

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 1062

A bill to make appropriations for community colleges and certain state purposes related to education for the fiscal year ending September 30, 2004 and for the fiscal year ending September 30, 2005; to provide for the expenditure of those appropriations; to establish or continue certain funds, programs, and categories; prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

PART 1

2

LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2004-2005

3

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

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amounts listed in this part are appropriated for community colleges

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and certain other state purposes relating to education for the fiscal

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year ending September 30, 2005, from the funds indicated in this

1 part. The following is a summary of the appropriations in this part:

2 **COMMUNITY COLLEGES**

3 APPROPRIATION SUMMARY:

4	GROSS APPROPRIATION.....	\$	285,752,800
5	Interdepartmental grant revenues:		
6	Total interdepartmental grants and intradepartmental		
7	transfers.....		0
8	ADJUSTED GROSS APPROPRIATION.....	\$	285,752,800
9	Total federal revenues.....		0
10	Total local revenues.....		0
11	Total private revenues.....		0
12	Total other state restricted revenues.....		0
13	State general fund/general purpose.....	\$	285,752,800
14	<b>Sec. 102. OPERATIONS</b>		
15	Alpena Community College.....	\$	4,566,800
16	Bay de Noc Community College.....		4,415,200
17	Delta College.....		12,348,200
18	Glen Oaks Community College.....		2,071,800
19	Gogebic Community College.....		3,777,500
20	Grand Rapids Community College.....		15,531,900
21	Henry Ford Community College.....		18,928,700
22	Jackson Community College.....		10,478,100
23	Kalamazoo Valley Community College.....		10,691,100
24	Kellogg Community College.....		8,399,700
25	Kirtland Community College.....		2,549,400
26	Lake Michigan College.....		4,520,800
27	Lansing Community College.....		26,859,600

1	Macomb Community College.....	28,658,400
2	Mid Michigan Community College.....	3,823,100
3	Monroe County Community College.....	3,719,500
4	Montcalm Community College.....	2,690,500
5	C.S. Mott Community College.....	13,579,700
6	Muskegon Community College.....	7,728,000
7	North Central Michigan College.....	2,617,600
8	Northwestern Michigan College.....	7,885,700
9	Oakland Community College.....	18,078,000
10	St. Clair County Community College.....	6,055,500
11	Schoolcraft College.....	10,610,100
12	Southwestern Michigan College.....	5,695,600
13	Washtenaw Community College.....	10,783,800
14	Wayne County Community College.....	13,940,100
15	West Shore Community College.....	<u>1,985,900</u>
16	GROSS APPROPRIATION.....	\$ 262,990,300
17	Appropriated from:	
18	State general fund/general purpose.....	\$ 262,990,300
19	<b>Sec. 103. TUITION RESTRAINT INCENTIVE</b>	
20	Alpena Community College.....	\$ 295,900
21	Bay de Noc Community College.....	286,100
22	Delta College.....	800,100
23	Glen Oaks Community College.....	134,300
24	Gogebic Community College.....	244,900
25	Grand Rapids Community College.....	1,006,300
26	Henry Ford Community College.....	1,226,300
27	Jackson Community College.....	678,900

1	Kalamazoo Valley Community College.....	692,700
2	Kellogg Community College.....	544,300
3	Kirtland Community College.....	165,300
4	Lake Michigan College.....	292,900
5	Lansing Community College.....	1,740,100
6	Macomb Community College.....	1,856,500
7	Mid Michigan Community College.....	247,700
8	Monroe County Community College.....	241,100
9	Montcalm Community College.....	174,300
10	C.S. Mott Community College.....	879,900
11	Muskegon Community College.....	500,700
12	North Central Michigan College.....	169,700
13	Northwestern Michigan College.....	510,900
14	Oakland Community College.....	1,171,300
15	St. Clair County Community College.....	392,300
16	Schoolcraft College.....	687,500
17	Southwestern Michigan College.....	369,100
18	Washtenaw Community College.....	698,700
19	Wayne County Community College.....	903,100
20	West Shore Community College.....	<u>128,700</u>
21	GROSS APPROPRIATION..... \$	17,039,600
22	Appropriated from:	
23	State general fund/general purpose..... \$	17,039,600
24	<b>Sec. 104. GRANTS</b>	
25	At-risk student success program..... \$	3,322,800
26	Renaissance zone tax reimbursement funding.....	<u>2,400,100</u>
27	GROSS APPROPRIATION..... \$	5,722,900

Appropriated from:

State general fund/general purpose.....	\$	5,722,900
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## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2004-2005

## GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2004-2005 is \$285,752,800.00 and state spending from state resources to be paid to local units of government for fiscal year 2004-2005 is \$285,752,800.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

Operations.....	\$	280,029,900
At-risk student success program.....		3,322,800
Renaissance zone tax reimbursement program.....		<u>2,400,100</u>
TOTAL.....	\$	285,752,800

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

Sec. 203. Unless otherwise specified, a community college receiving appropriations in part 1 and the department of labor and economic growth shall use the Internet to fulfill the reporting requirements of this act. This requirement may include transmission of reports via electronic mail to the recipients identified for each reporting requirement or it may include placement of reports on an Internet or Intranet site.

Sec. 207. (1) The amount appropriated in section 103 for

1 community college tuition restraint shall only be paid to a community  
2 college that certified to the state budget director by June 30, 2004  
3 that it did not adopt an increase in in-district tuition and fees  
4 after December 1, 2003 for the 2003-2004 academic year and that it  
5 will not adopt in-district tuition and fee increases for the 2004-2005  
6 academic year that exceed 3.0%.

7 (2) For the purposes of subsection (1), a community college that  
8 adopted an increase in in-district tuition and fees after December 1,  
9 2003 for the 2003-2004 academic year, but subsequently rebated to its  
10 students an amount equal to this increase prior to June 30, 2004 is  
11 considered to have not adopted an in-district tuition and fee increase  
12 for the 2003-2004 academic year.

13 (3) The state budget director shall implement a reporting  
14 requirement based on definitions and uniform reporting requirements  
15 established by the state budget director and the house and senate  
16 fiscal agencies, to ensure that a community college receiving an  
17 appropriation under section 103 has satisfied the tuition restraint  
18 requirements of this section.

19 (4) If a community college complies with the tuition restraint  
20 requirements described in this section, its state appropriation will  
21 not be reduced by executive order or any other manner during the  
22 2004-2005 fiscal year.

23 Sec. 208. The department of labor and economic growth shall  
24 work collaboratively with community colleges to develop an accelerated  
25 entrepreneurship curriculum, including an associate degree, to provide  
26 students with the skills and knowledge needed for creating their own  
27 businesses.

1       Sec. 209. (1) Funds appropriated in part 1 shall not be used for  
2 the purchase of foreign goods or services, or both, if competitively  
3 priced and comparable quality American goods or services, or both, are  
4 available.

5       (2) Funds appropriated in part 1 shall not be used for the  
6 purchase of out-of-state goods or services, or both, if competitively  
7 priced and comparable quality Michigan goods or services, or both, are  
8 available.

9       Sec. 210. The principal executive officer of each community  
10 college receiving appropriations in part 1 shall take all reasonable  
11 steps to ensure businesses in deprived and depressed communities  
12 compete for and perform contracts to provide services or supplies, or  
13 both. Each principal executive officer shall strongly encourage firms  
14 with which the community college contracts to subcontract with  
15 certified businesses in depressed and deprived communities for  
16 services or supplies, or both.

17       Sec. 211. (1) The money appropriated in this act is appropriated  
18 for community colleges with fiscal years ending June 30, 2005, and  
19 shall be paid out of the state treasury and distributed by the state  
20 treasurer to the respective community colleges in 11 monthly  
21 installments on the sixteenth of each month, or the next succeeding  
22 business day, beginning with October 16, 2004. Each community college  
23 shall accrue its July and August 2005 payments to its institutional  
24 fiscal year ending June 30, 2005. However, if a community college  
25 fails to submit all verified Michigan community colleges activities  
26 classification structure data for school year 2003-2004 to the  
27 department of labor and economic growth by November 1, 2004, the

1 monthly installments shall be withheld from that community college  
2 until those data are submitted. The amount from the money  
3 appropriated in part 1 that is allocated to address the special needs  
4 of at-risk students shall be paid in full by the state treasurer by  
5 November 1, 2004. The amount distributed to a community college or  
6 department shall not exceed the net state allocation authorized by  
7 this act.

8 (2) Except as otherwise provided by law, each of the amounts  
9 appropriated shall be used solely for the respective purposes stated  
10 in this act. The money appropriated by this act may be used to match  
11 the cost of any available programs under the Carl D. Perkins  
12 vocational and applied technology education act, 20 USC 2301 to 2415,  
13 including local administration.

14 Sec. 216. (1) A community college shall pay the employer's  
15 contributions to the Michigan public school employees' retirement  
16 system created by the public school employees retirement act of 1979,  
17 1980 PA 300, MCL 38.1301 to 38.1408, as a condition of receiving money  
18 appropriated under this act.

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

21 (3) A community college shall not be required to submit more than  
22 4 reports annually to the Michigan public school employees' retirement  
23 system for purposes of calculating retirement benefits.

24 Sec. 217. Money appropriated in part 1 shall not be used to pay  
25 for the construction or maintenance of a self-liquidating project.  
26 Any construction, renovation, or other capital outlay project that  
27 exceeds \$1,000,000.00 requires the approval of a use and finance



1 statement by the joint capital outlay subcommittee (JCOS) pursuant to  
2 JCOS policy.

3       Sec. 220. It is the intent of the legislature that the  
4 legislature, in cooperation with the Michigan community college  
5 association, develop proposals and financing alternatives for special  
6 maintenance projects at community colleges that otherwise would not  
7 qualify for financing under the state building authority.

8       Sec. 224. Recognizing the critical importance of education in  
9 strengthening Michigan's workforce, the legislature encourages the  
10 state's public community colleges to explore ways of increasing  
11 collaboration and cooperation with 4-year universities, particularly  
12 in the areas related to training, instruction, and program  
13 articulation.

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

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

27       Sec. 231. In light of sections 1, 3, and 4 of 1846 RS 83,

1 MCL 551.1, 551.3, and 551.4, and section 1 of 1939 PA 168,  
2 MCL 551.271, the legislature intends that a community college  
3 receiving funding under this act shall not use part 1 money to extend  
4 employee benefits to the unmarried partners of the community college's  
5 employees except for pre- and post-natal costs.

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

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

12 (b) Review, analyze, and eradicate activities that may tend to  
13 discriminate.

14 Sec. 235. It is the intent of the legislature that a workgroup  
15 be formed to evaluate, discuss, and make recommendations for future  
16 action regarding state university admission and enrollment policies  
17 that specifically address the acceptance and application of college  
18 credits earned by students through the postsecondary enrollment  
19 options act, 1996 PA 160, MCL 388.511 to 388.524. The Michigan  
20 community college association may create and administer the workgroup  
21 and is encouraged to include members representing university and K-12  
22 school organizations.

23 Sec. 236. (1) It is the intent of the legislature that any  
24 existing or new reciprocal tuition agreements entered into under 1972  
25 PA 251, MCL 390.501 to 390.506, be submitted for review and approval  
26 by the house and senate appropriations committees at least once every  
27 3 years.

1       (2) It is the intent of the legislature that, under any reciprocal  
2 tuition agreement approved by the house and senate appropriations  
3 committees, out-of-state students pay the in-state, out-of-district  
4 tuition and fee rate at any Michigan community college participating  
5 in the agreement.

6       Sec. 237. It is the intent of the legislature that a workgroup  
7 that includes members of the legislature and the Michigan community  
8 colleges association be formed to evaluate, discuss, and make  
9 recommendations regarding the possibility of state payments in lieu of  
10 taxes to community colleges whose districts contain state-owned land.

11       Sec. 238. It is the intent of the legislature that a workgroup  
12 that includes members of the legislature and the Michigan community  
13 colleges association be formed to evaluate, discuss, and make  
14 recommendations regarding the impact of expanding eligibility for the  
15 optional retirement plan established in section 3 of the optional  
16 retirement act of 1967, 1967 PA 156, MCL 38.383, to include faculty  
17 employed by community colleges on a part-time basis.

18       Sec. 239. The legislature intends that any executive or  
19 legislative proposal or action, subsequent to the adoption of a  
20 recommendation for appropriations for community colleges for the  
21 fiscal year ending September 30, 2005, to increase appropriations to  
22 state-supported 4-year universities in excess of the governor's  
23 original recommendation for the fiscal year ending September 30, 2005,  
24 will be accompanied by a similar action or proposal for  
25 state-supported community colleges.

26       Sec. 240. The legislature intends that not less than 70% of the  
27 economic development job training grant money be awarded to community

1 colleges or a consortium of community colleges and other eligible  
2 applicants as provided in the budget that appropriated the economic  
3 development job training grant money. Further, the legislature  
4 intends that at least a portion of the total appropriation for  
5 economic development job training grants be awarded to community  
6 colleges that offer certified programs that are bureau of  
7 apprenticeship training certified. The Michigan economic development  
8 corporation shall report by November 1 of each year to the house and  
9 senate appropriations subcommittees on community colleges and the  
10 senate and house fiscal agencies the names of the community colleges  
11 awarded grant money under this section, the amount of the grants  
12 awarded, and the percentage awarded to bureau of apprenticeship  
13 training certified programs.

#### 14 **STATE AID - OPERATIONS**

15 Sec. 301. Unless otherwise stated, all data items used in  
16 determining state aid in this act are as defined in the 2001 Manual  
17 for Uniform Financial Reporting, Michigan Public Community Colleges,  
18 which shall be the basis for reporting data, and the 2003 Activities  
19 Classification Structure Manual for Michigan Community Colleges, which  
20 shall be used to document financial needs of the community colleges.

21 Sec. 302. A community college shall not include in the  
22 enrollment data reported for determining state aid under this act any  
23 student credit hours or student contact hours for a student  
24 incarcerated in a Michigan penal institution. Exclusion of these  
25 students is intended to avoid the payment of state aid under this act  
26 for the same individuals for whom reimbursement is provided by the

1 state correctional system.

2       Sec. 303. A community college selected for audit under section  
3 502 whose audited activities classification structure data is  
4 significantly different than the data used to determine state aid  
5 under this act shall return any overappropriated money as provided in  
6 this subsection. The department of labor and economic growth shall  
7 compare formula computations for the audited colleges using pre- and  
8 post-audit data. If the state allocation is 2% or more than the  
9 post-audit allocation amount, the college shall return the excess  
10 money. The returned money shall be redistributed to all 28 community  
11 colleges, prorated on the base appropriations contained in part 1.

12       Sec. 304. It is the intent of the legislature to achieve full  
13 funding of the Gast-Mathieu fairness in funding formula.

#### 14 **GRANTS**

15       Sec. 401. (1) The community college at-risk student success  
16 program is continued. The funding shall be prorated among community  
17 colleges based on the number of student contact hours for  
18 developmental and preparatory instruction reported by each community  
19 college to the department of labor and economic growth pursuant to the  
20 2003 Activities Classification Structure Manual for Michigan Community  
21 Colleges. Of the amount appropriated in part 1 for the at-risk  
22 student success program, \$1,120,000.00 is allocated for base grants of  
23 \$40,000.00 each, to address the special needs of at-risk students at  
24 community colleges or the acquisition or upgrade of technology-related  
25 equipment and software.

26       (2) Of the amount appropriated in part 1 for the at-risk student

1 success program, the balance of the appropriated money shall be  
 2 distributed on a proration utilizing the sum of the most recent  
 3 3 years developmental/preparatory contact hours divided by the sum of  
 4 the 3-year total contact hours at each college. Each community  
 5 college's percentage shall be divided by the sum of all the  
 6 percentages systemwide to obtain each community college's prorated  
 7 grant amount.

8 (3) For the fiscal year ending September 30, 2005, the at-risk  
 9 student success program money is allocated as follows:

10	Alpena Community College.....	\$	72,300
11	Bay de Noc Community College.....		83,900
12	Delta College.....		99,700
13	Glen Oaks Community College.....		125,600
14	Gogebic Community College.....		70,700
15	Grand Rapids Community College.....		111,500
16	Henry Ford Community College.....		146,000
17	Jackson Community College.....		98,100
18	Kalamazoo Valley Community College.....		93,800
19	Kellogg Community College.....		146,200
20	Kirtland Community College.....		133,000
21	Lake Michigan College.....		155,000
22	Lansing Community College.....		142,600
23	Macomb Community College.....		83,600
24	Mid Michigan Community College.....		126,800
25	Monroe County Community College.....		91,300
26	Montcalm Community College.....		67,200
27	C.S. Mott Community College.....		100,700

1	Muskegon Community College.....	183,300
2	North Central Michigan College.....	117,500
3	Northwestern Michigan College.....	124,600
4	Oakland Community College.....	144,000
5	St. Clair Community College.....	92,000
6	Schoolcraft College.....	130,400
7	Southwestern Michigan College.....	141,500
8	Washtenaw Community College.....	158,400
9	Wayne County Community College.....	161,200
10	West Shore Community College.....	121,800

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

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

16       (b) Are diagnosed as learning disabled.

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

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

26       (6) Grant funding under this section shall not be used for  
 27 indirect costs including, but not limited to, rent, utilities, or,

1 except as provided in this section, college administration.

2 (7) Each community college shall report to the department of labor  
3 and economic growth a summary of all accomplishments under,  
4 expenditures for, and compliance with the intent of this program,  
5 including the number of at-risk students served. The report is  
6 subject to audit as provided for in section 502(1). The report shall  
7 be submitted not later than 90 days after the end of the state's  
8 fiscal year.

9 Sec. 404. The appropriation in part 1 for renaissance zone  
10 reimbursements shall be made to each eligible recipient no later than  
11 60 days after the department of treasury certifies to the state budget  
12 director that it has received all necessary information to properly  
13 determine the amounts due each eligible recipient under section 12 of  
14 the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

## 15 **REPORTS AND AUDITS**

16 Sec. 501. The department of labor and economic growth shall  
17 publish the activities classification structure data book for Michigan  
18 community colleges on or before March 1, 2005, for use by the  
19 legislature during budget development for the fiscal year ending  
20 September 30, 2006.

21 Sec. 502. (1) The auditor general or an independent public  
22 accounting firm appointed by the auditor general shall audit data for  
23 the fiscal year ending on June 30, 2004, as submitted to the  
24 department of labor and economic growth by 7 randomly selected  
25 community colleges. A community college shall maintain and provide  
26 those records necessary for the auditor general or certified public



1 accountant appointed by the auditor general to determine the accuracy  
2 of the reported data. The audits shall be based upon the definitions  
3 and requirements contained in the 2001 Manual for Uniform Financial  
4 Reporting, Michigan Public Community Colleges and the 2003 Activities  
5 Classification Structure Manual for Michigan Community Colleges.  
6 Before the submission of a final audit report, a community college may  
7 appeal the findings of the preliminary report under an appeal process  
8 to be established by the auditor general. The auditor general shall  
9 submit a report of the findings to the house and senate appropriations  
10 committees, the department of labor and economic growth, and the state  
11 budget director before June 1, 2005.

12 (2) The auditor general or a certified public accountant appointed  
13 by the auditor general may conduct performance audits of community  
14 colleges as the auditor general considers necessary.

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

27 Sec. 503. The department of labor and economic growth shall

1 review the taxonomy of the 7 community colleges selected for the audit  
2 under section 502 that is based on the 2003 Activities Classification  
3 Structure Manual for Michigan Community Colleges.

4       Sec. 504. (1) A community college shall retain certified class  
5 summaries, class lists, registration documents, and student  
6 transcripts that are consistent with the taxonomy of courses. For  
7 each enrollment period during the fiscal year, these certified  
8 documents shall identify clearly by course the number of in-district  
9 and out-of-district student credit and contact hours. The class  
10 summaries and class lists shall be consistent with each other and  
11 shall include the course prefix and numbers, course title, course  
12 credit and contact hours, credit and contact hours generated by each  
13 student, and activity classifications consistent with the taxonomy.  
14 An auditable process shall be used by the community college to  
15 determine the unduplicated head count for in-district students,  
16 out-of-district students, and prisoners for each enrollment period  
17 during the fiscal year.

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

21       Sec. 505. Each community college shall have an annual audit of  
22 all income and expenditures performed by an independent auditor and  
23 shall furnish the independent auditor's management letter and an  
24 annual audited accounting of all general and current funds income and  
25 expenditures including audits of college foundations to the members of  
26 the senate and house appropriations subcommittees on community  
27 colleges, the senate and house fiscal agencies, the auditor general,

1 the department of labor and economic growth, and the state budget  
2 director before November 15, 2004. If a community college fails to  
3 furnish the audit materials, the monthly state aid installments shall  
4 be withheld from that college until the information is submitted. All  
5 reporting shall conform to the requirements set forth in the 2001  
6 Manual for Uniform Financial Reporting, Michigan Public Community  
7 Colleges.

8       Sec. 506. (1) Each community college shall report the following  
9 to the department of labor and economic growth no later than November  
10 1, 2004:

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

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

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

21       (3) The department of labor and economic growth shall compile the  
22 information received under subsection (1) and shall submit this  
23 compilation to the house and senate appropriations subcommittees on  
24 community colleges, the senate and house fiscal agencies, and the  
25 state budget director by January 7, 2005.

26       Sec. 507. Upon request, a community college shall inform  
27 interested Michigan high schools of the aggregate academic status of

1 its students for the prior academic year, in a manner prescribed by  
2 the Michigan community college association and in cooperation with the  
3 Michigan association of secondary school principals.

4       Sec. 508. (1) Each community college shall report to the house  
5 and senate fiscal agencies, the state budget director, and the  
6 department of labor and economic growth by August 31, 2004, the  
7 tuition and mandatory fees paid by a full-time in-district student and  
8 a full-time out-of-district student as established by the college  
9 governing board for the 2004-2005 academic year. Each community  
10 college shall also report any revisions to the reported 2004-2005  
11 academic year tuition and mandatory fees adopted by the college  
12 governing board to the house and senate fiscal agencies, the state  
13 budget director, and the department of labor and economic growth  
14 within 15 days of being adopted.

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

18       Sec. 509. (1) Each community college shall report to the  
19 department of labor and economic growth the numbers and type of  
20 associate degrees and other certificates awarded during the previous  
21 fiscal year. The report shall be made not later than November 15,  
22 2004.

23       (2) The department of labor and economic growth shall compile the  
24 information received under subsection (1) and shall submit this  
25 compilation to the house and senate appropriations subcommittees on  
26 community colleges, the senate and house fiscal agencies, and the  
27 state budget director by January 7, 2005.

1       Sec. 510. A community college receiving funding under this act  
2 and also subject to the student right-to-know and campus security act,  
3 Public Law 101-542, 104 Stat. 2381, shall make a copy of all material  
4 prepared in accordance with the public information reporting  
5 requirements under the crime awareness and campus security act of  
6 1990, title II of the student right-to-know and campus security act,  
7 Public Law 101-542, 104 Stat. 2384, available in hard copy and  
8 electronic format accessible through the Internet for school  
9 districts, parents, and students.

10       Sec. 511. (1) It is the intent of the legislature that the  
11 frequency and scope of on-site visits, evaluations, audits, and  
12 similar activities be limited to that which is reasonably necessary to  
13 monitor the performance of community colleges and confirm the accuracy  
14 of reported data. On-site visits, evaluations, audits, and similar  
15 activities conducted to comply with the state plan approved by the  
16 United States department of education under the Perkins act shall be  
17 limited to those necessary to meet the requirements of the state  
18 plan.

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

26       (3) At least 30 days before submission of a new state plan to the  
27 United States department of education for approval under the Perkins

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

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

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

13 Sec. 513. The department of treasury shall annually collect and  
14 compile data on the tax revenue losses to community colleges resulting  
15 from tax increment financing authorities (TIFA) and tax abatements.  
16 The department of treasury shall produce a report detailing the data.  
17 The report shall be completed and presented to the house and senate  
18 appropriations subcommittees on community colleges, the department of  
19 career development, and the department of management and budget not  
20 later than February 15, 2005. The report shall include, but is not  
21 limited to, the following:

22 (a) Estimated revenue losses for each community college for the  
23 calendar year 2004.

24 (b) Confirmed revenue losses for each community college for the  
25 calendar years 2002 and 2003.

26 (c) Other requirements requested by the house and senate  
27 appropriations subcommittees on community colleges.

## PART 2A

APPROPRIATIONS AND PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL  
YEAR 2003-2004

**GENERAL SECTIONS**

Sec. 1201. (1) A community college certifying to the state budget director by June 30, 2004 that it did not adopt an increase in in-district tuition and fees after December 1, 2003 for the 2003-2004 academic year and that it will not adopt in-district tuition and fee increases for the 2004-2005 academic year that exceed 3.0% shall be paid in the fiscal year ending September 30, 2004 from state general fund/general purpose revenues an additional state appropriation as follows:

Alpena Community College.....	\$	148,000
Bay de Noc Community College.....		143,100
Delta College.....		400,100
Glen Oaks Community College.....		67,200
Gogebic Community College.....		122,500
Grand Rapids Community College.....		503,200
Henry Ford Community College.....		613,200
Jackson Community College.....		339,500
Kalamazoo Valley Community College.....		346,400
Kellogg Community College.....		272,200
Kirtland Community College.....		82,700
Lake Michigan College.....		146,500
Lansing Community College.....		870,100

1	Macomb Community College.....	928,300
2	Mid Michigan Community College.....	123,900
3	Monroe County Community College.....	120,600
4	Montcalm Community College.....	87,200
5	C.S. Mott Community College.....	440,000
6	Muskegon Community College.....	250,400
7	North Central Michigan College.....	84,900
8	Northwestern Michigan College.....	255,500
9	Oakland Community College.....	585,700
10	St. Clair County Community College.....	196,200
11	Schoolcraft College.....	343,800
12	Southwestern Michigan College.....	184,600
13	Washtenaw Community College.....	349,400
14	Wayne County Community College.....	451,600
15	West Shore Community College.....	<u>64,400</u>
16	Total.....	8,521,200

17       (2) For the purposes of subsection (1), a community college that  
18 adopted an increase in in-district tuition and fees after December 1,  
19 2003 for the 2003-2004 academic year, but subsequently rebated to its  
20 students an amount equal to this increase prior to June 30, 2004 is  
21 considered to have not adopted an in-district tuition and fee increase  
22 for the 2003-2004 academic year.

23       (3) The state budget director shall implement a reporting  
24 requirement based on definitions and uniform reporting requirements  
25 established by the state budget director and the house and senate  
26 fiscal agencies, to ensure that a community college receiving an  
27 appropriation under this section has satisfied its tuition restraint



1 requirements.

2 **REPEALERS**

3 Enacting section 1. Section 251 of 2003 PA 237 is repealed.