

SUBSTITUTE FOR  
SENATE BILL NO. 1100

A bill to make appropriations for community colleges and certain state purposes related to education for the fiscal year ending September 30, 2003; 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:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. Subject to the conditions set forth in this act, the

4 amounts listed in this part are appropriated for community colleges and

5 certain other state purposes relating to education for the fiscal year

6 ending September 30, 2003, from the funds indicated in this part. The

7 following is a summary of the appropriations in this part:

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

2

For Fiscal Year Ending  
September 30, 2003

<b>1</b>	<b><u>COMMUNITY COLLEGES</u></b>		
<b>2</b>	GROSS APPROPRIATION.....	\$	321,732,319
<b>3</b>	Total interdepartmental grants and intradepartmental		
<b>4</b>	transfers.....		0
<b>5</b>	ADJUSTED GROSS APPROPRIATION.....	\$	321,732,319
<b>6</b>	Total federal revenues.....		0
<b>7</b>	Total local revenues.....		0
<b>8</b>	Total private revenues.....		0
<b>9</b>	Total state restricted revenues.....		2,000,000
<b>10</b>	State general fund/general purpose.....	\$	319,732,319
<b>11</b>	<b>Sec. 102. OPERATIONS</b>		
<b>12</b>	Alpena Community College.....	\$	5,311,973
<b>13</b>	Bay de Noc Community College.....		5,129,944
<b>14</b>	Delta College.....		14,813,864
<b>15</b>	Glen Oaks Community College.....		2,485,512
<b>16</b>	Gogebic Community College.....		4,365,123
<b>17</b>	Grand Rapids Community College.....		18,633,380
<b>18</b>	Henry Ford Community College.....		22,708,494
<b>19</b>	Jackson Community College.....		12,570,441
<b>20</b>	Kalamazoo Valley Community College.....		12,825,971
<b>21</b>	Kellogg Community College.....		10,076,975
<b>22</b>	Kirtland Community College.....		3,058,415
<b>23</b>	Lake Michigan College.....		5,423,461
<b>24</b>	Lansing Community College.....		32,223,042
<b>25</b>	Macomb Community College.....		34,381,003
<b>26</b>	Mid Michigan Community College.....		4,586,420

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

3

For Fiscal Year Ending  
September 30, 2003

1	Monroe County Community College.....	4,462,223
2	Montcalm Community College.....	3,227,530
3	C.S. Mott Community College.....	16,291,459
4	Muskegon Community College.....	9,271,134
5	North Central Michigan College.....	3,140,212
6	Northwestern Michigan College.....	9,460,166
7	Oakland Community College.....	21,687,988
8	St. Clair County Community College.....	7,264,610
9	Schoolcraft College.....	12,728,740
10	Southwestern Michigan College.....	6,832,843
11	Washtenaw Community College.....	12,937,228
12	Wayne County Community College.....	17,223,721
13	West Shore Community College.....	<u>2,382,344</u>
14	GROSS APPROPRIATION..... \$	315,504,216
15	Appropriated from:	
16	State general fund/general purpose..... \$	315,504,216
17	<b>Sec. 103. GRANTS</b>	
18	At-risk student success program..... \$	3,692,103
19	Renaissance zone tax reimbursement funding.....	<u>536,000</u>
20	GROSS APPROPRIATION..... \$	4,228,103
21	Appropriated from:	
22	State general fund/general purpose..... \$	4,228,103
23	<b>Sec. 104. FINANCIAL AID</b>	
24	Postsecondary access student scholarship program..... \$	<u>2,000,000</u>
25	GROSS APPROPRIATION..... \$	2,000,000
26	Appropriated from:	

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

4

For Fiscal Year Ending  
September 30, 2003

1 Special revenue funds:

2 Michigan merit award trust fund..... 2,000,000

3 State general fund/general purpose..... \$ 0

4

5

6 PART 2

7 PROVISIONS CONCERNING APPROPRIATIONS

8 **GENERAL SECTIONS**

9 Sec. 201. Pursuant to section 30 of article IX of the state consti-  
10 tution of 1963, total state spending from state resources under part 1  
11 for fiscal year 2002-2003 is \$321,732,319.00 and state spending from  
12 state resources to be paid to local units of government for fiscal year  
13 2002-2003 is \$319,732,319.00. The itemized statement below identifies  
14 appropriations from which spending to local units of government will  
15 occur:

16 Operations..... \$ 315,504,216

17 At-risk student success program..... 3,692,103

18 Renaissance zone tax reimbursement program..... 536,000

19 TOTAL..... \$ 319,732,319

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

22 Sec. 208. Unless otherwise specified, the department of career  
23 development shall use the Internet to fulfill the reporting requirements  
24 of this act. This may include transmission of reports via electronic  
25 mail to the recipients identified for each reporting requirement or it  
26 may include placement of reports on the Internet or legislative Intranet  
27 site. The senate and house appropriations subcommittees and senate and

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

5

1 house fiscal agencies shall be notified in writing of the Internet or  
2 Intranet site of any such report. Quarterly, the department of career  
3 development shall provide to each member of the senate and house appro-  
4 priations subcommittees, the senate and house fiscal agencies, and the  
5 state budget office both an electronic and paper copy listing of the  
6 reports submitted during the most recent 3-month period, along with each  
7 report's Internet or Intranet site, if any.

8       Sec. 209. Funds appropriated in part 1 should not be used for the  
9 purchase of foreign goods or services, or both, if American goods or  
10 services, or both, that are competitively priced and of comparable qual-  
11 ity are available. Preference should be given to goods or services, or  
12 both, manufactured or provided by Michigan businesses if they are compet-  
13 itively priced and of comparable value.

14       Sec. 210. The principal executive officer of each community college  
15 receiving appropriations in part 1 shall take all reasonable steps to  
16 ensure businesses in deprived and depressed communities compete for and  
17 perform contracts to provide services or supplies, or both. Each princi-  
18 pal executive officer shall strongly encourage firms with which the com-  
19 munity college contracts to subcontract with certified businesses in  
20 depressed and deprived communities for services or supplies, or both.

21       Sec. 211. (1) The money appropriated in this act is appropriated  
22 for community colleges with fiscal years ending June 30, 2003, and shall  
23 be paid out of the state treasury and distributed by the state treasurer  
24 to the respective community colleges in 11 monthly installments on the  
25 sixteenth of each month, or the next succeeding business day, beginning  
26 with October 16, 2002. Each community college shall accrue its July and  
27 August 2003 payments to its institutional fiscal year ending June 30,

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

6

1 2003. However, if a community college fails to submit all verified  
2 Michigan community colleges activities classification structure data for  
3 school year 2001-2002 to the department of career development by  
4 November 1, 2002, the monthly installments shall be withheld from that  
5 community college until those data are submitted. The department of  
6 career development shall publish the activities classification structure  
7 data book for Michigan community colleges on or before March 1, 2003, for  
8 use by the legislature during budget development for the fiscal year  
9 ending September 30, 2004. The amount from the money appropriated in  
10 part 1 that is allocated under section 103 to address the special needs  
11 of at-risk students shall be paid in full by the state treasurer by  
12 November 1, 2002. The amount distributed to a community college or  
13 department shall not exceed the net state allocation authorized by this  
14 act.

15 (2) Except as otherwise provided by law, each of the amounts appro-  
16 priated shall be used solely for the respective purposes stated in this  
17 act. The money appropriated by this act may be used to match the cost of  
18 any available programs under the Carl D. Perkins vocational and applied  
19 technology education act, Public Law 88-210, 98 Stat. 2435, including  
20 local administration.

21 Sec. 212. (1) The auditor general or an independent public account-  
22 ing firm appointed by the auditor general shall audit data for the fiscal  
23 year ending on June 30, 2002, as submitted to the department of career  
24 development by 7 randomly selected community colleges. A community col-  
25 lege shall maintain and provide those records necessary for the auditor  
26 general or certified public accountant appointed by the auditor general  
27 to determine the accuracy of the reported data. The audits shall be

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

7

1 based upon the definitions and requirements contained in the Manual for  
2 Uniform Financial Reporting, Michigan Public Community Colleges, pub-  
3 lished by the Michigan department of career development in 2001, and the  
4 Activities Classification Structure Manual for Michigan Community  
5 Colleges, 1996 revision of the final report of the activities classifica-  
6 tion structure task force (July 1981), published by the department of  
7 education. Before the submission of a final audit report, a community  
8 college may appeal the findings of the preliminary report under an appeal  
9 process to be established by the auditor general. The auditor general  
10 shall submit a report of the findings to the house and senate appropria-  
11 tions committees, the department of career development, and the state  
12 budget director before June 1, 2003.

13 (2) The auditor general or a certified public accountant appointed  
14 by the auditor general shall conduct not less than 3 performance audits  
15 of community colleges but may conduct more if the auditor general consid-  
16 ers it necessary.

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

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

8

1       (4) A community college whose audited activities classification  
2 structure data is significantly different than the data used to determine  
3 state aid under this act shall return any overappropriated money as pro-  
4 vided in this subsection. The department of career development shall  
5 compare formula computations for the audited colleges using pre- and  
6 post-audit data. If the state allocation is 2% or more than the  
7 post-audit allocation amount, the college shall return the excess money.  
8 The returned money shall be redistributed to all 28 community colleges,  
9 prorated on the base appropriations contained in part 1.

10       Sec. 213. The department of career development shall review the  
11 taxonomy of the 7 community colleges selected for the audit under  
12 section 212 that is based on the Activities Classification Structure  
13 Manual for Michigan Community Colleges, 1996 revision of the final report  
14 of the activities classification structure task force (July 1981), pub-  
15 lished by the department of education.

16       Sec. 214. (1) A community college shall retain certified class sum-  
17 maries, class lists, registration documents, and student transcripts that  
18 are consistent with the taxonomy of courses. For each enrollment period  
19 during the fiscal year, these certified documents shall identify clearly  
20 by course the number of in-district and out-of-district student credit  
21 and contact hours. The class summaries and class lists shall be consis-  
22 tent with each other and shall include the course prefix and numbers,  
23 course title, course credit and contact hours, credit and contact hours  
24 generated by each student, and activity classifications consistent with  
25 the taxonomy. An auditable process shall be used by the community col-  
26 lege to determine the unduplicated head count for in-district students,



**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

9

1 out-of-district students, and prisoners for each enrollment period during  
2 the fiscal year.

3 (2) Contracts between the community college and agencies that reim-  
4 burse the community college for the costs of instruction shall be  
5 retained for audit purposes.

6 Sec. 215. Each community college shall have an annual audit of all  
7 income and expenditures performed by an independent auditor and shall  
8 furnish the independent auditor's management letter and an annual audited  
9 accounting of all general and current funds income and expenditures  
10 including audits of college foundations to the legislature, the senate  
11 and house fiscal agencies, the auditor general, the department of career  
12 development, and the state budget director before November 15, 2002. If  
13 a community college fails to furnish the audit materials, the monthly  
14 state aid installments shall be withheld from that college until the  
15 information is submitted. All reporting shall conform to the require-  
16 ments set forth in the Manual for Uniform Financial Reporting, Michigan  
17 Public Community Colleges, published by the Michigan department of career  
18 development in 2001.

19 Sec. 216. (1) A community college shall pay the employer's contri-  
20 butions to the Michigan public school employees' retirement system cre-  
21 ated by the public school employees retirement act of 1979, 1980 PA 300,  
22 MCL 38.1301 to 38.1408, as a condition of receiving money appropriated  
23 under this act.

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

26 Sec. 217. An appropriation contained in this act shall not be used  
27 for the construction of buildings for, or operations of, a community

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

10

1 college not expressly authorized in part 1. Money appropriated in part 1  
2 shall not be used to pay for the construction or maintenance of a  
3 self-liquidating project.

4 Sec. 218. The department of career development shall ensure that a  
5 statistical report for minorities and women employees for the most recent  
6 school year, as submitted to the federal government, be included in the  
7 Michigan Community Colleges Enrollment Profile published by the depart-  
8 ment of career development. Also included in this profile shall be a  
9 statistical report for the most recent school year that includes enroll-  
10 ment statistics for minorities and women from the current year as submit-  
11 ted to the department of career development. The department of career  
12 development shall distribute a copy of this report to the state budget  
13 director and to members of the house and senate appropriations subcommit-  
14 tees on community colleges and the house and senate fiscal agencies no  
15 later than March 1, 2003.

16 Sec. 219. The department of treasury shall annually collect and  
17 compile data on the tax revenue losses to community colleges resulting  
18 from tax increment financing authorities (TIFA) and tax abatements. The  
19 department of treasury shall produce a report detailing the data. The  
20 report shall be completed and presented to the house and senate appropri-  
21 ations subcommittees on community colleges, the department of career  
22 development, and the department of management and budget not later than  
23 February 15, 2003. The report shall include, but is not limited to, the  
24 following:

25 (a) Estimated revenue losses for each community college for the cal-  
26 endar year 2002.

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

11

1 (b) Confirmed revenue losses for each community college for the  
2 calendar years 2000 and 2001.

3 (c) Other requirements requested by the house and senate appropria-  
4 tions subcommittees on community colleges.

5 Sec. 221. (1) Each community college shall report the following to  
6 the department of career development, no later than November 1, 2002:

7 (a) The number of North American Indian students enrolled each term  
8 for the previous fiscal year, using guidelines and procedures developed  
9 by the department of career development and the Michigan commission on  
10 Indian affairs.

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

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

17 (3) The department of career development shall compile the informa-  
18 tion received under subsection (1) and shall submit this compilation to  
19 the house and senate appropriations subcommittees on community colleges,  
20 the senate and house fiscal agencies, and the state budget director by  
21 January 7, 2003.

22 Sec. 222. From the general fund/general purpose appropriation in  
23 part 1 for renaissance zone reimbursement funding, there is allocated  
24 \$536,000.00 to make reimbursement to community colleges, as provided by  
25 section 12 of the Michigan renaissance zone act, 1996 PA 376,  
26 MCL 125.2692, for property taxes levied in 2002. Reimbursements shall be  
27 made in amounts to each eligible recipient no later than 60 days after

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

12

1 the department of treasury certifies to the state budget director that it  
2 has received all necessary information to properly determine the amounts  
3 due each eligible recipient under section 12 of the Michigan renaissance  
4 zone act, 1996 PA 376, MCL 125.2692. Excess allocations lapse to the  
5 general fund.

6 Sec. 223. (1) Upon request, a community college shall inform inter-  
7 ested Michigan high schools of the aggregate academic status of its stu-  
8 dents for the fiscal year beginning October 1, 2002, in a manner pre-  
9 scribed by the Michigan community college association and in cooperation  
10 with the Michigan association of secondary school principals.

11 (2) Each community college shall report by December 1, 2002, to the  
12 department of career development, a summary of the information provided  
13 under subsection (1) for the prior academic year.

14 (3) The department of career development shall compile the informa-  
15 tion received under subsection (2) and shall submit this compilation to  
16 the house and senate appropriations subcommittees on community colleges,  
17 the house and senate fiscal agencies, and the state budget director by  
18 February 1, 2002.

19 Sec. 224. (1) Recognizing the critical importance of education in  
20 strengthening Michigan's workforce, the legislature encourages the  
21 state's public community colleges to explore ways of increasing collabo-  
22 ration and cooperation with 4-year universities, particularly in the  
23 areas related to training, instruction, and program articulation.

24 (2) Community colleges shall report by December 1, 2002 to the  
25 department of career development on steps they have taken to increase  
26 collaboration and cooperation with 4-year universities under  
27 subsection (1).

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

13

1       (3) The department of career development shall compile the  
2 information received under subsection (2) and shall submit this compila-  
3 tion to the house and senate appropriations subcommittees on community  
4 colleges and the senate and house fiscal agencies by January 7, 2003.

5       Sec. 225. The legislature intends that all citizens of this state  
6 have geographic and programmatic access to quality comprehensive commu-  
7 nity college services. The legislature and the Michigan community col-  
8 lege association shall continue to review and analyze the recommendations  
9 made by the co-terminus task force to assure geographic and programmatic  
10 access to quality and comprehensive community college services. The leg-  
11 islature recognizes that as of January 1, 2002, there were also public  
12 universities that provide quality comprehensive community college serv-  
13 ices for citizens of this state who are not served by a community college  
14 district.

15       Sec. 226. Each community college shall report to the house and  
16 senate fiscal agencies, the state budget director, and the department of  
17 career development a modification in credit or contact hour tuition or  
18 mandatory non-course-related student fees not later than 30 days after  
19 the modification is established by the college governing board.

20       Sec. 227. (1) Each community college shall report to the department  
21 of career development the numbers and type of associate degrees and other  
22 certificates awarded during the previous fiscal year. The report shall  
23 be made not later than November 15, 2002.

24       (2) The department of career development shall compile the informa-  
25 tion received under subsection (1) and shall submit this compilation to  
26 the house and senate appropriations subcommittees on community colleges,

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

14

1 the senate and house fiscal agencies, and the state budget director by  
2 January 7, 2003.

3 Sec. 228. The legislature intends to achieve full funding of the  
4 Gast-Mathieu fairness in funding formula.

5 Sec. 229. A community college receiving funding under this act and  
6 also subject to the student right-to-know and campus security act, Public  
7 Law 101-542, 104 Stat. 2381, shall make a copy of all material prepared  
8 in accordance with the public information reporting requirements under  
9 the crime awareness and campus security act of 1990, title II of the stu-  
10 dent right-to-know and campus security act, Public Law 101-542, 104  
11 Stat. 2384, available in hard copy and electronic format accessible  
12 through the Internet for school districts, parents, and students.

13 Sec. 230. (1) A community college shall not expend money appropri-  
14 ated under this act to provide health care coverage for community college  
15 employees or their dependents for abortion services, other than for spon-  
16 taneous abortion or to prevent the death of the woman upon whom the abor-  
17 tion is performed. A community college shall not approve a collective  
18 bargaining agreement or enter into any other employment contract that  
19 includes health care coverage for abortion services other than spontane-  
20 ous abortion or to prevent the death of the woman upon whom the abortion  
21 is performed.

22 (2) If a community college expends money appropriated under this act  
23 in violation of subsection (1), the community college shall repay to this  
24 state an amount equal to the amount of money spent in violation of  
25 subsection (1).

26 Sec. 231. In light of sections 1, 3, and 4 of 1846 RS 83,  
27 MCL 551.1, 551.3, and 551.4, and section 1 of 1939 PA 168, MCL 551.271,

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

15

1 the legislature intends that a community college receiving funding under  
2 this act shall not use part 1 money to extend employee benefits to the  
3 unmarried partners of the community college's employees except for pre-  
4 and post-natal costs.

5 Sec. 233. Community colleges that include prescription drugs and  
6 medications as a covered health benefit for adults are encouraged to  
7 ensure that payment for preventative contraceptives are included in the  
8 insurance plan.

9 Sec. 234. The legislature intends that each community college do  
10 all of the following:

11 (a) Undertake active measures to promote equal opportunities, elimi-  
12 nate discrimination, and foster a diverse student body and administration  
13 among all people including, but not limited to, women, minorities,  
14 seniors, veterans, and people with disabilities.

15 (b) Review, analyze, and eradicate activities that may tend to  
16 discriminate.

17 **STATE AID - OPERATIONS**

18 Sec. 301. Unless otherwise stated, all data items used in determin-  
19 ing state aid in this act are as defined in the Manual for Uniform  
20 Financial Reporting, Michigan Public Community Colleges, published by the  
21 Michigan department of career development in 2001, which shall be the  
22 basis for reporting data, and the Activities Classification Structure  
23 Manual for Michigan Community Colleges, 1996 revision of the final report  
24 of the activities classification structure task force (July 1981),  
25 published by the department of education, which shall be used to document

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

16

1 financial needs of the community colleges, as amended by the department  
2 of career development.

3       Sec. 302. A community college shall not include in the enrollment  
4 data reported for determining state aid under this act any student credit  
5 hours or student contact hours for a student incarcerated in a Michigan  
6 penal institution. Exclusion of these students is intended to avoid the  
7 payment of state aid under this act for the same individuals for whom  
8 reimbursement is provided by the state correctional system.

9 **GRANTS**

10       Sec. 401. (1) The community college at-risk student success program  
11 is continued. The funding shall be prorated among community colleges  
12 based on the number of student contact hours for developmental and prepa-  
13 ratory instruction reported by each community college to the department  
14 of career development for use in the Activities Classification Structure  
15 Manual for Michigan Community Colleges, 1996 revision of the final report  
16 of the activities classification structure task force (July 1981), pub-  
17 lished by the department of education. Of the amount appropriated in  
18 part 1 for the at-risk student success program, \$1,120,000.00 is allo-  
19 cated for base grants of \$40,000.00 each, to address the special needs of  
20 at-risk students at community colleges or the acquisition or upgrade of  
21 technology related equipment and software.

22       (2) Of the amount appropriated in part 1 for the at-risk student  
23 success program, the balance of the appropriated money shall be distrib-  
24 uted on a proration utilizing the sum of the most recent 3 years  
25 developmental/preparatory contact hours divided by the sum of the 3-year



**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

17

1 total contact hours at each college. Each community college's percentage  
2 shall be divided by the sum of all the percentages systemwide to obtain  
3 each community college's prorated grant amount.

4 (3) For the fiscal year ending September 30, 2003, the at-risk stu-  
5 dent success program money is allocated as follows:

6	Alpena Community College.....	\$	85,654
7	Bay de Noc Community College.....		93,194
8	Delta College.....		109,215
9	Glen Oaks Community College.....		138,528
10	Gogebic Community College.....		78,171
11	Grand Rapids Community College.....		88,959
12	Henry Ford Community College.....		163,814
13	Jackson Community College.....		113,121
14	Kalamazoo Valley Community College.....		116,085
15	Kellogg Community College.....		156,823
16	Kirtland Community College.....		169,343
17	Lake Michigan College.....		186,759
18	Lansing Community College.....		162,796
19	Macomb Community College.....		92,395
20	Mid Michigan Community College.....		138,950
21	Monroe County Community College.....		99,550
22	Montcalm Community College.....		69,465
23	Mott Community College.....		111,102
24	Muskegon Community College.....		209,919
25	North Central Michigan College.....		156,702
26	Northwestern Michigan College.....		129,025

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

18

1	Oakland Community College.....	157,358
2	St. Clair Community College.....	88,500
3	Schoolcraft College.....	152,307
4	Southwestern Michigan College.....	180,889
5	Washtenaw Community College.....	170,388
6	Wayne County Community College.....	142,398
7	West Shore Community College.....	130,693

8       (4) As used in this act, "at-risk students" means students who meet  
9 1 or more of the following criteria:

10       (a) Are initially placed in 1 or more developmental courses as a  
11 result of standardized testing or as a result of failure to make satis-  
12 factory academic progress.

13       (b) Are diagnosed as learning disabled.

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

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

23       (6) Grant funding under this section shall not be used for indirect  
24 costs including, but not limited to, rent, utilities, or, except as pro-  
25 vided in this section, college administration.

26       (7) Each community college shall report to the department of career  
27 development a summary of all accomplishments under, expenditures for, and

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

19

1 compliance with the intent of this program, including the number of  
2 at-risk students served. The report is subject to audit as provided for  
3 in section 212(1). The report shall be submitted not later than 90 days  
4 after the end of the state's fiscal year. The department of career  
5 development shall compile the information received under this subsection  
6 and shall submit this compilation to the house and senate appropriations  
7 subcommittees on community colleges, the senate and house fiscal agen-  
8 cies, and the state budget director by 120 days after the end of the  
9 state's fiscal year.

10 (8) Each community college receiving grant money under this section  
11 shall, not more than 12 months after receipt of that money, certify to  
12 the state treasurer, the state budget director, the house and senate  
13 fiscal agencies, and the auditor general whether all the grant money is  
14 expended or encumbered.

15 Sec. 402. The legislature intends that any executive or legislative  
16 proposal or action, subsequent to the adoption of a recommendation for  
17 appropriations for community colleges for the fiscal year ending  
18 September 30, 2003, to increase appropriations to state-supported 4-year  
19 universities in excess of the governor's original recommendation for the  
20 fiscal year ending September 30, 2003, will be accompanied by a similar  
21 action or proposal for state-supported community colleges.

22 Sec. 403. The legislature intends that not less than 70% of the  
23 economic development job training grant money be awarded to community  
24 colleges or a consortium of community colleges and other eligible appli-  
25 cants as provided in the budget that appropriated the economic develop-  
26 ment job training grant money. Further, the legislature intends that at  
27 least a portion of the total appropriation for economic development job

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

20

1 training grants be awarded to community colleges that offer certified  
2 programs that are bureau of apprenticeship training certified. The  
3 Michigan economic development corporation shall report by November 1 of  
4 each year to the house and senate appropriations subcommittees on commu-  
5 nity colleges and the senate and house fiscal agencies the names of the  
6 community colleges awarded grant money under this section, the amount of  
7 the grants awarded, and the percentage awarded to bureau of apprentice-  
8 ship training certified programs.

9       Sec. 404. (1) The Michigan postsecondary access student scholarship  
10 (PASS) program is established to provide a PASS award as calculated under  
11 this section for a student who is eligible under subsection (2), (3), or  
12 (4). The Michigan higher education assistance authority (MHEAA) shall  
13 administer the PASS program, for which there is \$2,000,000.00 appropri-  
14 ated in part 1, and the PASS program shall comply with the requirements  
15 of this section.

16       (2) A student is eligible for a PASS award for the equivalent of  
17 2 years of full-time college enrollment if the student meets all of the  
18 following:

19       (a) The student must be a Michigan resident enrolled in a program  
20 leading to an associate degree that was in existence as of January 1,  
21 2000, at a Michigan public community college, Michigan public university,  
22 or Michigan independent nonprofit, degree-granting college or  
23 university.

24       (b) The student must be enrolled at least half-time.

25       (c) The student must have scored at level 1 or level 2 on the high  
26 school Michigan education assessment program (MEAP) tests in reading,  
27 writing, mathematics, and science.

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

21

1 (d) The student must be eligible for a federal Pell grant.

2 (e) Other requirements established by the MHEAA.

3 (3) A student who meets all the requirements of subsection (2),  
4 other than subsection (2)(c), but has taken the high school MEAP tests in  
5 reading, writing, mathematics, and science while in high school shall  
6 receive a PASS award for 1 year of college enrollment. If the student  
7 maintains satisfactory academic progress in that first year of college  
8 enrollment, the student shall receive a PASS award for a second year of  
9 college enrollment.

10 (4) A student who meets all the requirements of subsection (2),  
11 other than subsection (2)(c), shall receive a maximum \$500.00 PASS award,  
12 not to exceed tuition and fees, for the second year of college  
13 enrollment. A student may qualify under this section whether or not the  
14 student took any of the high school MEAP tests.

15 (5) PASS award eligibility is limited to 2 semesters or 3 terms in  
16 any academic year.

17 (6) A PASS award for a student eligible under subsection (2), (3),  
18 or (4) shall be calculated by the MHEAA as the amount remaining after  
19 subtracting from the value of the student's allowable tuition and fees,  
20 as prescribed in subsection (8), all of the following state and federal  
21 financial educational assistance for which that student is eligible:

22 (a) Michigan competitive scholarship.

23 (b) Michigan tuition grant.

24 (c) Pell grant.

25 (d) Federal hope scholarship tax credit.

26 (7) Each higher education institution shall prepare and utilize a  
27 tax credit table, or shall notify the MHEAA that the institution chooses

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

22

1 to have the MHEAA utilize the department of treasury's tax credit table,  
2 to impute an amount under subsection (6) for the federal hope scholarship  
3 tax credit.

4 (8) The value of a student's allowable tuition and fees is as  
5 follows:

6 (a) For a student enrolled at a Michigan community college, the  
7 value of allowable tuition and fees is the in-district tuition and fees.  
8 For a student who does not reside within a community college district,  
9 the value of allowable tuition and fees is the out-of-district tuition  
10 and fees for the community college that the student is attending.

11 (b) For a student enrolled at a Michigan public university, the  
12 value of allowable tuition and fees is 125% of the highest in-district  
13 tuition and fees for community colleges for the immediately preceding  
14 academic year as reported before August 1 after that academic year.

15 (c) For a student enrolled at a Michigan independent, nonprofit,  
16 degree-granting college or university, the value of allowable tuition and  
17 fees is 125% of the highest in-district tuition and fees for community  
18 colleges for the immediately preceding academic year as reported before  
19 August 1 after that academic year.

20 (9) The MHEAA shall remit an eligible student's PASS award to a  
21 higher education institution in accordance with procedures established by  
22 the MHEAA.

23 (10) The PASS award may be utilized by the student to pay costs of  
24 attendance as determined by the MHEAA.

25 (11) The PASS program shall not be applied for a student's theology  
26 or divinity courses.

**SB 1100, As Passed Senate, February 26, 2002**

Senate Bill No. 1100

23

1       (12) The MHEAA shall develop an application and eligibility  
2       determination process that ensures that all of the requirements  
3       prescribed by this section are met.

4       (13) Students who are expected to receive a tuition incentive pro-  
5       gram scholarship are not eligible for the PASS program.

6       (14) The MHEAA shall submit to the senate and house appropriations  
7       subcommittees on community colleges, the house and senate fiscal agen-  
8       cies, and the department of management and budget by March 1, 2003, a  
9       comprehensive report on the PASS program from December 31, 2001 to  
10      February 1, 2003, including, but not limited to:

11       (a) Number of PASS program recipients by college.

12       (b) Average PASS award per student, including minimum and maximum,  
13      by college.

14       (c) Total PASS program expenditures.

15       (15) The department of treasury shall advertise the PASS program on  
16      the Michigan higher education assistance authority website.