

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

House Bill No. 4113, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 201 and 201a (MCL 388.1801 and 388.1801a), section 201 as amended by 2015 PA 5 and section 201a as amended by 2014 PA 196.

Recommends:

First: That the Senate recede from the Substitute of the Senate as passed by the Senate.

Second: That the House and Senate agree to the Substitute of the House as passed by the House, amended to read as follows:

(attached)

Third: That the House and Senate agree to the title of the bill to read as follows:

A bill to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 201, 201a, 206, 207a, 207b, 207c, 209, 210, 210b, 217, 222, 225, 226, 229, 229a, and 230 (MCL 388.1801, 388.1801a, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809, 388.1810, 388.1810b, 388.1817, 388.1822, 388.1825, 388.1826, 388.1829, 388.1829a, and 388.1830), section 201 as amended by 2015 PA 5, sections 201a, 206, 209, 210b, 217, 225, 229, 229a, and 230 as

amended and sections 207a, 207b, and 207c as added by 2014 PA 196, section 210 as amended by 2013 PA 60, and sections 222 and 226 as amended by 2012 PA 201, and by adding sections 210c, 210d, and 230a; and to repeal acts and parts of acts.

Paul Muxlow

Darwin L. Booher

John Bizon M.D.

Tonya Schuitmaker

Henry Yanez

David Knezek

Conferees for the House

Conferees for the Senate

**SUBSTITUTE FOR
HOUSE BILL NO. 4113**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 201, 201a, 206, 207a, 207b, 207c, 209, 210,
210b, 217, 222, 225, 226, 229, 229a, and 230 (MCL 388.1801,
388.1801a, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1809,
388.1810, 388.1810b, 388.1817, 388.1822, 388.1825, 388.1826,
388.1829, 388.1829a, and 388.1830), section 201 as amended by 2015
PA 5, sections 201a, 206, 209, 210b, 217, 225, 229, 229a, and 230
as amended and sections 207a, 207b, and 207c as added by 2014 PA
196, section 210 as amended by 2013 PA 60, and sections 222 and 226
as amended by 2012 PA 201, and by adding sections 210c, 210d, and
230a; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 201. (1) Subject to the conditions set forth in this

article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, ~~2015,~~ **2016**, from the funds indicated in this section. The following is a summary of the appropriations in this section:

(a) The gross appropriation is ~~\$364,724,900.00.~~ **\$387,825,600.00.** After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$364,724,900.00.~~ **\$387,825,600.00.**

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, \$0.00.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$364,724,900.00.~~ **\$256,714,800.00.**

(v) State general fund/general purpose money, ~~\$0.00.~~ **\$131,110,800.00.**

(2) Subject to subsection (3), the amount appropriated for community college operations is ~~\$307,191,300.00,~~ **\$311,492,000.00,** allocated as follows:

(a) The appropriation for Alpena Community College is ~~\$5,390,700.00, \$5,236,500.00 for operations and \$154,200.00 for performance funding.~~ **\$5,464,400.00, \$5,390,700.00 FOR OPERATIONS AND \$73,700.00 FOR PERFORMANCE FUNDING.**

(b) The appropriation for Bay de Noc Community College is ~~\$5,419,500.00, \$5,279,300.00 for operations and \$140,200.00 for performance funding.~~ **\$5,490,200.00, \$5,419,500.00 FOR OPERATIONS AND**

1 **\$70,700.00 FOR PERFORMANCE FUNDING.**

2 (c) The appropriation for Delta College is ~~\$14,498,900.00,~~
3 ~~\$14,063,500.00 for operations and \$435,400.00 for performance~~
4 ~~funding.~~**\$14,704,000.00, \$14,498,900.00 FOR OPERATIONS AND**
5 **\$205,100.00 FOR PERFORMANCE FUNDING.**

6 (d) The appropriation for Glen Oaks Community College is
7 ~~\$2,516,100.00, \$2,441,500.00 for operations and \$74,600.00 for~~
8 ~~performance funding.~~**\$2,551,100.00, \$2,516,100.00 FOR OPERATIONS AND**
9 **\$35,000.00 FOR PERFORMANCE FUNDING.**

10 (e) The appropriation for Gogebic Community College is
11 ~~\$4,451,400.00, \$4,330,300.00 for operations and \$121,100.00 for~~
12 ~~performance funding.~~**\$4,509,900.00, \$4,451,400.00 FOR OPERATIONS AND**
13 **\$58,500.00 FOR PERFORMANCE FUNDING.**

14 (f) The appropriation for Grand Rapids Community College is
15 ~~\$17,947,500.00, \$17,454,900.00 for operations and \$492,600.00 for~~
16 ~~performance funding.~~**\$18,187,300.00, \$17,947,500.00 FOR OPERATIONS**
17 **AND \$239,800.00 FOR PERFORMANCE FUNDING.**

18 (g) The appropriation for Henry Ford Community College is
19 ~~\$21,623,800.00, \$21,060,000.00 for operations and \$563,800.00 for~~
20 ~~performance funding.~~**\$21,893,300.00, \$21,623,800.00 FOR OPERATIONS**
21 **AND \$269,500.00 FOR PERFORMANCE FUNDING.**

22 (h) The appropriation for Jackson College is ~~\$12,087,300.00,~~
23 ~~\$11,758,200.00 for operations and \$329,100.00 for performance~~
24 ~~funding.~~**\$12,245,300.00, \$12,087,300.00 FOR OPERATIONS AND**
25 **\$158,000.00 FOR PERFORMANCE FUNDING.**

26 (i) The appropriation for Kalamazoo Valley Community College
27 is ~~\$12,503,100.00, \$12,122,500.00 for operations and \$380,600.00~~

1 ~~for performance funding.~~ \$12,689,400.00, \$12,503,100.00 FOR
2 OPERATIONS AND \$186,300.00 FOR PERFORMANCE FUNDING.

3 (j) The appropriation for Kellogg Community College is
4 ~~\$9,813,500.00, \$9,522,000.00 for operations and \$291,500.00 for~~
5 ~~performance funding.~~ \$9,950,100.00, \$9,813,500.00 FOR OPERATIONS AND
6 \$136,600.00 FOR PERFORMANCE FUNDING.

7 (k) The appropriation for Kirtland Community College is
8 ~~\$3,167,700.00, \$3,055,700.00 for operations and \$112,000.00 for~~
9 ~~performance funding.~~ \$3,221,500.00, \$3,167,700.00 FOR OPERATIONS AND
10 \$53,800.00 FOR PERFORMANCE FUNDING.

11 (l) The appropriation for Lake Michigan College is
12 ~~\$5,342,900.00, \$5,178,100.00 for operations and \$164,800.00 for~~
13 ~~performance funding.~~ \$5,417,700.00, \$5,342,900.00 FOR OPERATIONS AND
14 \$74,800.00 FOR PERFORMANCE FUNDING.

15 (m) The appropriation for Lansing Community College is
16 ~~\$30,877,600.00, \$30,023,700.00 for operations and \$853,900.00 for~~
17 ~~performance funding.~~ \$31,288,200.00, \$30,877,600.00 FOR OPERATIONS
18 AND \$410,600.00 FOR PERFORMANCE FUNDING.

19 (n) The appropriation for Macomb Community College is
20 ~~\$32,816,600.00, \$31,931,200.00 for operations and \$885,400.00 for~~
21 ~~performance funding.~~ \$33,239,500.00, \$32,816,600.00 FOR OPERATIONS
22 AND \$422,900.00 FOR PERFORMANCE FUNDING.

23 (o) The appropriation for Mid Michigan Community College is
24 ~~\$4,682,000.00, \$4,517,900.00 for operations and \$164,100.00 for~~
25 ~~performance funding.~~ \$4,757,700.00, \$4,682,000.00 FOR OPERATIONS AND
26 \$75,700.00 FOR PERFORMANCE FUNDING.

27 (p) The appropriation for Monroe County Community College is

1 ~~\$4,492,900.00, \$4,342,600.00 for operations and \$150,300.00 for~~
2 ~~performance funding.~~ \$4,565,600.00, \$4,492,900.00 FOR OPERATIONS AND
3 \$72,700.00 FOR PERFORMANCE FUNDING.

4 (q) The appropriation for Montcalm Community College is
5 ~~\$3,226,700.00, \$3,121,200.00 for operations and \$105,500.00 for~~
6 ~~performance funding.~~ \$3,280,600.00, \$3,226,700.00 FOR OPERATIONS AND
7 \$53,900.00 FOR PERFORMANCE FUNDING.

8 (r) The appropriation for C.S. Mott Community College is
9 ~~\$15,686,100.00, \$15,247,100.00 for operations and \$439,000.00 for~~
10 ~~performance funding.~~ \$15,901,700.00, \$15,686,100.00 FOR OPERATIONS
11 AND \$215,600.00 FOR PERFORMANCE FUNDING.

12 (s) The appropriation for Muskegon Community College is
13 ~~\$8,901,000.00, \$8,653,500.00 for operations and \$247,500.00 for~~
14 ~~performance funding.~~ \$9,020,700.00, \$8,901,000.00 FOR OPERATIONS AND
15 \$119,700.00 FOR PERFORMANCE FUNDING.

16 (t) The appropriation for North Central Michigan College is
17 ~~\$3,172,400.00, \$3,064,400.00 for operations and \$108,000.00 for~~
18 ~~performance funding.~~ \$3,224,800.00, \$3,172,400.00 FOR OPERATIONS AND
19 \$52,400.00 FOR PERFORMANCE FUNDING.

20 (u) The appropriation for Northwestern Michigan College is
21 ~~\$9,078,800.00, \$8,825,300.00 for operations and \$253,500.00 for~~
22 ~~performance funding.~~ \$9,200,500.00, \$9,078,800.00 FOR OPERATIONS AND
23 \$121,700.00 FOR PERFORMANCE FUNDING.

24 (v) The appropriation for Oakland Community College is
25 ~~\$21,123,300.00, \$20,483,100.00 for operations and \$640,200.00 for~~
26 ~~performance funding.~~ \$21,429,400.00, \$21,123,300.00 FOR OPERATIONS
27 AND \$306,100.00 FOR PERFORMANCE FUNDING.

(w) The appropriation for St. Clair County Community College is ~~\$7,061,600.00, \$6,860,100.00 for operations and \$201,500.00 for performance funding.~~ **\$7,158,000.00, \$7,061,600.00 FOR OPERATIONS AND \$96,400.00 FOR PERFORMANCE FUNDING.**

(x) The appropriation for Schoolcraft College is ~~\$12,513,700.00, \$12,112,200.00 for operations and \$401,500.00 for performance funding.~~ **\$12,706,400.00, \$12,513,700.00 FOR OPERATIONS AND \$192,700.00 FOR PERFORMANCE FUNDING.**

(y) The appropriation for Southwestern Michigan College is ~~\$6,576,400.00, \$6,404,300.00 for operations and \$172,100.00 for performance funding.~~ **\$6,657,600.00, \$6,576,400.00 FOR OPERATIONS AND \$81,200.00 FOR PERFORMANCE FUNDING.**

(z) The appropriation for Washtenaw Community College is ~~\$13,077,300.00, \$12,610,800.00 for operations and \$466,500.00 for performance funding.~~ **\$13,301,100.00, \$13,077,300.00 FOR OPERATIONS AND \$223,800.00 FOR PERFORMANCE FUNDING.**

(aa) The appropriation for Wayne County Community College is ~~\$16,727,600.00, \$16,194,300.00 for operations and \$533,300.00 for performance funding.~~ **\$16,989,800.00, \$16,727,600.00 FOR OPERATIONS AND \$262,200.00 FOR PERFORMANCE FUNDING.**

(bb) The appropriation for West Shore Community College is ~~\$2,414,900.00, \$2,349,800.00 for operations and \$65,100.00 for performance funding.~~ **\$2,446,200.00, \$2,414,900.00 FOR OPERATIONS AND \$31,300.00 FOR PERFORMANCE FUNDING.**

(3) The amount appropriated in subsection (2) for community college operations is ~~\$307,191,300.00, appropriated from the state school aid fund.~~ **APPROPRIATED FROM THE FOLLOWING:**

1 **(A) STATE SCHOOL AID FUND, \$236,181,200.00.**

2 **(B) STATE GENERAL FUND/GENERAL PURPOSE MONEY, \$75,310,800.00.**

3 (4) From the appropriations described in subsection (1),
4 subject to section 207a, the amount appropriated for fiscal year
5 ~~2014-2015-2015-2016~~ to offset certain fiscal year ~~2014-2015-2015-~~
6 **2016** retirement contributions is \$1,733,600.00, appropriated from
7 the state school aid fund.

8 (5) From the appropriations described in subsection (1),
9 subject to section 207b, the amount appropriated for payments to
10 community colleges that are participating entities of the
11 retirement system is ~~\$52,300,000.00, \$69,500,000.00, \$17,200,000.00~~
12 appropriated from the state school aid fund, **AND \$52,300,000.00**
13 **APPROPRIATED FROM GENERAL FUND/GENERAL PURPOSE MONEY.**

14 (6) From the appropriations described in subsection (1),
15 subject to section 207c, the amount appropriated for renaissance
16 zone tax reimbursements is ~~\$3,500,000.00, \$5,100,000.00,~~
17 **\$1,600,000.00** appropriated from the state school aid fund, **AND**
18 **\$3,500,000.00 APPROPRIATED FROM GENERAL FUND/GENERAL PURPOSE MONEY.**

19 Sec. 201a. It is the intent of the legislature to provide
20 appropriations for the fiscal year ending on September 30, ~~2016~~
21 **2017** for the items listed in section 201. The fiscal year ~~2015-2016~~
22 **2016-2017** appropriations are anticipated to be the same as those
23 for fiscal year ~~2014-2015, 2015-2016~~, except that the amounts will
24 be adjusted for changes in retirement costs, caseload and related
25 costs, federal fund match rates, economic factors, and available
26 revenue. These adjustments will be determined after the January
27 ~~2015-2016~~ consensus revenue estimating conference.

1 Sec. 206. The funds appropriated in section 201 are
 2 appropriated for community colleges with fiscal years ending June
 3 30, ~~2015-2016~~ and shall be paid out of the state treasury and
 4 distributed by the state treasurer to the respective community
 5 colleges in 11 monthly installments on the sixteenth of each month,
 6 or the next succeeding business day, beginning with October 16,
 7 ~~2014-2015~~. Each community college shall accrue its July and August
 8 ~~2015-2016~~ payments to its institutional fiscal year ending June 30,
 9 ~~2015-2016~~. However, if the state budget director determines that a
 10 community college failed to submit all verified Michigan community
 11 colleges activities classification structure data for school year
 12 ~~2013-2014-2014-2015~~ to the workforce development agency by November
 13 1, ~~2014-2015~~, or failed to submit its longitudinal data system
 14 data set for school year ~~2013-2014-2014-2015~~ to the center for
 15 educational performance and information under section 219, the
 16 state treasurer shall withhold the monthly installments from that
 17 community college until those data are submitted. The state budget
 18 director shall notify the chairs of the house and senate
 19 appropriations subcommittees on community colleges at least 10 days
 20 before withholding funds from any community college.

21 Sec. 207a. All of the following apply to the allocation of the
 22 **FISCAL YEAR 2015-2016** appropriations described in section 201(4):

23 (a) A community college that receives money under section
 24 201(4) shall use that money solely for the purpose of offsetting a
 25 portion of the retirement contributions owed by the college for ~~the~~
 26 **THAT** fiscal year. ~~ending September 30, 2015.~~

27 (b) The amount allocated to each participating community

1 college under section 201(4) shall be based on each participating
2 college's **PERCENTAGE OF THE** total **COVERED** payroll ~~covered by the~~
3 ~~retirement system covered payroll for all~~ **COMMUNITY COLLEGES THAT**
4 **ARE** participating colleges ~~for fiscal year 2013-2014.~~ **IN THE**
5 **IMMEDIATELY PRECEDING FISCAL YEAR.**

6 Sec. 207b. All of the following apply to the allocation of the
7 **FISCAL YEAR 2015-2016** appropriations described in section 201(5)
8 for payments to community colleges that are participating entities
9 of the retirement system:

10 (a) The amount of a payment under section 201(5) shall be the
11 difference between the unfunded actuarial accrued liability
12 contribution rate as calculated under section 41 of the public
13 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,
14 and the maximum employer rate of 20.96% under section 41 of the
15 public school employees retirement act of 1979, 1980 PA 300, MCL
16 38.1341.

17 (b) The amount allocated to each community college under
18 section 201(5) shall be based on each community college's
19 percentage of the total covered payroll for all community colleges
20 that are participating colleges in the immediately preceding fiscal
21 year. A community college that receives funds under this
22 subdivision shall use the funds solely for the purpose of
23 retirement contributions under section 201(5).

24 (c) Each participating college that receives funds under
25 section 201(5) shall forward an amount equal to the amount
26 allocated under subdivision (b) to the retirement system in a form
27 and manner determined by the retirement system.

1 Sec. 207c. All of the following apply to the allocation of the
2 appropriations described in section 201(6) to community colleges
3 described in section 12(3) of the Michigan renaissance zone act,
4 **1996 PA 376**, MCL 125.2692:

5 (a) The amount allocated to each community college under
6 section 201(6) **FOR FISCAL YEAR 2015-2016** shall be based on that
7 community college's proportion of total revenue lost by community
8 colleges ~~in fiscal year 2013-2014~~ as a result of the exemption of
9 property **TAXES LEVIED IN 2015** under the Michigan renaissance zone
10 act, **1996 PA 376**, MCL 125.2681 TO 125.2696.

11 (b) The appropriations described in section 201(6) shall be
12 made to each eligible community college within 60 days after the
13 department of treasury certifies to the state budget director that
14 it has received all necessary information to properly determine the
15 amounts ~~of tax revenue lost by~~ **PAYABLE TO** each eligible community
16 college ~~in fiscal year 2013-2014~~ under section 12 of the Michigan
17 renaissance zone act, **1996 PA 376**, MCL 125.2692.

18 Sec. 209. (1) Within 30 days after the board of a community
19 college adopts its annual operating budget for the following ~~school~~
20 fiscal year, or after the board adopts a subsequent revision to
21 that budget, the community college shall make all of the following
22 available through a link on its website homepage:

23 (a) The annual operating budget and subsequent budget
24 revisions.

25 (b) A link to the most recent "Activities Classification
26 Structure Data Book and Companion".

27 (c) General fund revenue and expenditure projections for

1 fiscal year ~~2014-2015-2015-2016~~ and fiscal year ~~2015-2016-2016-~~
2 2017.

3 (d) A listing of all debt service obligations, detailed by
4 project, anticipated fiscal year ~~2014-2015-2015-2016~~ payment of
5 each project, and total outstanding debt.

6 (e) The estimated cost to the community college resulting from
7 the patient protection and affordable care act, Public Law 111-148,
8 as amended by the health care and education reconciliation act of
9 2010, Public Law 111-152.

10 (f) Links to all of the following for the community college:

11 (i) The current collective bargaining agreement for each
12 bargaining unit.

13 (ii) Each health care benefits plan, including, but not
14 limited to, medical, dental, vision, disability, long-term care, or
15 any other type of benefits that would constitute health care
16 services, offered to any bargaining unit or employee of the
17 community college.

18 (iii) Audits and financial reports for the most recent fiscal
19 year for which they are available.

20 (iv) A copy of the board of trustees resolution regarding
21 compliance with best practices for the local strategic value
22 component described in section 230(2).

23 (2) For statewide consistency and public visibility, community
24 colleges must use the icon badge provided by the department of
25 technology, management, and budget consistent with the icon badge
26 developed by the department of education for K-12 school districts.
27 It must appear on the front of each community college's homepage.

1 The size of the icon may be reduced to 150 x 150 pixels.

2 (3) The state budget director shall determine whether a
3 community college has complied with this section. The state budget
4 director may withhold a community college's monthly installments
5 described in section 206 until the community college complies with
6 this section. The state budget director shall notify the chairs of
7 the house and senate appropriations subcommittee on community
8 colleges at least 10 days before withholding funds from any
9 community college.

10 (4) Each community college shall report the following
11 information to the senate and house appropriations subcommittees on
12 community colleges, the senate and house fiscal agencies, and the
13 state budget office by November 15 of each fiscal year and post
14 that information on ~~the internet~~ **ITS** website **AS** required under
15 subsection (1):

16 (a) Budgeted fiscal year ~~2014-2015-2015-2016~~ general fund
17 revenue from tuition and fees.

18 (b) Budgeted fiscal year ~~2014-2015-2015-2016~~ general fund
19 revenue from state appropriations.

20 (c) Budgeted fiscal year ~~2014-2015-2015-2016~~ general fund
21 revenue from property taxes.

22 (d) Budgeted fiscal year ~~2014-2015-2015-2016~~ total general
23 fund revenue.

24 (e) Budgeted fiscal year ~~2014-2015-2015-2016~~total general
25 fund expenditures.

26 (5) By November 15 of each year, a community college shall
27 report the following information to the center for educational

1 performance and information and post the information on its website
2 under the budget transparency icon badge:

3 (a) Opportunities for earning college credit through the
4 following programs:

5 (i) State approved career and technical education or a tech
6 prep articulated program of study.

7 (ii) Direct college credit or concurrent enrollment.

8 (iii) Dual enrollment.

9 (iv) An early college/middle college program.

10 (b) For each program described in subdivision (a) that the
11 community college offers, all of the following information:

12 (i) The number of high school students participating in the
13 program.

14 (ii) The number of school districts that participate in the
15 program with the community college.

16 (iii) Whether a college professor, qualified local school
17 district employee, or other individual teaches the course or
18 courses in the program.

19 (iv) The total cost to the community college to operate the
20 program.

21 (v) The cost per credit hour for the course or courses in the
22 program.

23 (vi) The location where the course or courses in the program
24 are held.

25 (vii) Instructional resources offered to the program
26 instructors.

27 (viii) Resources offered to the student in the program.

1 (ix) Transportation services provided to students in the
2 program.

3 Sec. 210. (1) Recognizing the critical importance of education
4 in strengthening Michigan's workforce, ~~the legislature encourages~~
5 each community college **IS ENCOURAGED** to explore ways of increasing
6 collaboration and cooperation with 4-year universities,
7 particularly in the areas related to training, instruction, and
8 program articulation.

9 (2) Recognizing the central role of community colleges in
10 responding to local employment needs and challenges, community
11 colleges shall develop and continue efforts to collaborate with
12 local employers and students to identify local employment needs and
13 strategies to meet them.

14 (3) Community colleges are encouraged to collaborate with each
15 other on innovations to identify and meet local employment needs.

16 (4) Community colleges are encouraged to work with
17 universities to develop equivalency standards of core college
18 courses and identify equivalent courses offered by postsecondary
19 institutions.

20 Sec. 210b. (1) It is the intent of the legislature that the
21 Michigan ~~association of collegiate registrars and admissions~~
22 ~~officers~~ **ASSOCIATION OF COLLEGIATE REGISTRARS AND ADMISSIONS**
23 **OFFICERS** implement any agreement or agreements among the community
24 colleges and universities concerning the transferability of college
25 courses resulting from the recommendations of the committee created
26 under former section 210a.

27 (2) It is the intent of the legislature that the Michigan

1 ~~association of collegiate registrars and admissions officers,~~
 2 **ASSOCIATION OF COLLEGIATE REGISTRARS AND ADMISSIONS OFFICERS**, the
 3 ~~Michigan community college association,~~ **COMMUNITY COLLEGE**
 4 **ASSOCIATION**, and the ~~presidents council, state universities~~
 5 **PRESIDENTS COUNCIL, STATE UNIVERSITIES** of Michigan shall together
 6 submit an implementation update report to the senate and house
 7 appropriations subcommittees on community colleges and higher
 8 education, the senate and house fiscal agencies, and the state
 9 budget director by March 1, ~~2015-2016~~.

10 **SEC. 210C. (1) A STUDY COMMITTEE SHALL BE CREATED TO DEVELOP A**
 11 **PROCESS TO IMPROVE THE TRANSFERABILITY AND APPLICABILITY OF**
 12 **ASSOCIATE OF ARTS AND ASSOCIATE OF SCIENCE DEGREES AS A BLOCK OF**
 13 **CREDITS BETWEEN COMMUNITY COLLEGES AND PUBLIC UNIVERSITIES ON A**
 14 **STATEWIDE BASIS. BUILDING ON THE MICHIGAN TRANSFER NETWORK**
 15 **SPONSORED BY THE MICHIGAN ASSOCIATION OF COLLEGIATE REGISTRARS AND**
 16 **ADMISSIONS OFFICERS AND, WHERE POSSIBLE, EXISTING LOCAL**
 17 **ARTICULATION AGREEMENTS BETWEEN INDIVIDUAL INSTITUTIONS, THE**
 18 **COMMITTEE SHALL WORK TO EXPLORE STANDARDS FOR PROGRAM ARTICULATION**
 19 **BETWEEN INSTITUTIONS SO THAT AN ASSOCIATE OF ARTS OR ASSOCIATE OF**
 20 **SCIENCE DEGREE EARNED AT A COMMUNITY COLLEGE IS CONSIDERED THE**
 21 **EQUIVALENT OF THE FIRST 60 CREDITS OF A BACCALAUREATE DEGREE, AND**
 22 **THOSE CREDITS CAN BE SEAMLESSLY TRANSFERRED AND APPLIED TO THE**
 23 **PROGRAM OF STUDY AT THE RECEIVING UNIVERSITY.**

24 **(2) IT IS THE INTENT OF THE LEGISLATURE THAT THE STUDY**
 25 **COMMITTEE CREATED UNDER SUBSECTION (1) EXPLORE ISSUES RELEVANT TO**
 26 **BLOCK TRANSFER AGREEMENTS, INCLUDING, BUT NOT LIMITED TO, THE**
 27 **SATISFACTION OF ALL LOWER DIVISION GENERAL EDUCATION REQUIREMENTS,**

1 THE APPLICABILITY OF EQUIVALENT COURSES TO THE MAJOR PROGRAM OF
2 STUDY, JUNIOR-LEVEL STANDING AT THE UNIVERSITY FOR TRANSFER
3 STUDENTS, AND THE COMPLETION OF THE BACCALAUREATE DEGREE WITH A
4 LIMIT OF 60 POST-TRANSFER CREDIT HOURS. BECAUSE OF THE
5 LEGISLATURE'S INTEREST IN PROMOTING DEGREE COMPLETION, THE STUDY
6 COMMITTEE SHOULD ALSO CONSIDER INCENTIVES FOR STUDENTS TO COMPLETE
7 BOTH AN ASSOCIATE DEGREE AND A BACCALAUREATE DEGREE.

8 (3) THE STUDY COMMITTEE CREATED UNDER SUBSECTION (1) SHALL
9 CONSIST OF THE FOLLOWING MEMBERS:

10 (A) TEN REPRESENTATIVES FROM COMMUNITY COLLEGES SELECTED BY
11 THE MICHIGAN COMMUNITY COLLEGE ASSOCIATION.

12 (B) TEN REPRESENTATIVES FROM PUBLIC UNIVERSITIES SELECTED BY
13 THE PRESIDENTS COUNCIL, STATE UNIVERSITIES OF MICHIGAN.

14 (C) FOUR MEMBERS OF THE MICHIGAN ASSOCIATION OF COLLEGIATE
15 REGISTRARS AND ADMISSIONS OFFICERS.

16 (D) ONE MEMBER OF THE MICHIGAN HOUSE OF REPRESENTATIVES
17 SELECTED BY THE SPEAKER OF THE HOUSE.

18 (E) ONE MEMBER OF THE MICHIGAN HOUSE OF REPRESENTATIVES
19 SELECTED BY THE MINORITY LEADER OF THE HOUSE.

20 (F) ONE MEMBER OF THE MICHIGAN SENATE SELECTED BY THE SENATE
21 MAJORITY LEADER.

22 (G) ONE MEMBER OF THE MICHIGAN SENATE SELECTED BY THE SENATE
23 MINORITY LEADER.

24 (4) THE STUDY COMMITTEE CREATED UNDER SUBSECTION (1) SHALL
25 SUBMIT A PROJECT STATUS REPORT AND INITIAL RECOMMENDATIONS TO THE
26 SENATE AND HOUSE APPROPRIATIONS SUBCOMMITTEES ON COMMUNITY COLLEGES
27 AND HIGHER EDUCATION, THE SENATE AND HOUSE FISCAL AGENCIES, AND THE

1 STATE BUDGET DIRECTOR BY MARCH 1, 2016.

2 SEC. 210D. COMMUNITY COLLEGES ARE ENCOURAGED TO WORK WITH
3 PUBLIC UNIVERSITIES IN THE STATE TO IMPLEMENT STATEWIDE REVERSE
4 TRANSFER AGREEMENTS TO INCREASE THE NUMBER OF STUDENTS THAT ARE
5 AWARDED CREDENTIALS OF VALUE UPON COMPLETION OF THE NECESSARY
6 CREDITS. THESE STATEWIDE AGREEMENTS SHALL ENABLE STUDENTS WHO HAVE
7 EARNED A SIGNIFICANT NUMBER OF CREDITS AT A COMMUNITY COLLEGE AND
8 TRANSFERRED TO A BACCALAUREATE-GRANTING INSTITUTION BEFORE
9 COMPLETING A DEGREE TO TRANSFER THE CREDITS EARNED AT THE
10 BACCALAUREATE INSTITUTION BACK TO THE COMMUNITY COLLEGE IN ORDER TO
11 BE AWARDED A CREDENTIAL OF VALUE.

12 Sec. 217. (1) The workforce development agency shall do all of
13 the following:

14 (a) Establish, maintain, and coordinate the state community
15 college database commonly known as the "activities classification
16 structure" or "ACS" database.

17 (b) Collect data concerning community colleges and community
18 college programs in this state, including data required by law.

19 (c) Establish procedures to ensure the validity and
20 reliability of the data and the collection process.

21 (d) Develop model data collection policies, including, but not
22 limited to, policies that ensure the privacy of any individual
23 student data. Privacy policies shall ensure that student social
24 security numbers are not released to the public for any purpose.

25 (e) Provide data in a useful manner to allow state
26 policymakers and community college officials to make informed
27 policy decisions.

1 (f) Assist community colleges in complying with audits under
2 this section or federal law.

3 (2) There is created within the workforce development agency
4 the activities classification structure advisory committee. The
5 committee shall provide advice to the director of the workforce
6 development agency regarding the management of the state community
7 college database, including, but not limited to:

8 (a) Determining what data are necessary to collect and
9 maintain to enable state and community college officials to make
10 informed policy decisions.

11 (b) Defining the roles of all stakeholders in the data
12 collection system.

13 (c) Recommending timelines for the implementation and ongoing
14 collection of data.

15 (d) Establishing and maintaining data definitions, data
16 transmission protocols, and system specifications and procedures
17 for the efficient and accurate transmission and collection of data.

18 (e) Establishing and maintaining a process for ensuring the
19 accuracy of the data.

20 (f) Establishing and maintaining policies related to data
21 collection, including, but not limited to, privacy policies related
22 to individual student data.

23 (g) Ensuring that the data are made available to state
24 policymakers and citizens of this state in the most useful format
25 possible.

26 (h) Addressing other matters as determined by the director of
27 the workforce development agency or as required by law.

1 (3) The activities classification structure advisory committee
2 created in subsection (2) shall consist of the following members:

3 (a) One representative from the house fiscal agency, appointed
4 by the director of the house fiscal agency.

5 (b) One representative from the senate fiscal agency,
6 appointed by the director of the senate fiscal agency.

7 (c) One representative from the workforce development agency,
8 appointed by the director of the workforce development agency.

9 (d) One representative from the state budget office, appointed
10 by the state budget director.

11 (e) One representative from the governor's policy office,
12 appointed by that office.

13 (f) Four representatives of the Michigan ~~community colleges~~
14 ~~association, COMMUNITY COLLEGE ASSOCIATION,~~ appointed by the
15 president of the association. From the groupings of community
16 colleges given in table 17 of the activities classification
17 structure ~~report-DATABASE~~ described in subsection ~~(4), (1),~~ the
18 association shall appoint 1 representative each from group 1, group
19 2, and group 3, and 1 representative from either group 3 or 4.

20 ~~—— (4) The activities classification structure advisory committee~~
21 ~~shall review the existing activities classification structure~~
22 ~~report, data, definitions, processes, and other items as needed and~~
23 ~~publish an initial report on their findings and recommendations by~~
24 ~~July 30, 2015. This report shall be submitted to the senate and~~
25 ~~house appropriations subcommittees on community colleges, the~~
26 ~~senate and house fiscal agencies, the director of the workforce~~
27 ~~development agency, the state budget director, and the Michigan~~

1 ~~community colleges association.~~

2 Sec. 222. Each community college shall have an annual audit of
3 all income and expenditures performed by an independent auditor and
4 shall furnish the independent auditor's management letter and an
5 annual audited accounting of all general and current funds income
6 and expenditures including audits of college foundations to the
7 members of the senate and house appropriations subcommittees on
8 community colleges, the senate and house fiscal agencies, the
9 auditor general, the workforce development agency, and the state
10 budget director before November 15 of each year. If a community
11 college fails to furnish the audit materials, the monthly state aid
12 installments shall be withheld from that college until the
13 information is submitted. All reporting shall conform to the
14 requirements set forth in the "2001 Manual for Uniform Financial
15 Reporting, Michigan Public Community Colleges". ~~It is the intent of~~
16 ~~the legislature that a~~ A community college shall make the
17 information the community college is required to provide under this
18 section available to the public on its ~~internet~~ website.

19 Sec. 225. Each community college shall report to the house and
20 senate fiscal agencies, the state budget director, and the
21 workforce development agency by August 31, ~~2014,~~ **2015**, the tuition
22 and mandatory fees paid by a full-time in-district student and a
23 full-time out-of-district student as established by the college
24 governing board for the ~~2014-2015~~ **2015-2016** academic year. This
25 report should also include the annual cost of attendance based on a
26 full-time course load of 30 credits. Each community college shall
27 also report any revisions to the reported ~~2014-2015~~ **2015-2016**

1 academic year tuition and mandatory fees adopted by the college
2 governing board to the house and senate fiscal agencies, the state
3 budget director, and the workforce development agency within 15
4 days of being adopted.

5 Sec. 226. Each community college shall report to the workforce
6 development agency the numbers and type of associate degrees and
7 other certificates awarded during the previous fiscal year. The
8 report shall be made not later than November 15 of each year.

9 **COMMUNITY COLLEGES SHALL WORK WITH THE WORKFORCE DEVELOPMENT AGENCY**
10 **AND THE CENTER FOR EDUCATIONAL PERFORMANCE AND INFORMATION TO**
11 **DEVELOP A SYSTEMATIC APPROACH FOR MEETING THIS REQUIREMENT.**

12 Sec. 229. (1) ~~It is the intent of the legislature that each~~
13 **EACH** community college that receives an appropriation in section
14 201 **IS EXPECTED TO** include in its admission application process a
15 specific question as to whether an applicant for admission has ever
16 served or is currently serving in the United States armed forces or
17 is the spouse or dependent of an individual who has served or is
18 currently serving in the United States armed forces, in order to
19 more quickly identify potential educational assistance available to
20 that applicant.

21 (2) It is ~~the intent of the legislature~~ **EXPECTED** that each
22 public community college that receives an appropriation in section
23 201 shall work with the house and senate community college
24 subcommittees, the Michigan ~~community college association,~~
25 **COMMUNITY COLLEGE ASSOCIATION**, and veterans groups to review the
26 issue of in-district tuition for veterans of this state when
27 determining tuition rates and fees.

(3) As used in this section, "veteran" means an honorably discharged veteran entitled to educational assistance under the provisions of section 5003 of the post-911 veterans educational assistance act of 2008, 38 USC 3301 to ~~3324-3325~~.

Sec. 229a. Included in the fiscal year ~~2014-2015-2015-2016~~ appropriations for the department of technology, management, and budget are appropriations **TOTALING \$29,479,600.00** to provide funding for the state share of costs for previously constructed capital projects for community colleges. Those appropriations for state building authority rent represent additional state general fund support for community colleges, and the following is an estimate of the amount of that support to each community college:

(a) Alpena Community College, ~~\$485,400.00-\$652,700.00~~.

(b) Bay de Noc Community College, ~~\$636,600.00-\$685,900.00~~.

(c) Delta College, ~~\$2,842,800.00-\$3,510,900.00~~.

(d) Glen Oaks Community College, ~~\$123,300.00-\$123,100.00~~.

(e) Gogebic Community College, ~~\$16,900.00-\$67,600.00~~.

(f) Grand Rapids Community College,

~~\$1,792,400.00-\$2,126,000.00~~.

(g) Henry Ford Community College, ~~\$1,030,800.00-\$1,028,500.00~~.

(h) Jackson College, ~~\$1,787,300.00-\$1,677,800.00~~.

(i) Kalamazoo Valley Community College,

~~\$1,471,000.00-\$1,557,700.00~~.

(j) Kellogg Community College, ~~\$521,400.00-\$520,200.00~~.

(k) Kirtland Community College, ~~\$364,000.00-\$363,200.00~~.

(l) Lake Michigan College, ~~\$340,900.00-\$340,200.00~~.

(m) Lansing Community College, ~~\$610,100.00-\$1,282,200.00~~.

1 (n) Macomb Community College, ~~\$1,316,600.00~~ **\$1,377,400.00.**

2 (o) Mid Michigan Community College,

3 ~~\$1,117,300.00~~ **\$1,712,600.00.**

4 (p) Monroe County Community College,

5 ~~\$1,266,500.00~~ **\$1,263,600.00.**

6 (q) Montcalm Community College, ~~\$973,700.00~~ **\$971,500.00.**

7 (r) C.S. Mott Community College, ~~\$1,808,000.00~~ **\$1,803,900.00.**

8 (s) Muskegon Community College, ~~\$198,500.00~~ **\$267,800.00.**

9 (t) North Central Michigan College, ~~\$117,600.00~~ **\$469,400.00.**

10 (u) Northwestern Michigan College,

11 ~~\$1,308,600.00~~ **\$1,305,600.00.**

12 (v) Oakland Community College, ~~\$466,300.00~~ **\$465,200.00.**

13 (w) St. Clair County Community College,

14 ~~\$357,000.00~~ **\$356,200.00.**

15 (x) Schoolcraft College, ~~\$1,550,300.00~~ **\$1,546,700.00.**

16 (y) Southwestern Michigan College, ~~\$231,100.00~~ **\$286,900.00.**

17 (z) Washtenaw Community College, ~~\$1,680,600.00~~ **\$1,676,800.00.**

18 (aa) Wayne County Community College,

19 ~~\$1,466,000.00~~ **\$1,462,700.00.**

20 (bb) West Shore Community College, ~~\$578,600.00~~ **\$577,300.00.**

21 Sec. 230. (1) Money included in the appropriations for

22 community college operations under section 201(2) in fiscal year

23 ~~2014-2015-2015-2016~~ for performance funding is distributed based on

24 the following formula:

25 (a) Allocated proportionate to fiscal year ~~2013-2014-2014-2015~~

26 base appropriations, 50%.

27 (b) Based on contact hour equated students, 10%.

1 (c) Based on administrative costs, 7.5%.

2 (d) Based on a weighted degree formula as provided for in the
3 2006 recommendations of the performance indicators task force,
4 17.5%.

5 (e) Based on the local strategic value component, as developed
6 in cooperation with the Michigan ~~community college association~~
7 **COMMUNITY COLLEGE ASSOCIATION** and described in subsection (2), 15%.

8 (2) Money included in the appropriations for community college
9 operations under section 201(2) for local strategic value shall be
10 allocated to each community college that certifies to the state
11 budget director, through a board of trustees resolution on or
12 before October 15, ~~2014~~, **2015**, that the college has met 4 out of 5
13 best practices listed in each category described in subsection (3).
14 The resolution shall provide specifics as to how the community
15 college meets each best practice measure within each category. One-
16 third of funding available under the strategic value component
17 shall be allocated to each category described in subsection (3).
18 Amounts distributed under local strategic value shall be on a
19 proportionate basis to each college's fiscal year ~~2013-2014-2014-~~
20 **2015** operations funding. Payments to community colleges that
21 qualify for local strategic value funding shall be distributed with
22 the November installment payment described in section 206.

23 (3) For purposes of subsection (2), the following categories
24 of best practices reflect functional activities of community
25 colleges that have strategic value to the local communities and
26 regional economies:

27 (a) For Category A, economic development and business or

1 industry partnerships, the following:

2 (i) The community college has active partnerships with local
3 employers including hospitals and health care providers.

4 (ii) The community college provides customized on-site
5 training for area companies, employees, or both.

6 (iii) The community college supports entrepreneurship through
7 a small business assistance center or other training or consulting
8 activities targeted toward small businesses.

9 (iv) The community college supports technological advancement
10 through industry partnerships, incubation activities, or operation
11 of a Michigan technical education center or other advanced
12 technology center.

13 (v) The community college has active partnerships with local
14 or regional workforce and economic development agencies.

15 (b) For Category B, educational partnerships, the following:

16 (i) The community college has active partnerships with
17 regional high schools, intermediate school districts, and career-
18 tech centers to provide instruction through dual enrollment,
19 concurrent enrollment, direct credit, middle college, or academy
20 programs.

21 (ii) The community college hosts, sponsors, or participates in
22 enrichment programs for area K-12 students, such as college days,
23 summer or after-school programming, or science Olympiad.

24 (iii) The community college provides, supports, or
25 participates in programming to promote successful transitions to
26 college for traditional age students, including grant programs such
27 as talent search, upward bound, or other activities to promote

1 college readiness in area high schools and community centers.

2 (iv) The community college provides, supports, or participates
3 in programming to promote successful transitions to college for new
4 or reentering adult students, such as adult basic education,
5 general education development certificate preparation and testing,
6 or recruiting, advising, or orientation activities specific to
7 adults.

8 (v) The community college has active partnerships with
9 regional 4-year colleges and universities to promote successful
10 transfer, such as articulation, 2+2, or reverse transfer agreements
11 or operation of a university center.

12 (c) For Category C, community services, the following:

13 (i) The community college provides continuing education
14 programming for leisure, wellness, personal enrichment, or
15 professional development.

16 (ii) The community college operates or sponsors opportunities
17 for community members to engage in activities that promote leisure,
18 wellness, cultural or personal enrichment such as community sports
19 teams, theater or musical ensembles, or artist guilds.

20 (iii) The community college operates public facilities to
21 promote cultural, educational, or personal enrichment for community
22 members, such as libraries, computer labs, performing arts centers,
23 museums, art galleries, or television or radio stations.

24 (iv) The community college operates public facilities to
25 promote leisure or wellness activities for community members,
26 including gymnasiums, athletic fields, tennis courts, fitness
27 centers, hiking or biking trails, or natural areas.

1 (v) The community college promotes, sponsors, or hosts
2 community service activities for students, staff, or community
3 members.

4 (4) PAYMENTS FOR PERFORMANCE FUNDING UNDER SECTION 201(2)
5 SHALL BE MADE TO A COMMUNITY COLLEGE ONLY IF THAT COMMUNITY COLLEGE
6 ACTIVELY PARTICIPATES IN THE MICHIGAN TRANSFER NETWORK SPONSORED BY
7 THE MICHIGAN ASSOCIATION OF COLLEGIATE REGISTRARS AND ADMISSIONS
8 OFFICERS AND SUBMITS TIMELY UPDATES, INCLUDING UPDATED COURSE
9 EQUIVALENCIES AT LEAST EVERY 6 MONTHS, TO THE MICHIGAN TRANSFER
10 NETWORK. THE STATE BUDGET DIRECTOR SHALL DETERMINE IF A COMMUNITY
11 COLLEGE HAS NOT SATISFIED THIS REQUIREMENT. THE STATE BUDGET
12 DIRECTOR MAY WITHHOLD PAYMENTS FOR PERFORMANCE FUNDING UNTIL A
13 COMMUNITY COLLEGE IS IN COMPLIANCE WITH THIS SECTION.

14 SEC. 230A. (1) A TASK FORCE SHALL BE FORMED BY OCTOBER 15,
15 2015 TO REVIEW, EVALUATE, DISCUSS, AND MAKE RECOMMENDATIONS
16 REGARDING PERFORMANCE INDICATORS ESTABLISHED UNDER THE AUTHORITY OF
17 SECTION 242 OF 2005 PA 154. THE TASK FORCE SHALL REVIEW WHETHER THE
18 CURRENT METRICS USED ARE THE MOST APPROPRIATE AND RELIABLE
19 PERFORMANCE INDICATORS AVAILABLE AND DETERMINE THE MOST EFFICIENT
20 METHODOLOGY FOR CONNECTING STATE FUNDING TO THOSE INDICATORS.

21 (2) THE TASK FORCE DESCRIBED IN SUBSECTION (1) SHALL CONSIST
22 OF THE FOLLOWING MEMBERS:

23 (A) TWO MEMBERS OF THE MICHIGAN HOUSE OF REPRESENTATIVES. ONE
24 MEMBER SHALL BE DESIGNATED BY THE SPEAKER OF THE HOUSE, AND 1
25 MEMBER SHALL BE DESIGNATED BY THE HOUSE MINORITY LEADER.

26 (B) TWO MEMBERS OF THE MICHIGAN SENATE. ONE MEMBER SHALL BE
27 DESIGNATED BY THE SENATE MAJORITY LEADER, AND 1 MEMBER SHALL BE

1 DESIGNATED BY THE SENATE MINORITY LEADER.

2 (C) ONE REPRESENTATIVE FROM THE DEPARTMENT OF TECHNOLOGY,
3 MANAGEMENT, AND BUDGET, DESIGNATED BY THE STATE BUDGET DIRECTOR.

4 (D) FOUR REPRESENTATIVES OF MICHIGAN PUBLIC COMMUNITY
5 COLLEGES. THE MICHIGAN COMMUNITY COLLEGE ASSOCIATION SHALL
6 DESIGNATE 1 REPRESENTATIVE FROM EACH OF THE 4 GROUPS DESCRIBED IN
7 THE ACTIVITIES CLASSIFICATION STRUCTURE DATA BOOK PUBLISHED BY THE
8 WORKFORCE DEVELOPMENT AGENCY.

9 (3) THE TASK FORCE DESCRIBED IN SUBSECTION (1) SHALL SUBMIT A
10 REPORT CONTAINING ITS FINDINGS AND RECOMMENDATIONS TO THE HOUSE AND
11 SENATE APPROPRIATIONS SUBCOMMITTEES ON COMMUNITY COLLEGES, THE
12 HOUSE AND SENATE FISCAL AGENCIES, AND THE STATE BUDGET DIRECTOR BY
13 JANUARY 15, 2016.

14 Enacting section 1. In accordance with section 30 of article
15 IX of the state constitution of 1963, total state spending from
16 state sources for community colleges for fiscal year 2015-2016
17 under article II of the state school aid act of 1979, 1979 PA 94,
18 MCL 388.1801 to 388.1830, as amended by this amendatory act, is
19 estimated at \$387,825,600.00 and the amount of that state spending
20 from state sources to be paid to local units of government for
21 fiscal year 2015-2016 is estimated at \$387,825,600.00.

22 Enacting section 2. Section 213 of the state school aid act of
23 1979, 1979 PA 94, MCL 388.1813, is repealed effective October 1,
24 2015.

25 Enacting section 3. This amendatory act takes effect October
26 1, 2015.