

FIRST CONFERENCE REPORT

The Committee of Conference on the matters of difference between the two Houses concerning

House Bill No. 4236, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 201 and 201a (MCL 388.1801 and 388.1801a), as amended by 2016 PA 249.

Recommends:

First: That the Senate recede from the Substitute of the Senate as passed by the Senate.

Second: That the House and Senate agree to the Substitute of the House as passed by the House, amended to read as follows:

(attached)

Third: That the House and Senate agree to the title of the bill to read as follows:

A bill to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts," by amending sections 201, 201a, 203, 206, 207a, 207b, 207c, 209, 210b, 217, 222, 223, 224, 225, 226, 229, 229a, and 230 (MCL 388.1801, 388.1801a, 388.1803, 388.1806, 388.1807a, 388.1807b, 388.1807c,

388.1809, 388.1810b, 388.1817, 388.1822, 388.1823, 388.1824, 388.1825, 388.1826, 388.1829, 388.1829a, and 388.1830), sections 201, 201a, 203, 206, 207a, 207b, 207c, 209, 210b, 217, 222, 223, 224, 225, 226, 229a, and 230 as amended by 2016 PA 249 and section 229 as amended by 2015 PA 85; and to repeal acts and parts of acts.

Chris Afendoulis

Darwin L. Boohar

Steve Marino

Tonya Schuitmaker

Henry Yanez

David Knezek

Conferees for the House

Conferees for the Senate

**SUBSTITUTE FOR
HOUSE BILL NO. 4236**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 201, 201a, 203, 206, 207a, 207b, 207c, 209,
210b, 217, 222, 223, 224, 225, 226, 229, 229a, and 230 (MCL
388.1801, 388.1801a, 388.1803, 388.1806, 388.1807a, 388.1807b,
388.1807c, 388.1809, 388.1810b, 388.1817, 388.1822, 388.1823,
388.1824, 388.1825, 388.1826, 388.1829, 388.1829a, and 388.1830),
sections 201, 201a, 203, 206, 207a, 207b, 207c, 209, 210b, 217,
222, 223, 224, 225, 226, 229a, and 230 as amended by 2016 PA 249
and section 229 as amended by 2015 PA 85; and to repeal acts and
parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 201. (1) Subject to the conditions set forth in this

article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, ~~2017,~~ **2018**, from the funds indicated in this section. The following is a summary of the appropriations in this section:

(a) The gross appropriation is ~~\$395,925,600.00.~~ **\$399,326,500.00.** After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$395,925,600.00.~~ **\$399,326,500.00.**

(b) The sources of the adjusted gross appropriation described in subdivision (a) are as follows:

(i) Total federal revenues, \$0.00.

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$260,414,800.00.~~ **\$398,301,500.00.**

(v) State general fund/general purpose money, ~~\$135,510,800.00.~~ **\$1,025,000.00.**

(2) Subject to subsection (3), the amount appropriated for community college operations is ~~\$315,892,000.00,~~ **\$319,050,900.00,** allocated as follows:

(a) The appropriation for Alpena Community College is ~~\$5,544,700.00, \$5,464,400.00 for operations and \$80,300.00 for performance funding.~~ **\$5,627,500.00, \$5,596,200.00 FOR OPERATIONS AND \$31,300.00 FOR PERFORMANCE FUNDING.**

(b) The appropriation for Bay de Noc Community College is ~~\$5,560,900.00, \$5,490,200.00 for operations and \$70,700.00 for performance funding.~~ **\$5,589,000.00, \$5,560,900.00 FOR OPERATIONS AND**

1 **\$28,100.00 FOR PERFORMANCE FUNDING.**

2 (c) The appropriation for Delta College is ~~\$14,907,700.00,~~
3 ~~\$14,704,000.00 for operations and \$203,700.00 for performance~~
4 ~~funding.~~**\$14,990,700.00, \$14,907,700.00 FOR OPERATIONS AND**
5 **\$83,000.00 FOR PERFORMANCE FUNDING.**

6 (d) The appropriation for Glen Oaks Community College is
7 ~~\$2,586,900.00, \$2,551,100.00 for operations and \$35,800.00 for~~
8 ~~performance funding.~~**\$2,601,400.00, \$2,586,900.00 FOR OPERATIONS AND**
9 **\$14,500.00 FOR PERFORMANCE FUNDING.**

10 (e) The appropriation for Gogebic Community College is
11 ~~\$4,577,800.00, \$4,509,900.00 for operations and \$67,900.00 for~~
12 ~~performance funding.~~**\$4,715,400.00, \$4,692,200.00 FOR OPERATIONS AND**
13 **\$23,200.00 FOR PERFORMANCE FUNDING.**

14 (f) The appropriation for Grand Rapids Community College is
15 ~~\$18,450,500.00, \$18,187,300.00 for operations and \$263,200.00 for~~
16 ~~performance funding.~~**\$18,556,800.00, \$18,450,500.00 FOR OPERATIONS**
17 **AND \$106,300.00 FOR PERFORMANCE FUNDING.**

18 (g) The appropriation for Henry Ford College is
19 ~~\$22,176,000.00, \$21,893,300.00 for operations and \$282,700.00 for~~
20 ~~performance funding.~~**\$22,299,200.00, \$22,176,000.00 FOR OPERATIONS**
21 **AND \$123,200.00 FOR PERFORMANCE FUNDING.**

22 (h) The appropriation for Jackson College is ~~\$12,397,600.00,~~
23 ~~\$12,245,300.00 for operations and \$152,300.00 for performance~~
24 ~~funding.~~**\$12,590,100.00, \$12,527,400.00 FOR OPERATIONS AND**
25 **\$62,700.00 FOR PERFORMANCE FUNDING.**

26 (i) The appropriation for Kalamazoo Valley Community College
27 is ~~\$12,873,900.00, \$12,689,400.00 for operations and \$184,500.00~~

~~for performance funding.~~ **\$12,948,700.00, \$12,873,900.00 FOR
OPERATIONS AND \$74,800.00 FOR PERFORMANCE FUNDING.**

(j) The appropriation for Kellogg Community College is
~~\$10,087,500.00, \$9,950,100.00 for operations and \$137,400.00 for
performance funding.~~ **\$10,143,600.00, \$10,087,500.00 FOR OPERATIONS
AND \$56,100.00 FOR PERFORMANCE FUNDING.**

(k) The appropriation for Kirtland Community College is
~~\$3,270,000.00, \$3,221,500.00 for operations and \$48,500.00 for
performance funding.~~ **\$3,289,400.00, \$3,270,000.00 FOR OPERATIONS AND
\$19,400.00 FOR PERFORMANCE FUNDING.**

(l) The appropriation for Lake Michigan College is
~~\$5,492,800.00, \$5,417,700.00 for operations and \$75,100.00 for
performance funding.~~ **\$5,523,600.00, \$5,492,800.00 FOR OPERATIONS AND
\$30,800.00 FOR PERFORMANCE FUNDING.**

(m) The appropriation for Lansing Community College is
~~\$31,677,300.00, \$31,288,200.00 for operations and \$389,100.00 for
performance funding.~~ **\$32,324,200.00, \$32,165,600.00 FOR OPERATIONS
AND \$158,600.00 FOR PERFORMANCE FUNDING.**

(n) The appropriation for Macomb Community College is
~~\$33,681,800.00, \$33,239,500.00 for operations and \$442,300.00 for
performance funding.~~ **\$33,863,600.00, \$33,681,800.00 FOR OPERATIONS
AND \$181,800.00 FOR PERFORMANCE FUNDING.**

(o) The appropriation for Mid Michigan Community College is
~~\$4,834,100.00, \$4,757,700.00 for operations and \$76,400.00 for
performance funding.~~ **\$4,968,900.00, \$4,937,400.00 FOR OPERATIONS AND
\$31,500.00 FOR PERFORMANCE FUNDING.**

(p) The appropriation for Monroe County Community College is

1 ~~\$4,636,700.00, \$4,565,600.00 for operations and \$71,100.00 for~~
2 ~~performance funding.~~ **\$4,665,500.00, \$4,636,700.00 FOR OPERATIONS AND**
3 **\$28,800.00 FOR PERFORMANCE FUNDING.**

4 (q) The appropriation for Montcalm Community College is
5 ~~\$3,343,100.00, \$3,280,600.00 for operations and \$62,500.00 for~~
6 ~~performance funding.~~ **\$3,446,300.00, \$3,426,700.00 FOR OPERATIONS AND**
7 **\$19,600.00 FOR PERFORMANCE FUNDING.**

8 (r) The appropriation for C.S. Mott Community College is
9 ~~\$16,115,500.00, \$15,901,700.00 for operations and \$213,800.00 for~~
10 ~~performance funding.~~ **\$16,258,100.00, \$16,167,200.00 FOR OPERATIONS**
11 **AND \$90,900.00 FOR PERFORMANCE FUNDING.**

12 (s) The appropriation for Muskegon Community College is
13 ~~\$9,150,600.00, \$9,020,700.00 for operations and \$129,900.00 for~~
14 ~~performance funding.~~ **\$9,203,000.00, \$9,150,600.00 FOR OPERATIONS AND**
15 **\$52,400.00 FOR PERFORMANCE FUNDING.**

16 (t) The appropriation for North Central Michigan College is
17 ~~\$3,290,400.00, \$3,224,800.00 for operations and \$65,600.00 for~~
18 ~~performance funding.~~ **\$3,353,200.00, \$3,330,200.00 FOR OPERATIONS AND**
19 **\$23,000.00 FOR PERFORMANCE FUNDING.**

20 (u) The appropriation for Northwestern Michigan College is
21 ~~\$9,318,000.00, \$9,200,500.00 for operations and \$117,500.00 for~~
22 ~~performance funding.~~ **\$9,508,900.00, \$9,459,800.00 FOR OPERATIONS AND**
23 **\$49,100.00 FOR PERFORMANCE FUNDING.**

24 (v) The appropriation for Oakland Community College is
25 ~~\$21,770,900.00, \$21,429,400.00 for operations and \$341,500.00 for~~
26 ~~performance funding.~~ **\$21,905,700.00, \$21,770,900.00 FOR OPERATIONS**
27 **AND \$134,800.00 FOR PERFORMANCE FUNDING.**

(w) The appropriation for Schoolcraft College is
~~\$12,909,300.00, \$12,706,400.00 for operations and \$202,900.00 for~~
~~performance funding.~~**\$12,991,300.00, \$12,909,300.00 FOR OPERATIONS**
AND \$82,000.00 FOR PERFORMANCE FUNDING.

(x) The appropriation for Southwestern Michigan College is
~~\$6,732,500.00, \$6,657,600.00 for operations and \$74,900.00 for~~
~~performance funding.~~**\$6,860,700.00, \$6,827,000.00 FOR OPERATIONS AND**
\$33,700.00 FOR PERFORMANCE FUNDING.

(y) The appropriation for St. Clair County Community College
is ~~\$7,259,300.00, \$7,158,000.00 for operations and \$101,300.00 for~~
~~performance funding.~~**\$7,300,100.00, \$7,259,300.00 FOR OPERATIONS AND**
\$40,800.00 FOR PERFORMANCE FUNDING.

(z) The appropriation for Washtenaw Community College is
~~\$13,534,000.00, \$13,301,100.00 for operations and \$232,900.00 for~~
~~performance funding.~~**\$13,631,400.00, \$13,534,000.00 FOR OPERATIONS**
AND \$97,400.00 FOR PERFORMANCE FUNDING.

(aa) The appropriation for Wayne County Community College is
~~\$17,234,200.00, \$16,989,800.00 for operations and \$244,400.00 for~~
~~performance funding.~~**\$17,338,300.00, \$17,234,200.00 FOR OPERATIONS**
AND \$104,100.00 FOR PERFORMANCE FUNDING.

(bb) The appropriation for West Shore Community College is
~~\$2,478,000.00, \$2,446,200.00 for operations and \$31,800.00 for~~
~~performance funding.~~**\$2,556,300.00, \$2,540,000.00 FOR OPERATIONS AND**
\$16,300.00 FOR PERFORMANCE FUNDING.

(3) The amount appropriated in subsection (2) for community
college operations is **\$319,050,900.00 AND IS** appropriated from the
following:

1 ~~_____ (a) State~~ **STATE** school aid fund. ~~, \$185,481,200.00.~~

2 ~~_____ (b) State general fund/general purpose money, \$130,410,800.00.~~

3 (4) From the appropriations described in subsection (1),

4 ~~subject~~ **BOTH OF THE FOLLOWING APPLY:**

5 (A) **SUBJECT** to section 207a, the amount appropriated for
6 fiscal year ~~2016-2017~~ **2017-2018** to offset certain fiscal year ~~2016-~~
7 ~~2017-2018~~ retirement contributions is \$1,733,600.00,
8 appropriated from the state school aid fund.

9 (B) **FOR FISCAL YEAR 2017-2018 ONLY, THERE IS ALLOCATED AN**
10 **AMOUNT NOT TO EXCEED \$3,612,000.00 FOR PAYMENTS TO PARTICIPATING**
11 **COMMUNITY COLLEGES, APPROPRIATED FROM THE STATE SCHOOL AID FUND. A**
12 **COMMUNITY COLLEGE THAT RECEIVES MONEY UNDER THIS SUBDIVISION SHALL**
13 **USE THAT MONEY SOLELY FOR THE PURPOSE OF OFFSETTING THE NORMAL COST**
14 **CONTRIBUTION RATE.**

15 (5) From the appropriations described in subsection (1),
16 subject to section 207b, the amount appropriated for payments to
17 community colleges that are participating entities of the
18 retirement system is ~~\$73,200,000.00,~~ **\$70,805,000.00**, appropriated
19 from the state school aid fund.

20 (6) From the appropriations described in subsection (1),
21 subject to section 207c, the amount appropriated for renaissance
22 zone tax reimbursements is ~~\$5,100,000.00,~~ **\$3,100,000.00**,
23 appropriated from ~~general fund/general purpose money.~~ **THE STATE**
24 **SCHOOL AID FUND.**

25 (7) **FROM THE APPROPRIATIONS DESCRIBED IN SUBSECTION (1), THERE**
26 **IS APPROPRIATED \$1,025,000.00 FROM GENERAL FUND/GENERAL PURPOSE**
27 **MONEY, FOR FISCAL YEAR 2017-2018 ONLY, TO THE MICHIGAN COMMUNITY**

1 COLLEGE ASSOCIATION, FOR THE PURPOSE OF ENHANCING THE MICHIGAN
2 TRANSFER NETWORK WEBSITE TO IMPROVE THE TRANSFER OF COLLEGE CREDIT
3 AMONG MICHIGAN'S POSTSECONDARY INSTITUTIONS. THE MICHIGAN COMMUNITY
4 COLLEGE ASSOCIATION SHALL PROVIDE INFORMATION ON REQUEST TO THE
5 HOUSE AND SENATE SUBCOMMITTEES ON COMMUNITY COLLEGES, THE HOUSE AND
6 SENATE FISCAL AGENCIES, AND THE STATE BUDGET DIRECTOR ON THE USE OF
7 THESE FUNDS UNTIL THE PROJECT IS COMPLETED.

8 Sec. 201a. It is the intent of the legislature to provide
9 appropriations for the fiscal year ending on September 30, ~~2018~~
10 ~~2019~~ for the items listed in section 201. The fiscal year ~~2017-2018~~
11 ~~2018-2019~~ appropriations are anticipated to be the same as those
12 for fiscal year ~~2016-2017, 2017-2018~~, except that the amounts will
13 be adjusted for changes in retirement costs, caseload and related
14 costs, federal fund match rates, economic factors, and available
15 revenue. These adjustments will be determined after the January
16 ~~2017-2018~~ consensus revenue estimating conference.

17 Sec. 203. Unless otherwise specified, a community college that
18 receives appropriations in section 201, the workforce development
19 agency, and the center shall use the ~~Internet~~ **INTERNET** to fulfill
20 the reporting requirements of this article. This requirement may
21 include transmission of reports via electronic mail to the
22 recipients identified for each reporting requirement or it may
23 include placement of reports on an ~~Internet~~ **INTERNET** or ~~Intranet~~
24 **INTRANET** site.

25 Sec. 206. **(1)** The funds appropriated in section 201 are
26 appropriated for community colleges with fiscal years ending June
27 30, ~~2017-2018~~ and shall be paid out of the state treasury and

distributed by the state treasurer to the respective community colleges in 11 monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 2016. ~~2017~~. Each community college shall accrue its July and August ~~2017-2018~~ payments to its institutional fiscal year ending June 30, 2017. ~~However, if 2018.~~

(2) IF the state budget director determines that a community college failed to submit ~~all verified Michigan community colleges activities classification structure data for school year 2015-2016 to the center by November 1, 2016, or failed to submit its longitudinal data system data set for school year 2015-2016 to the center under section 219,~~ **ANY OF THE INFORMATION DESCRIBED IN SUBDIVISIONS (A) TO (F) IN THE FORM AND MANNER SPECIFIED BY THE CENTER,** the state treasurer shall, **SUBJECT TO SUBDIVISION (G),** withhold the monthly installments from that community college until those data are submitted: -

(A) **ALL VERIFIED MICHIGAN COMMUNITY COLLEGES ACTIVITIES CLASSIFICATION STRUCTURE DATA FOR THE PRECEDING ACADEMIC YEAR TO THE CENTER BY NOVEMBER 1 OF EACH YEAR AS SPECIFIED IN SECTION 217.**

(B) **THE COLLEGE CREDIT OPPORTUNITY DATA SET AS SPECIFIED IN SECTION 209.**

(C) **THE LONGITUDINAL DATA SET FOR THE PRECEDING ACADEMIC YEAR TO THE CENTER AS SPECIFIED IN SECTION 219.**

(D) **THE ANNUAL INDEPENDENT AUDIT AS SPECIFIED IN SECTION 222.**

(E) **TUITION AND MANDATORY FEES INFORMATION FOR THE CURRENT ACADEMIC YEAR AS SPECIFIED IN SECTION 225.**

(F) **THE NUMBER AND TYPE OF ASSOCIATE DEGREES AND OTHER**

**CERTIFICATES AWARDED DURING THE PREVIOUS ACADEMIC YEAR AS SPECIFIED
IN SECTION 226.**

(G) The state budget director shall notify the chairs of the house and senate appropriations subcommittees on community colleges at least 10 days before withholding funds from any community college.

Sec. 207a. All of the following apply to the allocation of the fiscal year ~~2016-2017~~**2017-2018** appropriations described in section 201(4):

(a) A community college that receives money under section 201(4) shall use that money solely for the purpose of offsetting a portion of the retirement contributions owed by the college for that fiscal year.

(b) The amount allocated to each participating community college under section 201(4) shall be based on each college's percentage of the total covered payroll for all community colleges that are participating colleges in the immediately preceding fiscal year.

Sec. 207b. All of the following apply to the allocation of the fiscal year ~~2016-2017~~**2017-2018** appropriations described in section 201(5) for payments to community colleges that are participating entities of the retirement system:

(a) The amount of a payment under section 201(5) shall be the difference between the unfunded actuarial accrued liability contribution rate as calculated under section 41 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,
AS CALCULATED WITHOUT TAKING INTO ACCOUNT THE MAXIMUM EMPLOYER RATE

1 **OF 20.96% INCLUDED IN SECTION 41 OF THE PUBLIC SCHOOL EMPLOYEES**
2 **RETIREMENT ACT OF 1979, 1980 PA 300, MCL 38.1341,** and the maximum
3 employer rate of 20.96% under section 41 of the public school
4 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

5 (b) The amount allocated to each community college under
6 section 201(5) shall be based on each community college's
7 percentage of the total covered payroll for all community colleges
8 that are participating colleges in the immediately preceding fiscal
9 year. A community college that receives funds under this
10 subdivision shall use the funds solely for the purpose of
11 retirement contributions under section 201(5).

12 (c) Each participating college that receives funds under
13 section 201(5) shall forward an amount equal to the amount
14 allocated under subdivision (b) to the retirement system in a form
15 and manner determined by the retirement system.

16 Sec. 207c. All of the following apply to the allocation of the
17 appropriations described in section 201(6) to community colleges
18 described in section 12(3) of the Michigan renaissance zone act,
19 1996 PA 376, MCL 125.2692:

20 (a) The amount allocated to each community college under
21 section 201(6) for fiscal year ~~2016-2017~~**2017-2018** shall be based
22 on that community college's proportion of total revenue lost by
23 community colleges as a result of the exemption of property taxes
24 levied in ~~2016-2017~~ under the Michigan renaissance zone act, 1996
25 PA 376, MCL 125.2681 to 125.2696.

26 (b) The appropriations described in section 201(6) shall be
27 made to each eligible community college within 60 days after the

1 department of treasury certifies to the state budget director that
 2 it has received all necessary information to properly determine the
 3 amounts payable to each eligible community college under section 12
 4 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

5 Sec. 209. (1) Within 30 days after the board of a community
 6 college adopts its annual operating budget for the following fiscal
 7 year, or after the board adopts a subsequent revision to that
 8 budget, the community college shall make all of the following
 9 available through a link on its website homepage:

10 (a) The annual operating budget and subsequent budget
 11 revisions.

12 (b) A link to the most recent "Activities Classification
 13 Structure Data Book and Companion".

14 (c) General fund revenue and expenditure projections for **THE**
 15 **CURRENT** fiscal year 2016-2017 and **THE NEXT** fiscal year. 2017-2018.

16 (d) A listing of all debt service obligations, detailed by
 17 project, anticipated fiscal year 2016-2017-payment of each project,
 18 and total outstanding debt **FOR THE CURRENT FISCAL YEAR.**

19 ~~_____ (e) The estimated cost to the community college resulting from~~
 20 ~~the patient protection and affordable care act, Public Law 111-148,~~
 21 ~~as amended by the health care and education reconciliation act of~~
 22 ~~2010, Public Law 111-152.~~

23 **(E)** ~~(f)~~ Links to all of the following for the community
 24 college:

25 (i) The current collective bargaining agreement for each
 26 bargaining unit.

27 (ii) Each health care benefits plan, including, but not

1 limited to, medical, dental, vision, disability, long-term care, or
2 any other type of benefits that would constitute health care
3 services, offered to any bargaining unit or employee of the
4 community college.

5 (iii) Audits and financial reports for the most recent fiscal
6 year for which they are available.

7 (iv) A copy of the board of trustees resolution regarding
8 compliance with best practices for the local strategic value
9 component described in section 230(2).

10 (2) For statewide consistency and public visibility, community
11 colleges must use the icon badge provided by the department of
12 technology, management, and budget consistent with the icon badge
13 developed by the department of education for K-12 school districts.
14 It must appear on the front of each community college's homepage.
15 The size of the icon may be reduced to 150 x 150 pixels.

16 (3) The state budget director shall determine whether a
17 community college has complied with this section. The state budget
18 director may withhold a community college's monthly installments
19 described in section 206 until the community college complies with
20 this section. The state budget director shall notify the chairs of
21 the house and senate appropriations subcommittee on community
22 colleges at least 10 days before withholding funds from any
23 community college.

24 (4) Each community college shall report the following
25 information to the senate and house appropriations subcommittees on
26 community colleges, the senate and house fiscal agencies, and the
27 state budget office by November 15 of each fiscal year and post

1 that information on its website as required under subsection (1):

2 (a) Budgeted **CURRENT** fiscal year ~~2016-2017~~ general fund
3 revenue from tuition and fees.

4 (b) Budgeted **CURRENT** fiscal year ~~2016-2017~~ general fund
5 revenue from state appropriations.

6 (c) Budgeted **CURRENT** fiscal year ~~2016-2017~~ general fund
7 revenue from property taxes.

8 (d) Budgeted **CURRENT** fiscal year ~~2016-2017~~ total general fund
9 revenue.

10 (e) Budgeted **CURRENT** fiscal year ~~2016-2017~~total general fund
11 expenditures.

12 (5) By November 15 of each year, a community college shall
13 report the following information to the center and post the
14 information on its website under the budget transparency icon
15 badge:

16 (a) Opportunities for earning college credit through the
17 following programs:

18 (i) State approved career and technical education or a tech
19 prep articulated program of study.

20 (ii) Direct college credit or concurrent enrollment.

21 (iii) Dual enrollment.

22 (iv) An early college/middle college program.

23 (b) For each program described in subdivision (a) that the
24 community college offers, all of the following information:

25 (i) The number of high school students participating in the
26 program.

27 (ii) The number of school districts that participate in the

1 program with the community college.

2 (iii) Whether a college professor, qualified local school
3 district employee, or other individual teaches the course or
4 courses in the program.

5 (iv) The total cost to the community college to operate the
6 program.

7 (v) The cost per credit hour for the course or courses in the
8 program.

9 (vi) The location where the course or courses in the program
10 are held.

11 (vii) Instructional resources offered to the program
12 instructors.

13 (viii) Resources offered to the student in the program.

14 (ix) Transportation services provided to students in the
15 program.

16 Sec. 210b. By March 1, ~~2017,~~**2018**, the Michigan Community
17 College Association and the Michigan Association of State
18 Universities shall submit a report to the senate and house
19 appropriations subcommittees on community colleges, the senate and
20 house fiscal agencies, and the state budget director ~~that includes~~

21 **ON THE ACTIVITIES AND PROGRAMS OF THE TRANSFER STEERING COMMITTEE**
22 **SINCE THE MARCH 1, 2017 REPORT REQUIRED UNDER THIS SECTION,**
23 **INCLUDING** all of the following:

24 ~~—— (a) A progress report on the implementation of the Michigan~~
25 ~~transfer agreement developed by the study committee created under~~
26 ~~former section 210a, including an update on progress made on~~
27 ~~outstanding concerns identified in the March 1, 2016 implementation~~

1 ~~update.~~

2 ~~—— (b) A report on improvements to articulation and credit~~
 3 ~~transfer policies among and between all sectors of postsecondary~~
 4 ~~education in this state. The report shall identify areas of~~
 5 ~~progress since the March 1, 2016 report required by former section~~
 6 ~~210e, including all of the following:~~

7 ~~—— (i) Identifying effective policies and practices developed by~~
 8 ~~other states.~~

9 ~~—— (ii) Developing specific pathways, where advisable, that meet~~
 10 ~~program requirements for both associate's and bachelor's degree~~
 11 ~~programs.~~

12 **(A) THE ALIGNMENT OF LEARNING OUTCOMES IN GATEWAY MATHEMATICS**
 13 **COURSES IN THE QUANTITATIVE REASONING, COLLEGE ALGEBRA, AND**
 14 **STATISTICS PATHWAYS AND THE TRANSFERABILITY OF MATHEMATICS GATEWAY**
 15 **COURSES BETWEEN AND AMONG COMMUNITY COLLEGES AND UNIVERSITIES.**

16 **(B) THE DEVELOPMENT OF PROGRAM-SPECIFIC, STATEWIDE TRANSFER**
 17 **PATHWAYS THAT MEET PROGRAM REQUIREMENTS FOR BOTH ASSOCIATE AND**
 18 **BACHELOR'S DEGREE PROGRAMS.**

19 **(C) ~~(iii) Creating~~ THE DEVELOPMENT OF** an enhanced online
 20 communication tool to share information about postsecondary options
 21 in Michigan, ~~particularly clearly articulating~~ **COURSE**
 22 **EQUIVALENCIES, AND transfer pathways THAT ARE CLEARLY ARTICULATED.**

23 **(D) ~~(iv) Establishing~~ THE ESTABLISHMENT OF** clear timelines for
 24 ~~finalizing~~ **DEVELOPING AND IMPLEMENTING** transfer pathways.

25 **(E) A PROGRESS REPORT ON THE IMPLEMENTATION OF THE MICHIGAN**
 26 **TRANSFER AGREEMENT.**

27 Sec. 217. (1) The center shall do all of the following:

1 (a) Establish, maintain, and coordinate the state community
2 college database commonly known as the "activities classification
3 structure" or "ACS" database.

4 (b) Collect data concerning community colleges and community
5 college programs in this state, including data required by law.

6 (c) Establish procedures to ensure the validity and
7 reliability of the data and the collection process.

8 (d) Develop model data collection policies, including, but not
9 limited to, policies that ensure the privacy of any individual
10 student data. Privacy policies shall ensure that student social
11 security numbers are not released to the public for any purpose.

12 (e) Provide data in a useful manner to allow state
13 policymakers and community college officials to make informed
14 policy decisions.

15 ~~— (f) Assist community colleges in complying with audits under~~
16 ~~this section or federal law.~~

17 (2) There is created within the center the activities
18 classification structure advisory committee. The committee shall
19 provide advice to the director of the center regarding the
20 management of the state community college database, including, but
21 not limited to:

22 (a) Determining what data are necessary to collect and
23 maintain to enable state and community college officials to make
24 informed policy decisions.

25 (b) Defining the roles of all stakeholders in the data
26 collection system.

27 (c) Recommending timelines for the implementation and ongoing

1 collection of data.

2 (d) Establishing and maintaining data definitions, data
3 transmission protocols, and system specifications and procedures
4 for the efficient and accurate transmission and collection of data.

5 (e) Establishing and maintaining a process for ensuring the
6 accuracy of the data.

7 (f) Establishing and maintaining policies related to data
8 collection, including, but not limited to, privacy policies related
9 to individual student data.

10 (g) Ensuring that the data are made available to state
11 policymakers and citizens of this state in the most useful format
12 possible.

13 (h) Addressing other matters as determined by the director of
14 the center or as required by law.

15 (3) The activities classification structure advisory committee
16 created in subsection (2) shall consist of the following members:

17 (a) One representative from the house fiscal agency, appointed
18 by the director of the house fiscal agency.

19 (b) One representative from the senate fiscal agency,
20 appointed by the director of the senate fiscal agency.

21 (c) One representative from the workforce development agency,
22 appointed by the director of the workforce development agency.

23 (d) One representative from the center appointed by the
24 director of the center.

25 (e) One representative from the state budget office, appointed
26 by the state budget director.

27 (f) One representative from the governor's policy office,

1 appointed by that office.

2 (g) Four representatives of the Michigan Community College
3 Association, appointed by the president of the association. From
4 the groupings of community colleges given in table 17 of the
5 activities classification structure database described in
6 subsection (1), the association shall appoint 1 representative each
7 from group 1, group 2, and group 3, and 1 representative from
8 either group 3 or 4.

9 Sec. 222. Each community college shall have an annual audit of
10 all income and expenditures performed by an independent auditor and
11 shall furnish the independent auditor's management letter and an
12 annual audited accounting of all general and current funds income
13 and expenditures including audits of college foundations to the
14 **CENTER BEFORE NOVEMBER 15 OF EACH YEAR. THE CENTER SHALL PROVIDE**
15 **THIS INFORMATION TO** members of the senate and house appropriations
16 subcommittees on community colleges, the senate and house fiscal
17 agencies, the auditor general, the workforce development agency,
18 ~~the center, and the state budget director. before November 15 of~~
19 ~~each year.~~ If a community college fails to furnish the audit
20 materials, the monthly state aid installments shall be withheld
21 from that college until the information is submitted. All reporting
22 shall conform to the requirements set forth in the "2001 Manual for
23 Uniform Financial Reporting, Michigan Public Community Colleges". A
24 community college shall make the information the community college
25 is required to provide under this section available to the public
26 on its website.

27 Sec. 223. (1) By February 15 of each year, the department of

1 civil rights shall annually submit to the state budget director,
2 the house and senate appropriations subcommittees on community
3 colleges, and the house and senate fiscal agencies a report on
4 North American Indian tuition waivers for the preceding ~~fiscal~~
5 **ACADEMIC** year that includes, but is not limited to, all of the
6 following information:

7 (a) The number of waiver applications received and the number
8 of waiver applications approved.

9 (b) For each community college submitting information under
10 subsection (2), all of the following:

11 (i) The number of North American Indian students enrolled each
12 term for the previous ~~fiscal~~**ACADEMIC** year.

13 (ii) The number of North American Indian waivers granted each
14 term, **INCLUDING CONTINUING EDUCATION STUDENTS**, and the monetary
15 value of the waivers for the previous ~~fiscal~~**ACADEMIC** year.

16 (iii) The number of students attending under a North American
17 Indian tuition waiver who withdrew from the college **EACH TERM**
18 during the previous ~~fiscal~~**ACADEMIC** year. **FOR PURPOSES OF THIS**
19 **SUBPARAGRAPH, A WITHDRAWAL OCCURS WHEN A STUDENT WHO HAS BEEN**
20 **AWARDED THE WAIVER WITHDRAWS FROM THE INSTITUTION AT ANY POINT**
21 **DURING THE TERM, REGARDLESS OF ENROLLMENT IN SUBSEQUENT TERMS.**

22 (iv) The number of students attending under a North American
23 Indian tuition waiver who successfully complete a degree or
24 certificate program, separated by degree or certificate level, and
25 the graduation rate for students attending under a North American
26 Indian tuition waiver who complete a degree **OR CERTIFICATE** within
27 150% of the normal time to complete, separated by the level of the

1 degree **OR CERTIFICATE.**

2 (2) A community college that receives funds under section 201
3 shall provide to the department of civil rights any information
4 necessary for preparing the report described in subsection (1),
5 using guidelines and procedures developed by the department of
6 civil rights.

7 (3) The department of civil rights may consolidate the report
8 required under this section with the report required under section
9 268, but a consolidated report must separately identify data for
10 universities and data for community colleges.

11 Sec. 224. ~~A community college~~ **USING THE DATA PROVIDED BY THE**
12 **COMMUNITY COLLEGES AS REQUIRED UNDER SECTION 219 OF THIS ACT, THE**
13 **CENTER** shall use the P-20 longitudinal data system to inform
14 interested Michigan high schools and the public of the aggregate
15 academic status of its students for the previous academic year. ~~7~~
16 ~~in a manner prescribed by~~ **THE CENTER SHALL WORK WITH** the Michigan
17 Community College Association and in cooperation with the Michigan
18 Association of Secondary School Principals. Community colleges
19 shall cooperate with the center to maintain a systematic approach
20 for accomplishing this work.

21 Sec. 225. Each community college shall report to ~~the house and~~
22 ~~senate fiscal agencies, the state budget director, and the center~~
23 by August 31 ~~7, 2016,~~ **OF EACH YEAR** the tuition and mandatory fees
24 paid by a full-time in-district student and a full-time out-of-
25 district student as established by the college governing board for
26 the ~~2016-2017~~ **CURRENT** academic year. This report should also
27 include the annual cost of attendance based on a full-time course

1 load of 30 credits. Each community college shall also report any
 2 revisions to the reported ~~2016-2017~~**CURRENT** academic year tuition
 3 and mandatory fees adopted by the college governing board to ~~the~~
 4 ~~house and senate fiscal agencies, the state budget director, and~~
 5 the center within 15 days of being adopted. **THE CENTER SHALL**
 6 **PROVIDE THIS INFORMATION AND ANY REVISIONS TO THE HOUSE AND SENATE**
 7 **FISCAL AGENCIES AND THE STATE BUDGET DIRECTOR.**

8 Sec. 226. Each community college shall report to the center
 9 the numbers and type of associate degrees and other certificates
 10 awarded **BY THE COMMUNITY COLLEGE** during the previous fiscal year.
 11 The report shall be made not later than November 15 of each year.
 12 Community colleges shall work with the center to develop a
 13 systematic approach for meeting this requirement **USING THE P-20**
 14 **LONGITUDINAL DATA SYSTEM.**

15 Sec. 229. (1) Each community college that receives an
 16 appropriation in section 201 is expected to include in its
 17 admission application process a specific question as to whether an
 18 applicant for admission has ever served or is currently serving in
 19 the United States ~~armed forces~~**ARMED FORCES** or is the spouse or
 20 dependent of an individual who has served or is currently serving
 21 in the United States ~~armed forces,~~**ARMED FORCES,** in order to more
 22 quickly identify potential educational assistance available to that
 23 applicant.

24 (2) It is expected that each public community college that
 25 receives an appropriation in section 201 shall work with the house
 26 and senate community college subcommittees, the Michigan Community
 27 College Association, and veterans groups to review the issue of in-

1 district tuition for veterans of this state when determining
 2 tuition rates and fees.

3 (3) As used in this section, "veteran" means an honorably
 4 discharged veteran entitled to educational assistance under the
 5 provisions of section 5003 of the post-911 veterans educational
 6 assistance act of 2008, 38 USC 3301 to 3325.

7 Sec. 229a. Included in the fiscal year ~~2016-2017~~**2017-2018**
 8 appropriations for the department of technology, management, and
 9 budget are appropriations totaling ~~\$30,879,600.00~~**\$30,879,600.00** to
 10 provide funding for the state share of costs for previously
 11 constructed capital projects for community colleges. Those
 12 appropriations for state building authority rent represent
 13 additional state general fund support for community colleges, and
 14 the following is an estimate of the amount of that support to each
 15 community college:

16 (a) Alpena Community College, ~~\$632,500.00~~**\$630,000.00.**

17 (b) Bay de Noc Community College, ~~\$685,100.00~~**\$682,400.00.**

18 (c) Delta College, ~~\$3,360,600.00~~**\$3,347,300.00.**

19 (d) Glen Oaks Community College, ~~\$124,500.00~~**\$124,000.00.**

20 (e) Gogebic Community College, ~~\$56,700.00~~**\$56,400.00.**

21 (f) Grand Rapids Community College,

22 ~~\$2,083,500.00~~**\$2,075,300.00.**

23 (g) Henry Ford College, ~~\$1,040,300.00~~**\$1,036,200.00.**

24 (h) Jackson College, ~~\$2,273,800.00~~**\$2,264,800.00.**

25 (i) Kalamazoo Valley Community College,

26 ~~\$2,030,900.00~~**\$1,957,400.00.**

27 (j) Kellogg Community College, ~~\$526,200.00~~**\$524,100.00.**

1 (k) Kirtland Community College, ~~\$367,300.00.~~**\$365,900.00.**
 2 (l) Lake Michigan College, ~~\$344,100.00.~~**\$342,700.00.**
 3 (m) Lansing Community College, ~~\$1,154,600.00.~~**\$1,150,000.00.**
 4 (n) Macomb Community College, ~~\$1,715,700.00.~~**\$1,662,100.00.**
 5 (o) Mid Michigan Community College,
 6 ~~\$1,634,300.00.~~**\$1,627,800.00.**
 7 (p) Monroe County Community College,
 8 ~~\$1,278,100.00.~~**\$1,273,000.00.**
 9 (q) Montcalm Community College, ~~\$982,600.00.~~**\$978,700.00.**
 10 (r) C.S. Mott Community College, ~~\$1,497,600.00.~~**\$1,817,300.00.**
 11 (s) Muskegon Community College, ~~\$623,500.00.~~**\$570,500.00.**
 12 (t) North Central Michigan College, ~~\$417,900.00.~~**\$416,300.00.**
 13 (u) Northwestern Michigan College,
 14 ~~\$1,320,600.00.~~**\$1,315,400.00.**
 15 (v) Oakland Community College, ~~\$470,500.00.~~**\$468,700.00.**
 16 (w) Schoolcraft College, ~~\$1,564,400.00.~~**\$1,558,300.00.**
 17 (x) Southwestern Michigan College, ~~\$574,800.00.~~**\$531,700.00.**
 18 (y) St. Clair County Community College,
 19 ~~\$360,200.00.~~**\$358,800.00.**
 20 (z) Washtenaw Community College, ~~\$1,696,000.00.~~**\$1,689,300.00.**
 21 (aa) Wayne County Community College,
 22 ~~\$1,479,400.00.~~**\$1,473,600.00.**
 23 (bb) West Shore Community College, ~~\$583,900.00.~~**\$581,600.00.**
 24 Sec. 230. (1) Money included in the appropriations for
 25 community college operations under section 201(2) in fiscal year
 26 ~~2016-2017-~~**2017-2018** for performance funding is distributed based on
 27 the following formula:

1 (a) Allocated proportionate to fiscal year ~~2015-2016~~**2016-2017**
2 base appropriations, 30%.

3 (b) Based on a weighted student contact hour formula as
4 provided for in the 2016 recommendations of the performance
5 indicators task force, 30%.

6 (c) Based on the performance improvement as provided for in
7 the 2016 recommendations of the performance indicators task force,
8 10%.

9 (d) Based on the performance completion number as provided for
10 in the 2016 recommendations of the performance indicators task
11 force, 10%.

12 (e) Based on the performance completion rate as provided for
13 in the 2016 recommendations of the performance indicators task
14 force, 10%.

15 (f) Based on administrative costs, 5%.

16 (g) Based on the local strategic value component, as developed
17 in cooperation with the Michigan Community College Association and
18 described in subsection (2), 5%.

19 (2) Money included in the appropriations for community college
20 operations under section 201(2) for local strategic value shall be
21 allocated to each community college that certifies to the state
22 budget director, through a board of trustees resolution on or
23 before October 15, ~~2016,~~**2017**, that the college has met 4 out of 5
24 best practices listed in each category described in subsection (3).
25 The resolution shall provide specifics as to how the community
26 college meets each best practice measure within each category. One-
27 third of funding available under the strategic value component

1 shall be allocated to each category described in subsection (3).
2 Amounts distributed under local strategic value shall be on a
3 proportionate basis to each college's fiscal year ~~2015-2016~~**2016-**
4 **2017** operations funding. Payments to community colleges that
5 qualify for local strategic value funding shall be distributed with
6 the November installment payment described in section 206.

7 (3) For purposes of subsection (2), the following categories
8 of best practices reflect functional activities of community
9 colleges that have strategic value to the local communities and
10 regional economies:

11 (a) For Category A, economic development and business or
12 industry partnerships, the following:

13 (i) The community college has active partnerships with local
14 employers including hospitals and health care providers.

15 (ii) The community college provides customized on-site
16 training for area companies, employees, or both.

17 (iii) The community college supports entrepreneurship through
18 a small business assistance center or other training or consulting
19 activities targeted toward small businesses.

20 (iv) The community college supports technological advancement
21 through industry partnerships, incubation activities, or operation
22 of a Michigan technical education center or other advanced
23 technology center.

24 (v) The community college has active partnerships with local
25 or regional workforce and economic development agencies.

26 (b) For Category B, educational partnerships, the following:

27 (i) The community college has active partnerships with

1 regional high schools, intermediate school districts, and career-
2 tech centers to provide instruction through dual enrollment,
3 concurrent enrollment, direct credit, middle college, or academy
4 programs.

5 (ii) The community college hosts, sponsors, or participates in
6 enrichment programs for area K-12 students, such as college days,
7 summer or after-school programming, or Science Olympiad.

8 (iii) The community college provides, supports, or
9 participates in programming to promote successful transitions to
10 college for traditional age students, including grant programs such
11 as talent search, upward bound, or other activities to promote
12 college readiness in area high schools and community centers.

13 (iv) The community college provides, supports, or participates
14 in programming to promote successful transitions to college for new
15 or reentering adult students, such as adult basic education, a high
16 school equivalency test preparation program and testing, or
17 recruiting, advising, or orientation activities specific to adults.
18 As used in this subparagraph, "high school equivalency test
19 preparation program" means that term as defined in section 4.

20 (v) The community college has active partnerships with
21 regional 4-year colleges and universities to promote successful
22 transfer, such as articulation, 2+2, or reverse transfer agreements
23 or operation of a university center.

24 (c) For Category C, community services, the following:

25 (i) The community college provides continuing education
26 programming for leisure, wellness, personal enrichment, or
27 professional development.

1 (ii) The community college operates or sponsors opportunities
2 for community members to engage in activities that promote leisure,
3 wellness, cultural or personal enrichment such as community sports
4 teams, theater or musical ensembles, or artist guilds.

5 (iii) The community college operates public facilities to
6 promote cultural, educational, or personal enrichment for community
7 members, such as libraries, computer labs, performing arts centers,
8 museums, art galleries, or television or radio stations.

9 (iv) The community college operates public facilities to
10 promote leisure or wellness activities for community members,
11 including gymnasiums, athletic fields, tennis courts, fitness
12 centers, hiking or biking trails, or natural areas.

13 (v) The community college promotes, sponsors, or hosts
14 community service activities for students, staff, or community
15 members.

16 (4) Payments for performance funding under section 201(2)
17 shall be made to a community college only if that community college
18 actively participates in the Michigan Transfer Network sponsored by
19 the Michigan Association of Collegiate Registrars and Admissions
20 Officers and submits timely updates, including updated course
21 equivalencies at least every 6 months, to the Michigan transfer
22 network. The state budget director shall determine if a community
23 college has not satisfied this requirement. The state budget
24 director may withhold payments for performance funding until a
25 community college is in compliance with this section.

26 Enacting section 1. In accordance with section 30 of article
27 IX of the state constitution of 1963, total state spending from

1 state sources for community colleges for fiscal year 2017-2018
2 under article II of the state school aid act of 1979, 1979 PA 94,
3 MCL 388.1801 to 388.1830, is estimated at \$399,326,500.00 and the
4 amount of that state spending from state sources to be paid to
5 local units of government for fiscal year 2017-2018 is estimated at
6 \$399,326,500.00.

7 Enacting section 2. Section 210e of the state school aid act
8 of 1979, 1979 PA 94, MCL 388.1810e, is repealed effective October
9 1, 2017.

10 Enacting section 3. This amendatory act takes effect October
11 1, 2017.