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House Joint Resolution M (as adopted by the House)
Sponsor: Representative David Knezek, Jr.
House Committee: Military and Veterans Affairs
Senate Committee: Appropriations

Date Completed: 6-2-14

CONTENT

House Joint Resolution M would place on the ballot a proposed amendment to Article VIII, Section 7 of the Michigan Constitution of 1963. The amendment would require that a public community college or junior college board consider a student enrolled in that college a resident of the college's district for determining his or her tuition rates if the student were an active duty member, reserve member, or honorably discharged veteran of the armed forces of the United States

Pursuant to Article XII, Section 1 of the Michigan Constitution approval of two-thirds of the members elected to and serving in each House is required for the adoption of the House Joint Resolution M. If adopted by the Legislature, the proposal will be submitted to the electors at the next general election.

FISCAL IMPACT

The proposed constitutional amendment would result in a tuition revenue loss to public community colleges. Fiscal year 2013-14 community college in-district tuition rates averaged \$94.43, and out-of-district rates averaged \$155.56.¹ According to a recent survey conducted by the Michigan Community College Association, with 21 of 28 public community colleges reporting, revenue loss for those 21 colleges due to the proposed constitutional amendment would total approximately \$2.1 million. The survey pertained to veterans and did not include active duty and reserve members of the armed forces. Veterans who qualify for 100% of the post 9-1-1 benefit program can receive the entire cost of community college tuition from that Federal program. If community colleges were required to charge only in-district tuition rates to those veterans, the cost difference would be shifted from Federal funds to community colleges.

Community college revenue sources include State appropriations, local property taxes, and tuition. Statewide, tuition accounts for 44.9% of community college operating revenue.

Fiscal Analyst: Bill Bowerman

¹ Source: Activities Classification Structure, March 1, 2014.

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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.