



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 4838 (Substitute H-1 as passed by the House)
Sponsor: Representative Lorence Wenke
House Committee: Higher Education and Career Preparation
Senate Committee: Education

Date Completed: 3-15-06

CONTENT

The bill would amend the Management and Budget Act to require the Office of the State Budget Director to do the following:

- Establish and maintain the Higher Education Institutional Data Inventory (HEIDI) to collect data on public universities in the State.**
- Develop policies for the collection of data, including policies to ensure the privacy of student data.**
- Provide data to State policy-makers, assist public universities with audits, and perform other duties.**

The bill also would establish a HEIDI advisory committee to advise the Budget Director on complying with the bill's requirements, and would require the Auditor General to conduct annual reviews and audits of HEIDI enrollment data.

Under the bill, the Office of the State Budget Director would have to establish, maintain, and coordinate the State higher education database known as HEIDI; collect, and include in the database, data concerning public universities and public university programs in this State, including data required by law; and establish procedures to ensure the validity and reliability of the data and the collection process.

In addition, the Budget Director's office would have to develop model data collection policies, including policies to ensure the privacy of individual student data. The privacy policies would have to ensure that student Social Security numbers were not released to the public for any purpose.

The Budget Director's office also would have to: provide data in a useful manner to allow State policy-makers and public university officials to make informed decisions; assist public universities in complying with audits under the bill or Federal law; and perform other functions assigned by the State Budget Director or required by law.

The bill would create within the Office of the State Budget Director the HEIDI advisory committee. The committee would have to provide advice to the Budget Director regarding the management of the HEIDI database, including all of the following:

- Determining what data were necessary to collect and maintain.
- Defining the roles of all stakeholders in the data collection system.
- Recommending timelines for the implementation and ongoing collection of data.

- Establishing and maintaining data definitions, data transmission protocols, and system specifications and procedures for the efficient and accurate transmission and collection of data.
- Establishing and maintaining a process for ensuring the accuracy of data.
- Establishing and maintaining policies related to data collection, including privacy policies related to individual student data.
- Ensuring the data were made available to State policy-makers and citizens of this State in the most useful format possible.
- Addressing other matters as determined by the Budget Director or required by law.

The committee would have to consist of the following members:

- One representative from the House Fiscal Agency (HFA), appointed by the HFA Director.
- One representative from the Senate Fiscal Agency (SFA), appointed by the SFA Director.
- One representative from the Budget Director's office, appointed by the Budget Director.
- Three representatives from the Presidents Council of State Universities, which would have to appoint one representative each from a master's university, a doctoral university, and a research university.

The Auditor General would have to review HEIDI enrollment data submitted by all public universities and perform audits of selected data, based on the definitions, requirements, and uniform reporting categories established by the Budget Director in consultation with the advisory committee. The Auditor General would have to submit an annual report of findings to the House and Senate Appropriations Committees and the Budget Director by July 1 of each year.

Proposed MCL 18.1299

Legislative Analyst: Curtis Walker

FISCAL IMPACT

The bill would have no fiscal impact on higher educational institutions but could have a minimal fiscal impact on the State Auditor General's office due to the requirement for annual HEIDI database audits.

The bill would place into statute language that has traditionally been included in the annual Higher Education appropriations act and would further define the duties of the State Budget Office. The FY 2005-06 Higher Education appropriations act (Public Act 154 of 2005, Article 8) includes \$200,000 for the HEIDI database, which is currently maintained by the Department of Information Technology's Center for Geographic Information. The FY 2006-07 Governor's recommendation for Higher Education also includes the \$200,000 appropriation.

The current language in the Higher Education appropriations act states that the Auditor General "may perform audits of selected public universities if determined necessary", while the bill would require the Auditor General to perform annual audits.

Fiscal Analysts: Bill Bowerman
Ellen Jeffries

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