

## ALLOW COMMUNITY COLLEGES TO GRANT BACCALAUREATE DEGREES IN CERTAIN FIELDS

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House Bill 4496 without amendment

Sponsor: Rep. John Walsh

Committee: Education

### First Analysis (6-14-11)

**BRIEF SUMMARY:** The bill would allow community colleges to grant baccalaureate degrees in nursing, cement technology, maritime technology, energy production technology, and culinary arts.

**FISCAL IMPACT:** In general, the bill would serve to increase operating costs of state community colleges that elect to offer the select baccalaureate programs, including costs for the salary and benefits of additional faculty, staff, and administration, as well as the cost of materials, supplies, travel, information technology, accreditation, and other support services. See *Fiscal Information* for further detail.

### THE APPARENT PROBLEM:

There are 28 community colleges located throughout Michigan. Community colleges were founded to democratize higher education: to provide an affordable education option; to ensure a policy of open enrollment so that higher education credentials are widely available to many citizens; and to provide regionally relevant jobs programs in order to spur the state's economy. The community colleges are controlled by locally-elected boards of trustees, and receive some of their revenue from locally-generated property taxes voted on by the residents within a community college's district.

Michigan's Community College Act prohibits the state's community colleges from awarding baccalaureate degrees. Instead, community colleges award two-year associates degrees and certificates. In order to complete a four-year degree, a community college student must transfer to a four-year college or university.

Nationwide the community college system has been challenged by government and industry leaders to increase enrollments in a broad-based effort to re-educate the workforce. That has been especially true in Michigan, where college attendance among residents lags behind the national average, and the lack of higher education among our workers arguably creates a drag on the state's economy. In response to the challenge, some Michigan community colleges have increased their enrollments 20 percent.

During the 2009-2010 legislative session, the Michigan Community College Association requested permission to offer baccalaureate degrees in four technical areas: nursing, maritime technology, culinary arts, and cement technology. They offered a two-part rationale for their request: First, various industries have changed their credential of entry

from the associate degree to the baccalaureate degree, and community colleges must expand their mission to meet these new needs; and second, the community college can deliver high quality, fully accredited programming for less cost to both the student and the state. See *Background Information*.

According to testimony at that time, all 28 community colleges offer an associate degree in nursing. However, as experts testified, the changing nature of the health care industry is also changing the entry level requirements for nurses from the Associate Degree in Nursing (or RN) to the Bachelor of Science in Nursing, a BSN baccalaureate degree. Although some community college nursing students can already complete their BSN degrees at their community college because of articulation agreements and partnerships with four-year universities, they cannot earn their BSN from the community college itself.

Further, testimony revealed that Ferris State University in conjunction with Northwestern Michigan College operates one of six federally authorized maritime academies in the United States. The community college officials argued they can offer the degree in less time (a savings of 20 credit hours) for less money (saving more than \$10,000) than under the current transfer program.

Similarly, Alpena Community College has offered an associate degree in cement technology—the only such degree in the state—developed in close cooperation with local quarrying, shipping, and cement block manufacturing industries. (The degree program was disbanded earlier this year because its students were too few, but the expectation is that it will be reinstated in fall 2011.) As the industrial processes grow in complexity, it is expected that workers in cement technology will need a baccalaureate degree to enter the business.

During this legislative session, the bill that has been introduced—House Bill 4496—would also allow students to earn a baccalaureate degree in energy production technology. In April 2008, Lake Michigan College launched a new Energy Production Technology degree program in collaboration with D.C. Cook Nuclear Plant in Bridgman, and Palisades Power Plant in Covert. Founders of the program note that "many of today's nuclear energy professionals are nearing retirement age, and qualified workers will be needed to take their place. According to the Nuclear Energy Institute, about 30 percent of the nuclear energy workforce will retire within the next five years." They say "locally, over 300 nuclear job openings are anticipated over the next five years."

Finally, according to committee testimony, nine community colleges offer associates degrees in culinary arts. Their leaders would like the ability to offer baccalaureate degrees on the community college campus.

Legislation has been introduced again this session that would allow, but not require, community colleges to offer baccalaureate degrees in nursing, cement technology, culinary arts, energy production technology, and maritime technology.

## **THE CONTENT OF THE BILL:**

House Bill 4496 would amend the Community College Act (MCL 389.105 and 389.121) to allow community colleges to grant baccalaureate degrees in nursing, cement technology, maritime technology, energy production technology, and culinary arts.

Under current law, the definition of "community college" prohibits a community college from offering baccalaureate degrees. Instead, the law says that a community college is "an educational institution providing collegiate and non-collegiate level education primarily to individuals above 12th grade age level within commuting distance. The term includes an area vocational-technical education program that may result in the granting of an associate degree or other diploma or certificate, but not an educational institution or program granting baccalaureate or higher degrees."

House Bill 4496 would eliminate the prohibition that community colleges offer baccalaureate degrees by revising the definition of community college to allow *the granting of a bachelor of science in nursing degree, or any baccalaureate degree in cement technology, maritime technology, energy production technology, or culinary arts.*

## **BACKGROUND INFORMATION:**

A substantially similar bill—House Bill 4496—passed the House of Representatives during the last legislative session by a vote of 55 to 49 on September 16, 2010. The bill died in the Senate Education Committee, where it had been referred for consideration, when the legislature adjourned sine die on December 31, 2010.

## **FISCAL INFORMATION:**

In general, the bill would serve to increase operating costs of state community colleges that elect to offer the select baccalaureate programs. A community college could incur costs for the salary and benefits of additional faculty (full-time and part-time) and support staff, as well as operating costs for administration, materials and supplies, travel, information technology, accreditation, and other support services. A college could also incur costs for capital expenses related to equipment and facilities (increased capacity). Some expenses would be non-recurring in nature, such as those related to equipment and facilities, while others would be recurring in nature (e.g. faculty salaries).

Funding for community colleges comes from three main funding sources: property tax revenue, tuition, and state appropriations. The costs of adding a baccalaureate program would be borne by some combination of those sources, or supplemented by other outside sources (grants, contributions, etc.). In general, upper division courses have a higher cost than lower division courses. As such, costs could be partially offset through a stratified tuition plan that imposes higher tuition rates for upper division courses, as is the practice in many public universities. The costs of expanding an existing associate's degree program into a baccalaureate program would vary by college, depending on its current capacity and the additional requirements (costs) imposed by expanding its program.

According to the State Board of Nursing, all 28 community colleges offer an associate's degree in nursing, while 20 colleges and universities (12 public universities and 8 private colleges and universities) offer baccalaureate degrees in nursing.

Additionally, there are nine community colleges that offer an associate's degree in culinary arts, including Mott, Grand Rapids, Henry Ford, Macomb, Mid-Michigan, Northwestern Michigan, Oakland, Schoolcraft, and Washtenaw, according to the Integrated Postsecondary Education Data System (IPEDS). The concrete technology program is said to apply to Alpena Community College.

## **ARGUMENTS:**

### ***For:***

In its legislative summary entitled "Community College Authority to Grant Baccalaureate Degrees in Applied and Technical Areas" published in October 2009, a spokesman for the Michigan Community College Association notes that baccalaureate degrees in community colleges are a fast-growing trend in higher education. Community colleges are authorized to award the degrees under select circumstances in 18 states, including Minnesota and Indiana in the Midwest.

Here in Michigan, the community college baccalaureate concept has been researched and recommended by both state and national organizations. For example, the *Lieutenant Governor's Commission on Higher Education and Economic Growth*, customarily called the Cherry Commission Report, recommended in December 2004: "The Michigan legislature must pass enabling legislation that defines the criteria and process by which Michigan community colleges may offer applied baccalaureate degrees in response to unmet economic, employer, or community needs in their service regions."

In addition, the former Department of Labor and Economic Growth commissioned a study to identify communities or regions with broad existing and emerging labor market needs. In April 2008 the study recommended: "Michigan [should] implement applied baccalaureate degrees in its community colleges."

Finally, in March 2008, the Institute for Higher Education Policy in Washington, D.C., with support from the W. K. Kellogg Foundation, concluded in their study *Higher Education in Michigan: Overcoming Challenges to Expand Access*: "Allow selected community colleges in regions with insufficient higher education access to confer baccalaureate degrees in high-need fields."

### ***For:***

These bills increase access to higher education. Proponents of the bills note that in other states where community colleges offer baccalaureate degrees in work-related technical areas such as nursing, dental hygiene, specialized teaching, and applied technology, higher education becomes accessible for adult working students who cannot attend a traditional university. The students can earn the degrees closer to home, and their tuition is lower than in most four-year colleges and universities.

***For:***

The community college presidents who support these bills want to respond to critical work force shortages in specific regions, and for particular occupations and industries. They note that community colleges are uniquely positioned to respond to employer needs, and the baccalaureate degree programs would allow them to do so. The community college leaders acknowledge that universities fear community colleges will encroach on their turf, and possibly divert funding for public four-year universities. However, the community college leaders argue that Michigan's economic future and competitiveness require the evolution of the higher education system. Only then will higher education institutions meet the current demand, and significantly accelerate the number of Michigan citizens with baccalaureate degrees.

***Against:***

Opponents of these bills promote, as an alternative, higher education partnerships between two- and four-year schools. Indeed, Michigan's public universities have pledged to offer bachelor degree programs in any area, in any part of the state--a pledge made in the summer of 2010.

In all, nearly 15,000 students are now enrolled in more than 300 four-year degree programs—often called bachelor degree completion programs—offered by Michigan's universities at all of the state's 28 community colleges. And starting in the fall of 2011, Western Michigan University's southwest Michigan location in Benton Harbor will begin offering a Bachelor of Science in Nursing degree from the University's Bronson School of Nursing. These partnerships, and others have been ongoing, and they continue to expand. For example, Alpena Community College has formal four-year partnerships and collaborations with Ferris State University, Lake Superior State University, Northwood University, the University of Detroit Mercy, and Western Michigan University. Schoolcraft College has agreements with 11 four-year schools. Grand Rapids Community College allows transfer of up to 30 semester credits to 27 four-year schools. Similar arrangements are available at Bay College, Delta, Glen Oaks, Kalamazoo Valley, Kellogg, Lake Michigan, Mid-Michigan, Monroe, Montcalm, Northwestern Michigan, St. Clair, Southwestern, Wayne County, and West Shore.

Opponents note that Michigan's two-year community college programs now transition smoothly to four-year programs at colleges and universities. There are improved articulation agreements so that first- and second-year classes are aligned, easing the transfer process, and many universities are now recognizing the credits earned at the community college level. For example, Eastern Michigan University and Washtenaw Community College have an articulation agreement that allows transfer students to complete a nursing degree at EMU. Further, the Michigan Association of Collegiate Registrars and Admissions Officers has developed a set of computerized systems (customarily called "the transfer wizard") that allow students to more easily see the classes that qualify for university credit. Finally, many universities and community colleges have partnered to create University Centers on the community college campus, so that students can take their junior and senior level courses there, and earn their baccalaureate programs closer to home.

These opponents of the bills say community college baccalaureate degrees are not necessary. Instead, they promote more partnerships between two- and four-year campuses.

***Against:***

Those who oppose these bills argue that Michigan's 28 community colleges have a different mission than do the state's 15 public universities. The central mission of the community colleges has been, since their founding, to provide affordable and accessible two-year degrees and certificates that ready students for the workforce, or prepare them academically for transfer to a four-year school where they can earn a baccalaureate degree.

For example, the editors of the *Lansing State Journal* say that a four-year degree program at a community college will invite mission creep...if given four-year degree granting authority, "community colleges would begin an inexorable transformation into bigger institutions with larger staffs and much higher costs. Ten or 20 years after this process started, Michigan leaders would be arguing for the need to create new "community colleges to provide low-cost access." (8-6-09) The editors of the *Grand Rapids Press* agree. They argue that state lawmakers should reject legislation that would allow community colleges to grant bachelor's degrees...since "no convincing case has been made to support shifting the structure of higher education so dramatically." They continue: "Community colleges play important roles--granting two-year degrees, offering a low-cost alternative for students going on to four-year colleges and universities, and serving as centers for worker retraining. They are helping to rebuild Michigan's economy. The Legislature should look to reinforce, not shift, that role." (7-10-09)

Opponents of the bills fear that offering baccalaureate degrees at the community college will risk "our open-door mission and its equity agenda, our certificate and associate degree workforce education programs, our university transfer programs, and our grassroots connections to our local communities." (*Detroit Free Press* 8-6-09)

***Against:***

Opponents of the bills note that while all community colleges are regionally accredited through the North Central Association of the Higher Learning Commission, and all 28 community college nursing programs have been approved by the Michigan Board of Nursing, the community college nursing programs are not accredited by either the National League for Nursing Accreditation Commission, or the Commission on Collegiate Nursing Education. These specialty accreditation programs set high standards for faculty (recommending PhD degrees), as well as for clinical sites and supervision. Furthermore, if a baccalaureate nurse wishes to continue his or her education to earn a Masters of Science in Nursing degree or a doctorate, that student must have earned a BSN in an accredited BSN program.

***Response:***

In response, the community college presidents note that while regional accreditation by the Higher Learning Commission is required (in order, for example, that students are eligible for federal scholarships and loans), specialty accreditation is optional: neither associate degree nor baccalaureate degree nursing programs are required to have



specialized accreditation. If a community college offered a baccalaureate degree without having specialty accreditation, its students could be advised that their BSN degrees were terminal degrees that would not transfer to a university offering a masters degree.

***Against:***

Opponents of the bills argue that their enactment could reduce the number of registered nurses overall. They note that community colleges prepare RNs quickly and efficiently through high quality associate degree-granting programs. In two years' time, well-trained nurses are ready for work in local hospitals and nursing homes. If community colleges also offered baccalaureate degrees, it is likely that more students would elect the four-year degree, rather than the two-year degree, thus delaying their entry into the workplace.

***Response:***

The community college presidents note that more baccalaureate degree nurses are needed, as hospitals are increasingly requiring the BSN as an entry degree. They also note that thousands of students are annually turned away from four-year programs because there are neither enough faculty nor enough clinical sites. They can better serve the health care industry by retaining their associate nursing programs to train RNs, and adding baccalaureate programs to train BSNs.

***Against:***

Opponents of the bill argue that community college baccalaureate programs are costly—both in terms of cost-per-degree completed, and also to initiate. First, according to the Delta Cost Project, a grant-funded organization that measures cost of education per student (see [www.deltacostproject.org](http://www.deltacostproject.org)), regional public 4-year universities award baccalaureate degrees to students more cheaply than do public 2-year community colleges: \$57,019 versus \$68,867.

Second, The Presidents Council, State Universities of Michigan and the Continuing and Professional Education Collaborative commissioned a study of community college baccalaureate degrees nationwide. The results, published in March 2011, note that 18 states in the U.S. have approved legislation allowing community colleges to grant some baccalaureate degrees, and that the cost of implementing the new degree programs varies by state. However, Florida and Texas have provided estimates at approximately one million dollars of state funds per institution to adapt baccalaureate programs.

***POSITIONS:***

Jackson Community College supports the bill. (6-8-11)

Allegiance Health supports the bill. (6-8-11)

The Michigan Health and Hospital Association supports the bill. (6-8-11)

Kirkland Community College supports the bill. (6-8-11)

The Presidents' Council, State Universities of Michigan opposes the bill. (6-8-11)

Western Michigan University opposes the bill. (6-8-11)

University of Michigan-Flint opposes the bill. (6-8-11)

The Association of Independent Colleges and Universities of Michigan opposes the bill. (6-8-11)

Central Michigan University strongly opposes the bill. (6-8-11)

Oakland University opposes the bill. (6-8-11)

Eastern Michigan University opposes the bill. (6-8-11)

Ferris State University opposes the bill. (6-8-11)

Grand Valley State University opposes the bill. (6-8-11)

Wayne State University opposes the bill. (6-8-11)

Note: When a substantially similar bill was passed by the Michigan House of Representatives during the 2009-2010 legislative session, the following organizations offered their positions in *support*:

The Michigan Community College Association, Henry Ford Community College, Southwestern Michigan College, The Allegiance Health System, Schoolcraft College, Alpena Community College, the Alpena County Board of Commissioners, Jackson Community College, Northwestern Michigan College, Munson Medical Center (supported having a baccalaureate degree in nursing program at Northwestern Michigan College, and the Home Builder's Association of the Holland Area.

When that substantially similar bill passed, the following organizations offered their positions in *opposition*:

The Presidents Council, State Universities of Michigan, The University of Michigan-Flint, Ferris State University, Oakland University, Wayne State University, Western Michigan, and Eastern Michigan University.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.