

SUBSTITUTE FOR
HOUSE BILL NO. 4360

A bill to make appropriations for community colleges and certain state purposes related to education for the fiscal year ending September 30, 2008; to provide for the expenditure of those appropriations; to establish or continue certain funds, programs, and categories; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. (1) It is the intent of the legislature to invest in Michigan's community colleges. Michigan's community college system is an integral part of the state's higher education infrastructure.

(2) It is the further intent of the legislature to encourage

community colleges in training and graduating nurses to address the shortage of critical health care staff in the state.

(3) Subject to the conditions set forth in part 2, the amounts listed in this part are appropriated for community colleges and certain other state purposes relating to education for the fiscal year ending September 30, 2008, from the funds indicated in this part. The following is a summary of the appropriations in this part:

APPROPRIATION SUMMARY:

GROSS APPROPRIATION.....	\$	333,839,600
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION.....	\$	333,839,600
Total federal revenues.....		0
Total local revenues.....		0
Total private revenues.....		0
Total other state restricted revenues.....		0
State general fund/general purpose.....	\$	333,839,600
Sec. 102. OPERATIONS		
Alpena Community College.....	\$	5,196,600
Bay de Noc Community College.....		5,246,400
Delta College.....		13,826,100
Glen Oaks Community College.....		2,318,600
Gogebic Community College.....		4,430,700
Grand Rapids Community College.....		17,318,300
Henry Ford Community College.....		21,037,100

1	Jackson Community College.....	11,616,500
2	Kalamazoo Valley Community College.....	11,954,800
3	Kellogg Community College.....	9,366,200
4	Kirtland Community College.....	2,858,700
5	Lake Michigan College.....	5,043,600
6	Lansing Community College.....	29,937,300
7	Macomb Community College.....	31,960,900
8	Mid Michigan Community College.....	4,259,600
9	Monroe County Community College.....	4,164,600
10	Montcalm Community College.....	2,995,100
11	C.S. Mott Community College.....	15,103,200
12	Muskegon Community College.....	8,574,600
13	North Central Michigan College.....	2,910,100
14	Northwestern Michigan College.....	8,738,900
15	Oakland Community College.....	20,228,600
16	St. Clair County Community College.....	6,769,800
17	Schoolcraft College.....	11,824,300
18	Southwestern Michigan College.....	6,320,400
19	Washtenaw Community College.....	12,194,600
20	Wayne County Community College.....	15,974,700
21	West Shore Community College.....	2,211,800
22	One-time supplemental payment.....	<u>25,759,800</u>
23	GROSS APPROPRIATION.....	\$ 320,141,900
24	Appropriated from:	
25	State general fund/general purpose.....	\$ 320,141,900
26	Sec. 103. GRANTS	
27	At-risk student success program.....	\$ 3,322,700

1	Renaissance zone tax reimbursement funding	3,375,000
2	Nursing programs	<u>7,000,000</u>
3	GROSS APPROPRIATION	\$ 13,697,700
4	Appropriated from:	
5	State general fund/general purpose	\$ 13,697,700

6 PART 2

7 PROVISIONS CONCERNING APPROPRIATIONS

8 Sec. 201. Pursuant to section 30 of article IX of the state
9 constitution of 1963, total state spending from state resources
10 under part 1 for fiscal year 2007-2008 is \$333,839,600.00 and state
11 spending from state resources to be paid to local units of
12 government for fiscal year 2007-2008 is \$333,839,600.00. The
13 itemized statement below identifies appropriations from which
14 spending to local units of government will occur:

15	Operations	\$ 320,141,900
16	At-risk student success program	3,322,700
17	Renaissance zone tax reimbursement program	3,375,000
18	Nursing programs	<u>7,000,000</u>
19	TOTAL	\$ 333,839,600

20 Sec. 202. The appropriations authorized under this part and
21 part 1 are subject to the management and budget act, 1984 PA 431,
22 MCL 18.1101 to 18.1594.

23 Sec. 203. Unless otherwise specified, a community college
24 receiving appropriations in part 1 and the department of labor and
25 economic growth shall use the Internet to fulfill the reporting

1 requirements of this part. This requirement may include
2 transmission of reports via electronic mail to the recipients
3 identified for each reporting requirement or it may include
4 placement of reports on an Internet or Intranet site.

5 Sec. 204. The department of labor and economic growth shall
6 publish the activities classification structure data book for
7 Michigan community colleges on or before March 1, 2008, for use by
8 the legislature during budget development for the fiscal year
9 ending September 30, 2009.

10 Sec. 205. (1) The auditor general or a certified public
11 accountant appointed by the auditor general may conduct performance
12 audits of community colleges as the auditor general considers
13 necessary.

14 (2) Not more than 60 days after an audit report is released by
15 the office of the auditor general, the principal executive officer
16 of the community college that was audited shall submit to the house
17 and senate appropriations committees, the house and senate fiscal
18 agencies, the department of labor and economic growth, the auditor
19 general, and the state budget director a plan to comply with audit
20 recommendations. The plan shall contain projected dates and
21 resources required, if any, to achieve compliance with the audit
22 recommendations, or a documented explanation of the college's
23 noncompliance with the audit recommendations concerning the matters
24 on which the audited community college and office of the auditor
25 general disagree.

26 Sec. 206. The department of labor and economic growth shall
27 review the taxonomy of the 7 community colleges selected for the

1 audit under section 205 that is based on the 2003 Activities
2 Classification Structure Manual for Michigan Community Colleges.

3 Sec. 207. (1) A community college shall retain certified class
4 summaries, class lists, registration documents, and student
5 transcripts that are consistent with the taxonomy of courses. For
6 each enrollment period during the fiscal year, these certified
7 documents shall identify clearly by course the number of in-
8 district and out-of-district student credit and contact hours. The
9 class summaries and class lists shall be consistent with each other
10 and shall include the course prefix and numbers, course title,
11 course credit and contact hours, credit and contact hours generated
12 by each student, and activity classifications consistent with the
13 taxonomy. An auditable process shall be used by the community
14 college to determine the unduplicated head count for in-district
15 students, out-of-district students, and prisoners for each
16 enrollment period during the fiscal year.

17 (2) Contracts between the community college and agencies that
18 reimburse the community college for the costs of instruction shall
19 be retained for audit purposes.

20 Sec. 208. Each community college shall have an annual audit of
21 all income and expenditures performed by an independent auditor and
22 shall furnish the independent auditor's management letter and an
23 annual audited accounting of all general and current funds income
24 and expenditures including audits of college foundations to the
25 members of the senate and house appropriations subcommittees on
26 community colleges, the senate and house fiscal agencies, the
27 auditor general, the department of labor and economic growth, and

1 the state budget director before November 15, 2007. If a community
2 college fails to furnish the audit materials, the monthly state aid
3 installments shall be withheld from that college until the
4 information is submitted. All reporting shall conform to the
5 requirements set forth in the 2001 Manual for Uniform Financial
6 Reporting, Michigan Public Community Colleges.

7 Sec. 209. (1) Each community college shall report the
8 following to the department of labor and economic growth no later
9 than November 1, 2007:

10 (a) The number of North American Indian students enrolled each
11 term for the previous fiscal year, using guidelines and procedures
12 developed by the department of labor and economic growth and the
13 Michigan commission on Indian affairs.

14 (b) The number of Indian tuition waivers granted each term,
15 and the monetary value of the waivers for the previous fiscal year.

16 (2) Colleges shall use the criteria cited in 1976 PA 174, MCL
17 390.1251 to 390.1253, to determine eligibility for tuition waivers,
18 and shall grant those waivers to individuals who meet the criteria
19 and request tuition waivers.

20 (3) The department of labor and economic growth shall compile
21 the information received under subsection (1) and shall submit this
22 compilation to the house and senate appropriations subcommittees on
23 community colleges, the senate and house fiscal agencies, and the
24 state budget director by January 7, 2008.

25 Sec. 210. Upon request, a community college shall inform
26 interested Michigan high schools of the aggregate academic status
27 of its students for the prior academic year, in a manner prescribed

1 by the Michigan community college association and in cooperation
2 with the Michigan association of secondary school principals.

3 Sec. 211. (1) Each community college shall report to the house
4 and senate fiscal agencies, the state budget director, and the
5 department of labor and economic growth by August 31, 2007, the
6 tuition and mandatory fees paid by a full-time in-district student
7 and a full-time out-of-district student as established by the
8 college governing board for the 2007-2008 academic year. This
9 report should also include the annual cost of attendance based on a
10 full-time course load of 30 credits. Each community college shall
11 also report any revisions to the reported 2007-2008 academic year
12 tuition and mandatory fees adopted by the college governing board
13 to the house and senate fiscal agencies, the state budget director,
14 and the department of labor and economic growth within 15 days of
15 being adopted.

16 (2) The department of labor and economic growth shall prepare
17 and provide to community colleges a standard format for reporting
18 tuition and fees pursuant to subsection (1).

19 Sec. 212. (1) Each community college shall report to the
20 department of labor and economic growth the numbers and type of
21 associate degrees and other certificates awarded during the
22 previous fiscal year. The report shall be made not later than
23 November 15, 2007.

24 (2) The department of labor and economic growth shall compile
25 the information received under subsection (1) and shall submit this
26 compilation to the house and senate appropriations subcommittees on
27 community colleges, the senate and house fiscal agencies, and the

1 state budget director by January 7, 2008.

2 Sec. 213. A community college receiving funding under this act
3 and also subject to the student right-to-know and campus security
4 act, Public Law 101-542, 104 Stat. 2381, shall make a copy of all
5 material prepared in accordance with the public information
6 reporting requirements under the crime awareness and campus
7 security act of 1990, title II of the student right-to-know and
8 campus security act, Public Law 101-542, 104 Stat. 2384, available
9 in hard copy and electronic format accessible through the Internet
10 for school districts, parents, and students.

11 Sec. 214. (1) It is the intent of the legislature that the
12 frequency and scope of on-site visits, evaluations, audits, and
13 similar activities be limited to that which is reasonably necessary
14 to monitor the performance of community colleges and confirm the
15 accuracy of reported data. On-site visits, evaluations, audits, and
16 similar activities conducted to comply with the state plan approved
17 by the United States department of education under the Perkins act
18 shall be limited to those necessary to meet the requirements of the
19 state plan.

20 (2) In developing and implementing audit and reporting
21 requirements, including those included in current and proposed
22 state plans under the Perkins act, the department of labor and
23 economic growth shall consult with community colleges, the
24 legislative auditor general, and independent auditors in an effort
25 to coordinate activities and minimize duplication of audit and
26 reporting requirements imposed on community colleges.

27 (3) At least 30 days before submission of a new state plan to

1 the United States department of education for approval under the
2 Perkins act, the department of labor and economic growth shall
3 provide copies of the proposed plan to the members of the senate
4 and house appropriations subcommittees on community colleges for
5 their review and comment. Copies of the proposed plan shall be
6 provided to the senate and house fiscal agencies and the state
7 budget director at the same time that they are provided to the
8 senate and house subcommittees.

9 (4) The Perkins grant application process and content shall be
10 streamlined to the extent possible.

11 (5) As used in this section, "Perkins act" means the Carl D.
12 Perkins vocational and applied technology education act of 1998, 20
13 USC 2301 to 2415.

14 Sec. 215. The department of treasury shall annually collect
15 and compile data on the tax revenue losses to community colleges
16 resulting from tax increment financing authorities (TIFA) and tax
17 abatements. The department of treasury shall produce a report
18 detailing the data. The report shall be completed and presented to
19 the house and senate appropriations subcommittees on community
20 colleges, the department of career development, and the department
21 of management and budget not later than March 1, 2008. The report
22 shall include, but is not limited to, the following:

23 (a) Estimated revenue losses for each community college for
24 the calendar year 2007.

25 (b) Confirmed revenue losses for each community college for
26 the calendar years 2005 and 2006.

27 (c) Other requirements requested by the house and senate

1 appropriations subcommittees on community colleges.

2 Sec. 220. The department of labor and economic growth shall
3 work collaboratively with community colleges to develop an
4 accelerated entrepreneurship curriculum, including an associate
5 degree, to provide students with the skills and knowledge needed
6 for creating their own businesses. The department shall submit a
7 report on the results of its work with the community colleges under
8 this section to the house and senate appropriations subcommittees
9 on community colleges, the house and senate fiscal agencies, and
10 the state budget director by February 1, 2008.

11 Sec. 221. Funds appropriated in part 1 shall not be used for
12 the purchase of foreign goods or services, or both, if
13 competitively priced and comparable quality American goods or
14 services, or both, are available. Preference should be given to
15 goods or services, or both, manufactured or provided by Michigan
16 businesses if they are competitively priced and of comparable
17 quality.

18 Sec. 222. The principal executive officer of each community
19 college receiving appropriations in part 1 shall take all
20 reasonable steps to ensure businesses in deprived and depressed
21 communities compete for and perform contracts to provide services
22 or supplies, or both. Each principal executive officer shall
23 strongly encourage firms with which the community college contracts
24 to subcontract with certified businesses in depressed and deprived
25 communities for services or supplies, or both.

26 Sec. 223. (1) The money appropriated in this act is
27 appropriated for community colleges with fiscal years ending June

1 30, 2008, and, except for the 1-time supplemental payment described
2 in subsection (2), shall be paid out of the state treasury and
3 distributed by the state treasurer to the respective community
4 colleges in 11 monthly installments on the sixteenth of each month,
5 or the next succeeding business day, beginning with October 16,
6 2007. Each community college shall accrue its July and August 2008
7 payments to its institutional fiscal year ending June 30, 2008.
8 However, if a community college fails to submit all verified
9 Michigan community colleges activities classification structure
10 data for school year 2006-2007 to the department of labor and
11 economic growth by November 1, 2007, the monthly installments shall
12 be withheld from that community college until those data are
13 submitted. The amount from the money appropriated in part 1 that is
14 allocated to address the special needs of at-risk students shall be
15 paid in full by the state treasurer by November 1, 2007. The amount
16 distributed to a community college or department shall not exceed
17 the net state allocation authorized by this act.

18 (2) The funds appropriated in part 1 to community colleges for
19 the 1-time supplemental payment shall be paid out of the state
20 treasury and distributed by the state treasurer to the respective
21 community colleges on October 16, 2007. The payment made to each
22 community college shall be equal to the sum of the delayed payment
23 reduction contained in Executive Order No. 2007-3 and the payment
24 delay reduction contained in section 106 of 2007 PA 17. Each
25 community college shall accrue this payment to its institutional
26 fiscal year ending June 30, 2007.

27 (3) Except as otherwise provided by law, each of the amounts

1 appropriated shall be used solely for the respective purposes
2 stated in this act. The money appropriated by this act may be used
3 to match the cost of any available programs under the Carl D.
4 Perkins vocational and applied technology education act of 1998, 20
5 USC 2301 to 2415, including local administration.

6 Sec. 224. (1) A community college shall pay the employer's
7 contributions to the Michigan public school employees' retirement
8 system created by the public school employees retirement act of
9 1979, 1980 PA 300, MCL 38.1301 to 38.1408, as a condition of
10 receiving money appropriated under this act.

11 (2) A community college shall not pay an employer's
12 contribution to more than 1 retirement fund providing benefits for
13 an employee.

14 Sec. 225. Money appropriated in part 1 shall not be used to
15 pay for the construction or maintenance of a self-liquidating
16 project. Any construction, renovation, or other capital outlay
17 project that exceeds \$1,000,000.00 requires the approval of a use
18 and finance statement by the joint capital outlay subcommittee
19 (JCOS) pursuant to JCOS policy.

20 Sec. 226. It is the intent of the legislature that the
21 legislature restore the infrastructure, technology, equipment, and
22 maintenance (ITEM) funding provided in previous fiscal years.

23 Sec. 227. Recognizing the critical importance of education in
24 strengthening Michigan's workforce, the legislature encourages the
25 state's public community colleges to explore ways of increasing
26 collaboration and cooperation with 4-year universities,
27 particularly in the areas related to training, instruction, and

1 program articulation.

2 Sec. 228. Community colleges shall do the following:

3 (a) Undertake active measures to promote equal opportunities,
4 eliminate discrimination, and foster a diverse student body and
5 administration among all people including, but not limited to,
6 women, minorities, seniors, veterans, and people with disabilities.

7 (b) Review, analyze, and eradicate activities that may tend to
8 discriminate.

9 Sec. 229. It is the intent of the legislature that a workgroup
10 be formed to evaluate, discuss, and make recommendations for future
11 action regarding state university admission and enrollment policies
12 that specifically address the acceptance and application of college
13 credits earned by students through the postsecondary enrollment
14 options act, 1996 PA 160, MCL 388.511 to 388.524. The Michigan
15 community college association may create and administer the
16 workgroup and is encouraged to include members representing
17 university and K-12 school organizations. The workgroup shall
18 submit a report containing its findings and recommendations to the
19 house and senate appropriations subcommittees on community
20 colleges, the house and senate fiscal agencies, and the state
21 budget director by March 1, 2008.

22 Sec. 230. The legislature intends that any executive or
23 legislative proposal or action, subsequent to the adoption of a
24 recommendation for appropriations for community colleges for the
25 fiscal year ending September 30, 2008, to increase appropriations
26 to state-supported 4-year universities in excess of the governor's
27 original recommendation for the fiscal year ending September 30,

1 2008, will be accompanied by a similar action or proposal for
2 state-supported community colleges.

3 Sec. 231. The legislature intends that not less than 70% of
4 the economic development job training grant money be awarded to
5 community colleges or a consortium of community colleges and other
6 eligible applicants as provided in the budget that appropriated the
7 economic development job training grant money. Further, the
8 legislature intends that at least a portion of the total
9 appropriation for economic development job training grants be
10 awarded to community colleges that offer certified programs that
11 are bureau of apprenticeship training certified. The Michigan
12 economic development corporation shall report by November 1 of each
13 year to the house and senate appropriations subcommittees on
14 community colleges and the senate and house fiscal agencies the
15 names of the community colleges awarded grant money under this
16 section, the amount of the grants awarded, and the percentage
17 awarded to bureau of apprenticeship training certified programs.

18 Sec. 232. It is the intent of the legislature that community
19 colleges expand their current nursing education programs and
20 increase nursing education program enrollments. This expansion may
21 include, but is not limited to, creating partnerships with
22 hospitals and other health care providers, expanding the focus and
23 utilization of the nursing scholarship program, and redirecting
24 existing institutional resources toward nursing education programs.

25 Sec. 233. It is the intent of the legislature that the
26 Michigan community college association, the legislature, and other
27 interested parties continue the discussion regarding payments in

1 lieu of taxes, especially for those community college districts
2 that contain significant portions of nontaxable land.

3 Sec. 241. Unless otherwise stated, all data items used in
4 determining state aid in this act are as defined in the 2001 Manual
5 for Uniform Financial Reporting, Michigan Public Community
6 Colleges, which shall be the basis for reporting data, and the 2003
7 Activities Classification Structure Manual for Michigan Community
8 Colleges, which shall be used to document financial needs of the
9 community colleges.

10 Sec. 242. A community college shall not include in the
11 enrollment data reported for determining state aid under this act
12 any student credit hours or student contact hours for a student
13 incarcerated in a Michigan penal institution. Exclusion of these
14 students is intended to avoid the payment of state aid under this
15 act for the same individuals for whom reimbursement is provided by
16 the state correctional system.

17 Sec. 243. A community college selected for audit under section
18 205 whose audited activities classification structure data is
19 significantly different than the data used to determine state aid
20 under this act shall return any overappropriated money as provided
21 in this subsection. The department of labor and economic growth
22 shall compare formula computations for the audited colleges using
23 pre- and post-audit data. If the state allocation is 2% or more
24 than the post-audit allocation amount, the college shall return the
25 excess money. The returned money shall be redistributed to all 28
26 community colleges, prorated on the base appropriations contained
27 in part 1.

1 Sec. 244. It is the intent of the legislature that the funding
2 formula developed by the performance indicators task force formed
3 pursuant to section 242 of 2005 PA 154 be used for funding
4 distribution in future years and that the data collected and used
5 to generate the Gast-Mathieu fairness in funding formula continue
6 to be collected and maintained.

7 Sec. 245. It is the intent of the legislature that the
8 recommendations and performance measures developed by the
9 performance indicators task force pursuant to section 242 of 2005
10 PA 154 be reviewed and more fully implemented for distribution of
11 state funding to community colleges in future years.

12 Sec. 301. (1) The community college at-risk student success
13 program is continued. The funding shall be prorated among community
14 colleges based on the number of student contact hours for
15 developmental and preparatory instruction reported by each
16 community college to the department of labor and economic growth
17 pursuant to the 2003 Activities Classification Structure Manual for
18 Michigan Community Colleges. Of the amount appropriated in part 1
19 for the at-risk student success program, \$1,120,000.00 is allocated
20 for base grants of \$40,000.00 each, to address the special needs of
21 at-risk students at community colleges.

22 (2) Of the amount appropriated in part 1 for the at-risk
23 student success program, the balance of the appropriated money
24 shall be distributed on a proration utilizing the sum of the most
25 recent 3 years developmental/preparatory contact hours divided by
26 the sum of the 3-year total contact hours at each college. Each
27 community college's percentage shall be divided by the sum of all

the percentages systemwide to obtain each community college's prorated grant amount.

(3) For the fiscal year ending September 30, 2008, the at-risk student success program money is allocated as follows:

Alpena Community College.....	\$	80,500
Bay de Noc Community College.....		76,600
Delta College.....		99,400
Glen Oaks Community College.....		115,100
Gogebic Community College.....		58,200
Grand Rapids Community College.....		128,700
Henry Ford Community College.....		159,200
Jackson Community College.....		113,800
Kalamazoo Valley Community College.....		91,100
Kellogg Community College.....		167,400
Kirtland Community College.....		129,000
Lake Michigan College.....		155,100
Lansing Community College.....		143,800
Macomb Community College.....		84,300
Mid Michigan Community College.....		147,900
Monroe County Community College.....		103,900
Montcalm Community College.....		66,000
C.S. Mott Community College.....		105,700
Muskegon Community College.....		81,800
North Central Michigan College.....		116,200
Northwestern Michigan College.....		122,600
Oakland Community College.....		147,500
St. Clair Community College.....		110,500

1	Schoolcraft College.....	128,500
2	Southwestern Michigan College.....	145,100
3	Washtenaw Community College.....	153,700
4	Wayne County Community College.....	147,400
5	West Shore Community College.....	143,700

6 (4) As used in this act, "at-risk students" means students who
7 meet 1 or more of the following criteria:

8 (a) Are initially placed in 1 or more developmental courses as
9 a result of standardized testing or as a result of failure to make
10 satisfactory academic progress.

11 (b) Are diagnosed as learning disabled.

12 (c) Require English as a second language (ESL) assistance.

13 (5) Grant funding under this section shall be utilized to
14 address the special needs of at-risk students. Activities related
15 to services provided to at-risk students include, but are not
16 limited to, pretesting for academic ability, counseling contacts,
17 and special programs. Equipment or information technology hardware
18 or software purchased under this section must be associated with
19 the operation of a program designed to address the needs of at-risk
20 students.

21 (6) Grant funding under this section shall not be used for
22 indirect costs including, but not limited to, rent, utilities, or,
23 except as provided in this section, college administration.

24 (7) Each community college shall report to the department of
25 labor and economic growth a summary of all accomplishments under,
26 expenditures for, and compliance with the intent of this program,
27 including the number of at-risk students served. The report is

1 subject to audit as provided for in section 205(1). The report
2 shall be submitted not later than 90 days after the end of the
3 state's fiscal year.

4 Sec. 302. The appropriation in part 1 for renaissance zone
5 reimbursements shall be made to each eligible recipient no later
6 than 60 days after the department of treasury certifies to the
7 state budget director that it has received all necessary
8 information to properly determine the amounts due each eligible
9 recipient under section 12 of the Michigan renaissance zone act,
10 1996 PA 376, MCL 125.2692.

11 Sec. 303. (1) The funds appropriated in part 1 for nursing
12 programs that are remaining after the allocations permitted under
13 section 304 shall be allocated to each community college on a
14 proportional basis based on the number of 2005-2006 ADN/RN nursing
15 program awards reported by the community colleges to the office of
16 postsecondary services in the department of labor and economic
17 growth.

18 (2) It is the intent of the legislature that community
19 colleges use the funds allocated under subsection (1) to increase
20 nursing program completions and expand existing nursing program
21 capacity. These funds may be used for any of the following:

22 (a) Maintaining sustainability of existing programs in order
23 to ensure that current programs are not reduced or eliminated due
24 to high operational costs.

25 (b) Reducing attrition by utilizing counselors, mentors,
26 better assessment and screening tools, and other student support
27 services to ensure that students who enter a nursing program

1 complete that program.

2 (c) Purchasing equipment and technology to increase efficiency
3 and program capacity through the use of simulators, software,
4 online curriculum development, and other program technology.

5 (d) Retaining and acquiring qualified faculty in an
6 increasingly competitive recruiting market.

7 (3) By January 1, 2008, each community college receiving funds
8 under this section shall report to the house and senate
9 appropriations subcommittees on community colleges, the house and
10 senate fiscal agencies, and the department of management and budget
11 on the impact of these funds on nursing program completions at that
12 college. In addition, each community college shall include in its
13 report its plans for future nursing program enrollment expansion
14 and indicate any barriers to that expansion.

15 Sec. 305. (1) Subject to subsection (3), from the funds
16 appropriated in part 1 for nursing programs, there is allocated an
17 amount sufficient to allow each community college with a college of
18 nursing or an accredited nursing program that leads to an A.D.N. or
19 R.N. degree to receive \$2,000.00 multiplied by the increase in the
20 number of full-time equivalent undergraduate students enrolled in
21 an A.D.N. or R.N. degree program in that college of nursing or
22 accredited nursing program in the 2007-2008 academic year from the
23 number of full-time equivalent undergraduate students enrolled in
24 an A.D.N. or R.N. degree program in that college of nursing or
25 accredited nursing program in the 2006-2007 academic year.

26 (2) For the purpose of subsection (1), a student is only
27 counted as enrolled in a college of nursing or an accredited

1 nursing program if the student is currently enrolled in an A.D.N.
2 or R.N. nursing degree program, is completing nursing coursework,
3 and is currently working toward an A.D.N. or R.N. degree.

4 (3) The total allocations under subsection (1) for the 2007-
5 2008 academic year shall not exceed \$3,500,000.00 and, if this
6 limitation would prevent an allocation of \$2,000.00 for each full-
7 time equivalent undergraduate student for which an allocation is
8 otherwise permitted under subsection (1), the dollar amount of the
9 allocation for each full-time equivalent undergraduate student
10 shall be reduced uniformly.

11 (4) It is the intent of the legislature that the appropriation
12 provided under this section will be also available for the 2008-
13 2009 academic year from an appropriation to be made for the 2008-
14 2009 state fiscal year, in order to assure support to the community
15 college for not less than 2 years for students who started nursing
16 education in the 2007-2008 academic year. It is also the intent of
17 the legislature that future appropriations providing supplemental
18 support to a community college that qualified for a distribution
19 under this section will include an adjustment to recognize success
20 or failure of the community college in increasing graduation
21 numbers of the students for whom an allocation was made under this
22 section.

23 (5) Each community college shall report to the office of
24 postsecondary services in the department of labor and economic
25 growth the number of full-time equivalent undergraduate students
26 enrolled for the 2006-2007 and 2007-2008 academic years in a
27 college of nursing or an accredited nursing program that leads to

1 an A.D.N. or R.N. degree at that community college. Each community
2 college shall also provide the office of postsecondary services
3 information concerning the methodology used to compile these
4 enrollment numbers. The department of labor and economic growth is
5 authorized to establish procedures and deadlines needed to
6 implement the requirements of this subsection and shall prepare a
7 summary of the information received by the office of postsecondary
8 services under this section and make this summary available to the
9 house and senate appropriations subcommittees on community colleges
10 and the house and senate fiscal agencies.