on school property sold or transferred (MCL 380.1260); provide that school districts have the general care and custody of their property (MCL 380.1261); permit a school board to acquire property and to enter into contracts to purchase telecommunication and technology-related services (MCL 380.1262); require that visual inspections and environmental assessments be made for certain construction projects (MCL 380.1262a); require title to sites and establish construction requirements for school buildings (MCL 380.1263); require a school board to provide for the care and management of a library or museum it established, and provide for the establishment of district library media centers (MCL 380.1264-380.1264a); permit the acquisition of school sites through urban renewal programs (MCL 380.1265); permit a school district to use Federal funds for neighborhood facilities projects (MCL 380.1266); permit the use of school property for community centers (MCL 380.1268); require that school property be insured (MCL 380.1269) and, permit a school board to participate in a pupil accident or medical insurance program (MCL 380.1270).

The bill also would repeal provisions concerning: permitting school boards to provide for energy conservation improvements to be made to school facilities (MCL 380.1274a); permitting a school district to enter into agreements with other districts or local governments to provide individual and family counseling services on the use of controlled substances and alcoholism (MCL 380.1275); and, permitting the construction of pedestrian overpasses (MCL 380.1276).

In addition, the bill would repeal academic requirements pertaining to: addressing gender equity issues in the school improvement plan

(MCL 380.1277a); establishing pupil performance standards and requiring the State Board to appoint an academic performance standards committee (MCL 380.1278a-380.1278b); requiring the use of criteria-based strategies in assessing pupils and requiring high school credit to be awarded to a pupil not enrolled in a course under certain conditions (MCL 380.1279a-380.1279b); providing and maintaining student portfolios (MCL 380.1279d); awarding high school credit for foreign language proficiency achieved outside of a school curriculum (MCL 380.1279e); requiring a district to establish grades, departments, and courses of study it considers necessary and provide a core academic curriculum (MCL 380.1282); permitting a school board to establish attendance areas within the district (MCL 380.1283); permitting an ISD to develop a common calendar for the public schools within the ISD (MCL 380.1284a); permitting a local or ISD board to establish child care centers (MCL 380.1285); permitting a school board to provide facilities and employ teachers for kindergarten classes (MCL 380.1286); permitting the establishment of vocational education programs (MCL 380.1287); permitting a school board to join an organization promoting the regulation of sport and creative arts contests between pupils (MCL 380.1289); permitting the establishment of a local security task force (MCL 380.1291); permitting a school board to provide adult education courses (MCL 380.1293); requiring a school board or the board of directors of a public school academy to make regulations for the proper establishment, maintenance, and management of public schools, including regulating the conduct of pupils attending school or en route to and from school, as well as establishing a student dress code (MCL 380.1300); permitting a school board or governing board of a nonpublic school to establish academic and/or attendance standards as eligibility requirements for driver education courses (MCL 380.1302); requiring a school board to prohibit pupils from carrying a pocket pager or electronic communication device in school except for health or other reasons approved by the board (MCL 380.1303); requiring school boards to provide transportation of public or nonpublic school pupils, permitting the use of school buses by senior citizens, permitting the boarding of pupils, permitting the purchase of school buses, and permitting the contracting for bus storage and maintenance (MCL 380.1321-380.1342); permitting a board to operate a recreational and instructional camp for resident and nonresident pupils (MCL 380.1346); permitting the adoption of policies for information flow between a board and community (MCL 380.1348); and, permitting a board to

contract with a photographer to take pupil yearbook pictures (MCL 380.1349).

Part 18. Tuition Pupils

The bill would repeal the entire part, including provisions permitting a school board to admit nonresident pupils to the schools of a district, and requiring a board to determine the tuition rates; requiring a school board that does not maintain grades above the eighth grade to pay the tuition of a resident pupil who has completed eight grades to a district maintaining a high school; defining "high school"; and permitting districts without high schools to send students to high schools in border states (MCL 380.1401-380.1416).

Part 19. Textbooks

The bill would repeal certain sections of this part including provisions that: require a person, firm, or corporation wanting to offer school textbooks for adoption, sale, or exchange in the State to file with the State Board or a designee a copy of each textbook along with statement providing price information (MCL 380.1431); and prohibit a person from securing the sale of a textbook by rewarding a teacher or by securing for the teacher a position in another school district (MCL 380.1437).

Part 20. Libraries

The bill would repeal the entire part, which permits a school board, by a majority vote of school electors at an annual or special election, to establish a public library, with the school board having charge of the library (MCL 380.1451-380.1452).

Part 21. Health and Physical Education

The bill would repeal sections of this part, including provisions: defining "sex education" (MCL 380.1501); requiring certain boards to employ qualified instructors in health and physical education (MCL 380.1503); requiring the State Board to aid in the establishment of educational programs to provide pupils with wholesome and comprehensive education and instruction in sex education (MCL 380.1508); permitting a school board to operate a public recreational system and community swimming pool (MCL 380.1511-380.1512); permitting a board or the board of directors of a public school academy to join an organization that promotes sports and the adoption of rules for athletic contests (MCL 380.1521); and,

permitting a board to provide medical care for students injured while participating in interscholastic athletic activities (MCL 380.1522).

Part 22a. Administrators' Certificates

The bill would repeal the entire part, which requires the State Board to develop a school administrator's certificate and certificate endorsements; and requires certain State departmental personnel to possess a valid school administrator's certificate (MCL 380.1536-380.1536a).

Part 23. Count of Resident Children

The bill would repeal the section that makes up this part, which permits a school board to provide for the taking of a school census (MCL 380.1541).

Part 24. Compulsory School Attendance

The bill would repeal one section of this part, which requires the secretary of the board of a primary school district at the beginning of school to provide the teacher with a copy of the last school census (MCL 380.1576).

Part 27. Condemnation

The bill would repeal sections of this part, which specifies procedures for the condemnation of real estate required by a school district, including the following: summoning a jury to determine just compensation and notification of the real estate owner (MCL 380.1622); providing notice of a hearing (MCL 380.1623); requiring the judge, jurors, and sheriff to attend at the place and time specified in the summons (MCL 380.1624); determining just compensation for the real estate and permitting the jury to visit the premises (MCL 380.1625); rendering and collecting a judgment (MCL 380.1626); permitting the deposit of the judgment with the county treasurer if the real estate owner cannot be found (MCL 380.1627); requiring the vesting in the school district of the title of the real estate (MCL 380.1628); permitting a school district, after making the required deposit or payment, to enter upon and take possession of the real estate (MCL 380.1629); providing for the summoning of another jury upon disagreement of the first jury (MCL 380.1630); requiring that parties claiming to have interest in the title in the school site or its enlargement, if the site is encumbered by mortgage, levy or tax sale, to be made a party in the procedure (MCL 380.1631); requiring an order for payment of money (MCL 380.1632);

providing for juror and sheriff fees (MCL 380.1633); and, providing for a substitute judge (MCL 380.1634).

Part 29. Special Education Programs and Services; State Board

The bill would repeal the section requiring special education personnel to meet the qualifications and requirements of State Board rules and requiring special education programs and services to meet State Board rules (MCL 380.1703).

Part 30. Special Education Programs and Services; Intermediate School Boards

The bill would repeal sections requiring an intermediate school board, when employing additional personnel to implement a special education program or service, to hire an employee of a constituent district whose special education program is discontinued (MCL 380.1742); or, to employ a person who had been employed by a State agency that had provided special education programs to an ISD (MCL 380.1743).

Part 31. Special Education Programs and Services; Local School Boards

The bill would repeal the section requiring the board of a constituent district, when employing additional personnel to implement special education programs and services, to hire an ISD employee whose employment is discontinued because the ISD or State agency discontinued the special education program or service (MCL 380.1766).

MCL 380.1 et al. Legislative Analyst: L. Arasim
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FISCAL IMPACT

The bill would have an unknown fiscal impact on State and local government. Provisions of this bill could contain a mandated cost to units of local government pursuant to Section 29 of Article IX of the State Constitution of 1963. Individual provisions of the bill are discussed below.

School Choice. Under the current State School Aid Act, the State payment for a student is based on the foundation allowance of the pupil's district of residence. For students currently in public schools, the State payment would not be changed by the choice provisions of the bill. The open enrollment provisions, however, could attract

children currently educated in private or home schools to the public school system. This would increase pupil membership and thus the State cost of funding the foundation allowance appropriation.

The appropriation for the foundation allowance is fixed, however, and if expenditures were estimated to exceed the appropriated amount, payments to all districts from the foundation allowance would be subject to proration. Alternatively, a supplemental appropriation could be made to allow full funding of the foundation allowance.

The increase in public school enrollment due to the proposed school choice provisions is unknown; however, the table below shows estimates of the State costs that could be incurred if different percentages of the 194,000 private and home-schooled students enrolled in public schools under choice. The range of estimated costs presented in the table are the potential annualized costs after the first year of implementation based on the estimated Statewide average foundation allowance in FY 1995-96 of \$5,538. The Statewide average foundation allowance used is weighted by pupil membership and capped at \$6,653, the maximum FY 1995-96 State payment per pupil under the foundation allowance.

The impact of the choice provisions on local school districts would vary based on local circumstances. A local district would lose a foundation allowance for each pupil who left for another district under choice. (Some districts already permit students to leave for other districts under some circumstances, "releasing" the pupil,

which allows the student to be counted in the membership of the educating district.) A district that increased pupil membership due to choice would gain a foundation allowance (up to a \$6,653 State payment per pupil in FY 1995-96) for each pupil accepted. Some districts would be able to increase enrollments and revenues due to choice. Other districts might choose to accept few students or might not attract new enrollment; thus, students leaving under choice provisions would not be replaced, reducing the district's pupil membership and revenue under the foundation allowance appropriation. An enrollment increase of 100 FTE pupils in a district with a \$5,538 foundation allowance per pupil would increase local district revenue by \$553,800. The same district with a membership decline of 100 FTEs would lose \$553,800.

Pupil membership is determined currently based on the average of the pupils enrolled and in attendance on the October count day of the school year and the supplemental pupil count from the February count day from the prior school year. A student choosing a new school district in the fall would generate only a 0.5 full-time equivalent (FTE) membership in that district in the first year of enrollment. Similarly, the loss to a district of a student leaving at the start of the school year due to choice would be a 0.5 FTE reduction in the first school year.

Implementation of the choice provisions would require related changes in the State School Aid Act.

**Estimated State Costs of Non-Public Pupils Transferring to Public Schools
Potential Annual Costs**

Percentage of Non-Public Pupils Assumed to Transfer into Public Schools	Number of Pupils (% of 194,000)	FY 1995-96 Statewide Average Foundation Allowance	Estimated Potential State Cost of Annual New Enrollment¹
1%	1,940	\$5,538	\$10.7 million
3%	5,820	\$5,538	\$32.2 million
5%	9,700	\$5,538	\$53.7 million
10%	19,400	\$5,538	\$107.4 million

1) Under the current pupil membership procedures, the first year impact would be half of the amounts shown.

Professional Development. The requirement that districts provide an additional five days of professional development to teachers each year appears to be a new State mandate. While the bill does not make an appropriation, the State could be obligated under the State Constitution to fund the cost of this provision. The cost of this measure would depend on the methods used to implement it; whether the days were added for teachers to the end of the school year, for example, or substitute teachers were used during the year to free up teachers for professional development activities. If substitute teacher were used, the potential cost of this provision is estimated in the range of \$22 million to \$30 million annually.

Fewer Requirements on Local Districts. Fewer activities would be required of local districts under the bill. This additional flexibility could reduce local costs.

General Powers. Local districts could incur additional administrative and legal costs in developing or changing procedures, governance structures, and bylaws under the general powers that would be granted by the bill.

Use of Property Taxes for Public School Academies. The bill would provide an option for local districts to use local property tax revenue or the proceeds of a bond issue to support a public school academy authorized by the local district. Under the current school aid bill, local property taxes from the 18 mills on nonhomestead property and hold harmless millage comprise the local share of the foundation allowance. The foundation allowance for a public school academy is paid solely from State funds, except that property tax support must be provided to a public school academy in the case where 25% of a district's resident pupils are in membership in a public school academy located in the district.

Public School Academies-- Cap on Authorizations by Universities and Community Colleges. The removal of the limitations on the number of public school academies authorized by universities and community colleges could allow quicker expansion of public school academies. It should be noted, however, that the 75-school cap on university-authorized public school academies has not been reached.

Department of Education and State Board of Education. The bill would have no fiscal impact on the Department of Education or the State Board of Education.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.