

**SUBSTITUTE FOR
SENATE BILL NO. 134**

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

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 201. (1) Subject to the conditions set forth in this
2 article, the amounts listed in this section are appropriated for
3 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.~~
\$401,326,500.00. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$395,925,600.00.~~**\$401,326,500.00.**

(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.~~**\$395,142,600.00.**

(v) State general fund/general purpose money,
~~\$135,510,800.00.~~**\$6,183,900.00.**

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

(c) The appropriation for Delta College is ~~\$14,907,700.00,~~

1 ~~\$14,704,000.00 for operations and \$203,700.00 for performance~~
2 ~~funding.~~ **\$14,990,700.00, \$14,907,700.00 FOR OPERATIONS AND**
3 **\$83,000.00 FOR PERFORMANCE FUNDING.**

4 (d) The appropriation for Glen Oaks Community College is
5 ~~\$2,586,900.00, \$2,551,100.00 for operations and \$35,800.00 for~~
6 ~~performance funding.~~ **\$2,601,400.00, \$2,586,900.00 FOR OPERATIONS AND**
7 **\$14,500.00 FOR PERFORMANCE FUNDING.**

8 (e) The appropriation for Gogebic Community College is
9 ~~\$4,577,800.00, \$4,509,900.00 for operations and \$67,900.00 for~~
10 ~~performance funding.~~ **\$4,715,400.00, \$4,692,200.00 FOR OPERATIONS AND**
11 **\$23,200.00 FOR PERFORMANCE FUNDING.**

12 (f) The appropriation for Grand Rapids Community College is
13 ~~\$18,450,500.00, \$18,187,300.00 for operations and \$263,200.00 for~~
14 ~~performance funding.~~ **\$18,556,800.00, \$18,450,500.00 FOR OPERATIONS**
15 **AND \$106,300.00 FOR PERFORMANCE FUNDING.**

16 (g) The appropriation for Henry Ford College is
17 ~~\$22,176,000.00, \$21,893,300.00 for operations and \$282,700.00 for~~
18 ~~performance funding.~~ **\$22,299,200.00, \$22,176,000.00 FOR OPERATIONS**
19 **AND \$123,200.00 FOR PERFORMANCE FUNDING.**

20 (h) The appropriation for Jackson College is ~~\$12,397,600.00,~~
21 ~~\$12,245,300.00 for operations and \$152,300.00 for performance~~
22 ~~funding.~~ **\$12,590,100.00, \$12,527,400.00 FOR OPERATIONS AND**
23 **\$62,700.00 FOR PERFORMANCE FUNDING.**

24 (i) The appropriation for Kalamazoo Valley Community College
25 is ~~\$12,873,900.00, \$12,689,400.00 for operations and \$184,500.00~~
26 ~~for performance funding.~~ **\$12,948,700.00, \$12,873,900.00 FOR**
27 **OPERATIONS AND \$74,800.00 FOR PERFORMANCE FUNDING.**

1 (j) The appropriation for Kellogg Community College is
2 ~~\$10,087,500.00, \$9,950,100.00 for operations and \$137,400.00 for~~
3 ~~performance funding.~~**\$10,143,600.00, \$10,087,500.00 FOR OPERATIONS**
4 **AND \$56,100.00 FOR PERFORMANCE FUNDING.**

5 (k) The appropriation for Kirtland Community College is
6 ~~\$3,270,000.00, \$3,221,500.00 for operations and \$48,500.00 for~~
7 ~~performance funding.~~**\$3,289,400.00, \$3,270,000.00 FOR OPERATIONS AND**
8 **\$19,400.00 FOR PERFORMANCE FUNDING.**

9 (l) The appropriation for Lake Michigan College is
10 ~~\$5,492,800.00, \$5,417,700.00 for operations and \$75,100.00 for~~
11 ~~performance funding.~~**\$5,523,600.00, \$5,492,800.00 FOR OPERATIONS AND**
12 **\$30,800.00 FOR PERFORMANCE FUNDING.**

13 (m) The appropriation for Lansing Community College is
14 ~~\$31,677,300.00, \$31,288,200.00 for operations and \$389,100.00 for~~
15 ~~performance funding.~~**\$32,324,200.00, \$32,165,600.00 FOR OPERATIONS**
16 **AND \$158,600.00 FOR PERFORMANCE FUNDING.**

17 (n) The appropriation for Macomb Community College is
18 ~~\$33,681,800.00, \$33,239,500.00 for operations and \$442,300.00 for~~
19 ~~performance funding.~~**\$33,863,600.00, \$33,681,800.00 FOR OPERATIONS**
20 **AND \$181,800.00 FOR PERFORMANCE FUNDING.**

21 (o) The appropriation for Mid Michigan Community College is
22 ~~\$4,834,100.00, \$4,757,700.00 for operations and \$76,400.00 for~~
23 ~~performance funding.~~**\$4,968,900.00, \$4,937,400.00 FOR OPERATIONS AND**
24 **\$31,500.00 FOR PERFORMANCE FUNDING.**

25 (p) The appropriation for Monroe County Community College is
26 ~~\$4,636,700.00, \$4,565,600.00 for operations and \$71,100.00 for~~
27 ~~performance funding.~~**\$4,665,500.00, \$4,636,700.00 FOR OPERATIONS AND**

1 **\$28,800.00 FOR PERFORMANCE FUNDING.**

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

6 (r) The appropriation for C.S. Mott Community College is
7 ~~\$16,115,500.00, \$15,901,700.00 for operations and \$213,800.00 for~~
8 ~~performance funding.~~**\$16,258,100.00, \$16,167,200.00 FOR OPERATIONS**
9 **AND \$90,900.00 FOR PERFORMANCE FUNDING.**

10 (s) The appropriation for Muskegon Community College is
11 ~~\$9,150,600.00, \$9,020,700.00 for operations and \$129,900.00 for~~
12 ~~performance funding.~~**\$9,203,000.00, \$9,150,600.00 FOR OPERATIONS AND**
13 **\$52,400.00 FOR PERFORMANCE FUNDING.**

14 (t) The appropriation for North Central Michigan College is
15 ~~\$3,290,400.00, \$3,224,800.00 for operations and \$65,600.00 for~~
16 ~~performance funding.~~**\$3,353,200.00, \$3,330,200.00 FOR OPERATIONS AND**
17 **\$23,000.00 FOR PERFORMANCE FUNDING.**

18 (u) The appropriation for Northwestern Michigan College is
19 ~~\$9,318,000.00, \$9,200,500.00 for operations and \$117,500.00 for~~
20 ~~performance funding.~~**\$9,508,900.00, \$9,459,800.00 FOR OPERATIONS AND**
21 **\$49,100.00 FOR PERFORMANCE FUNDING.**

22 (v) The appropriation for Oakland Community College is
23 ~~\$21,770,900.00, \$21,429,400.00 for operations and \$341,500.00 for~~
24 ~~performance funding.~~**\$21,905,700.00, \$21,770,900.00 FOR OPERATIONS**
25 **AND \$134,800.00 FOR PERFORMANCE FUNDING.**

26 (w) The appropriation for Schoolcraft College is
27 ~~\$12,909,300.00, \$12,706,400.00 for operations and \$202,900.00 for~~

1 ~~performance funding.~~\$12,991,300.00, \$12,909,300.00 FOR OPERATIONS
2 AND \$82,000.00 FOR PERFORMANCE FUNDING.

3 (x) The appropriation for Southwestern Michigan College is
4 ~~\$6,732,500.00, \$6,657,600.00 for operations and \$74,900.00 for~~
5 ~~performance funding.~~\$6,860,700.00, \$6,827,000.00 FOR OPERATIONS AND
6 \$33,700.00 FOR PERFORMANCE FUNDING.

7 (y) The appropriation for St. Clair County Community College
8 is ~~\$7,259,300.00, \$7,158,000.00 for operations and \$101,300.00 for~~
9 ~~performance funding.~~\$7,300,100.00, \$7,259,300.00 FOR OPERATIONS AND
10 \$40,800.00 FOR PERFORMANCE FUNDING.

11 (z) The appropriation for Washtenaw Community College is
12 ~~\$13,534,000.00, \$13,301,100.00 for operations and \$232,900.00 for~~
13 ~~performance funding.~~\$13,631,400.00, \$13,534,000.00 FOR OPERATIONS
14 AND \$97,400.00 FOR PERFORMANCE FUNDING.

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

19 (bb) The appropriation for West Shore Community College is
20 ~~\$2,478,000.00, \$2,446,200.00 for operations and \$31,800.00 for~~
21 ~~performance funding.~~\$2,556,300.00, \$2,540,000.00 FOR OPERATIONS AND
22 \$16,300.00 FOR PERFORMANCE FUNDING.

23 (3) The amount appropriated in subsection (2) for community
24 college operations is appropriated from the following:

25 (a) State school aid fund, ~~\$185,481,200.00.~~\$315,892,000.00.

26 (b) State general fund/general purpose money,

27 ~~\$130,410,800.00.~~\$3,158,900.00.

1 (4) From the appropriations described in subsection (1),
2 ~~subject~~ **BOTH OF THE FOLLOWING APPLY:**

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

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

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

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

23 (7) **FROM THE APPROPRIATIONS DESCRIBED IN SUBSECTION (1),**
24 **SUBJECT TO 1986 PA 102, MCL 390.1281 TO 390.1288, THE AMOUNT**
25 **APPROPRIATED FOR A PILOT OF INDEPENDENT PART-TIME STUDENT GRANTS IS**
26 **\$2,000,000.00, APPROPRIATED FROM GENERAL FUND/GENERAL PURPOSE**
27 **MONEY. IF THE NUMBER OF ELIGIBLE APPLICANTS EXCEEDS THE MONEY**

1 AVAILABLE, PRIORITY SHALL BE GIVEN TO PERSONS WITH THE GREATEST
2 FINANCIAL NEED AS DETERMINED BY EACH EDUCATIONAL INSTITUTION.
3 BEGINNING IN FISCAL YEAR 2018-2019, A COMMUNITY COLLEGE SHALL
4 REPORT, IN A FORM AND MANNER DIRECTED BY AND SATISFACTORY TO THE
5 DEPARTMENT OF TREASURY, BY OCTOBER 15 OF EACH YEAR, ALL OF THE
6 FOLLOWING:

7 (A) THE NUMBER OF STUDENTS IN THE MOST RECENTLY COMPLETED
8 ACADEMIC YEAR WHO RECEIVED AN INDEPENDENT PART-TIME STUDENT GRANT
9 AT THE COMMUNITY COLLEGE.

10 (B) THE NUMBER OF STUDENTS IN THE MOST RECENTLY COMPLETED
11 ACADEMIC YEAR WHO RECEIVED AN INDEPENDENT PART-TIME STUDENT GRANT
12 AT THE COMMUNITY COLLEGE AND SUCCESSFULLY COMPLETED A CERTIFICATE
13 OR DEGREE PROGRAM.

14 (8) BEGINNING IN FISCAL YEAR 2018-2019, IF A COMMUNITY COLLEGE
15 FAILS TO REPORT THE INFORMATION REQUIRED IN SUBSECTION (7), THE
16 DEPARTMENT OF TREASURY SHALL NOT AWARD INDEPENDENT PART-TIME
17 STUDENT GRANTS TO OTHERWISE ELIGIBLE STUDENTS ENROLLED AT THE
18 COMMUNITY COLLEGE. THE DEPARTMENT OF TREASURY SHALL REPORT THE
19 INFORMATION REQUIRED IN SUBSECTION (7) TO MEMBERS OF THE SENATE AND
20 HOUSE APPROPRIATIONS SUBCOMMITTEES ON COMMUNITY COLLEGES, THE
21 SENATE AND HOUSE FISCAL AGENCIES, AND THE STATE BUDGET DIRECTOR
22 BEFORE NOVEMBER 1 OF EACH YEAR.

23 (9) FROM THE APPROPRIATIONS DESCRIBED IN SUBSECTION (1), THERE
24 IS APPROPRIATED \$1,025,000.00 FROM GENERAL FUND/GENERAL PURPOSE
25 MONEY, FOR FISCAL YEAR 2017-2018 ONLY, TO THE MICHIGAN COMMUNITY
26 COLLEGE ASSOCIATION, FOR THE PURPOSE OF ENHANCING THE MICHIGAN
27 TRANSFER NETWORK WEBSITE TO IMPROVE THE TRANSFER OF COLLEGE CREDIT

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

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

15 Sec. 206. (1) The funds appropriated in section 201 are
 16 appropriated for community colleges with fiscal years ending June
 17 30, ~~2017-2018~~ and shall be paid out of the state treasury and
 18 distributed by the state treasurer to the respective community
 19 colleges in 11 monthly installments on the sixteenth of each month,
 20 or the next succeeding business day, beginning with October 16,
 21 ~~2016-2017~~. Each community college shall accrue its July and August
 22 ~~2017-2018~~ payments to its institutional fiscal year ending June 30,
 23 ~~2017. However, if 2018.~~

24 (2) ~~IF~~ the state budget director determines that a community
 25 college failed to submit ~~all verified Michigan community colleges~~
 26 ~~activities classification structure data for school year 2015-2016~~
 27 ~~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

1 201(4) shall use that money solely for the purpose of offsetting a
2 portion of the retirement contributions owed by the college for
3 that fiscal year.

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

9 Sec. 207b. All of the following apply to the allocation of the
10 fiscal year ~~2016-2017~~**2017-2018** appropriations described in section
11 201(5) for payments to community colleges that are participating
12 entities of the retirement system:

13 (a) The amount of a payment under section 201(5) shall be the
14 difference between the unfunded actuarial accrued liability
15 contribution rate as calculated under section 41 of the public
16 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,
17 **AS CALCULATED WITHOUT TAKING INTO ACCOUNT THE MAXIMUM EMPLOYER RATE**
18 **OF 20.96% INCLUDED IN SECTION 41 OF THE PUBLIC SCHOOL EMPLOYEES**
19 **RETIREMENT ACT OF 1979, 1980 PA 300, MCL 38.1341,** and the maximum
20 employer rate of 20.96% under section 41 of the public school
21 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

22 (b) The amount allocated to each community college under
23 section 201(5) shall be based on each community college's
24 percentage of the total covered payroll for all community colleges
25 that are participating colleges in the immediately preceding fiscal
26 year. A community college that receives funds under this
27 subdivision shall use the funds solely for the purpose of

1 retirement contributions under section 201(5).

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

6 Sec. 207c. All of the following apply to the allocation of the
7 appropriations described in section 201(6) to community colleges
8 described in section 12(3) of the Michigan renaissance zone act,
9 1996 PA 376, MCL 125.2692:

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

16 (b) The appropriations described in section 201(6) shall be
17 made to each eligible community college within 60 days after the
18 department of treasury certifies to the state budget director that
19 it has received all necessary information to properly determine the
20 amounts payable to each eligible community college under section 12
21 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

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

27 (a) The annual operating budget and subsequent budget

1 revisions.

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

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

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

9 ~~—— (e) The estimated cost to the community college resulting from~~
10 ~~the patient protection and affordable care act, Public Law 111-148,~~
11 ~~as amended by the health care and education reconciliation act of~~
12 ~~2010, Public Law 111-152.~~

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

15 (i) The current collective bargaining agreement for each
16 bargaining unit.

17 (ii) Each health care benefits plan, including, but not
18 limited to, medical, dental, vision, disability, long-term care, or
19 any other type of benefits that would constitute health care
20 services, offered to any bargaining unit or employee of the
21 community college.

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

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

27 (2) For statewide consistency and public visibility, community

1 colleges must use the icon badge provided by the department of
2 technology, management, and budget consistent with the icon badge
3 developed by the department of education for K-12 school districts.
4 It must appear on the front of each community college's homepage.
5 The size of the icon may be reduced to 150 x 150 pixels.

6 (3) The state budget director shall determine whether a
7 community college has complied with this section. The state budget
8 director may withhold a community college's monthly installments
9 described in section 206 until the community college complies with
10 this section. The state budget director shall notify the chairs of
11 the house and senate appropriations subcommittee on community
12 colleges at least 10 days before withholding funds from any
13 community college.

14 (4) Each community college shall report the following
15 information to the senate and house appropriations subcommittees on
16 community colleges, the senate and house fiscal agencies, and the
17 state budget office by November 15 of each fiscal year and post
18 that information on its website as required under subsection (1):

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

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

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

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

27 (e) Budgeted **CURRENT** fiscal year ~~2016-2017~~total general fund

1 expenditures.

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

6 (a) Opportunities for earning college credit through the
7 following programs:

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

10 (ii) Direct college credit or concurrent enrollment.

11 (iii) Dual enrollment.

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

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

15 (i) The number of high school students participating in the
16 program.

17 (ii) The number of school districts that participate in the
18 program with the community college.

19 (iii) Whether a college professor, qualified local school
20 district employee, or other individual teaches the course or
21 courses in the program.

22 (iv) The total cost to the community college to operate the
23 program.

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

26 (vi) The location where the course or courses in the program
27 are held.

(vii) Instructional resources offered to the program instructors.

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

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

Sec. 210b. By March 1, 2017, ~~2018~~, the Michigan Community College Association and the Michigan Association of State Universities shall submit a report to the senate and house appropriations subcommittees on community colleges, the senate and house fiscal agencies, and the state budget director ~~that includes~~
ON THE ACTIVITIES AND PROGRAMS OF THE TRANSFER STEERING COMMITTEE SINCE THE MARCH 1, 2017 REPORT REQUIRED UNDER THIS SECTION, INCLUDING all of the following:

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

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

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

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

1 ~~programs.~~

2 (A) THE ALIGNMENT OF LEARNING OUTCOMES IN GATEWAY MATHEMATICS
3 COURSES IN THE QUANTITATIVE REASONING, COLLEGE ALGEBRA, AND
4 STATISTICS PATHWAYS AND THE TRANSFERABILITY OF MATHEMATICS GATEWAY
5 COURSES BETWEEN AND AMONG COMMUNITY COLLEGES AND UNIVERSITIES.

6 (B) THE DEVELOPMENT OF PROGRAM-SPECIFIC, STATEWIDE TRANSFER
7 PATHWAYS THAT MEET PROGRAM REQUIREMENTS FOR BOTH ASSOCIATE AND
8 BACHELOR'S DEGREE PROGRAMS.

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

13 (D) ~~(iv) Establishing~~ THE ESTABLISHMENT OF clear timelines for
14 ~~finalizing~~ DEVELOPING AND IMPLEMENTING transfer pathways.

15 (E) A PROGRESS REPORT OF THE IMPLEMENTATION OF THE MICHIGAN
16 TRANSFER AGREEMENT.

17 Sec. 210e. By February 1, ~~2017,~~ 2018, the Michigan Community
18 College Association, the Michigan Association of State
19 Universities, and the Michigan Independent Colleges and
20 Universities, on behalf of their member colleges and universities,
21 shall submit to the senate and house appropriations subcommittees
22 on higher education, the senate and house appropriations
23 subcommittees on community colleges, the senate and house fiscal
24 agencies, and the state budget director a comprehensive report
25 detailing the number of academic program partnerships between
26 public community colleges, public universities, and private
27 colleges and universities, including, but not limited to, the

1 following information:

2 (a) The names of the baccalaureate degree programs of study
3 offered by public and private universities on community college
4 campuses.

5 (b) The names of the articulation agreements for baccalaureate
6 degree programs of study between public community colleges, public
7 universities, and private colleges and universities.

8 (c) The number of students enrolled and number of degrees
9 awarded through articulation agreements, and the number of courses
10 offered, number of students enrolled, and number of degrees awarded
11 through on-campus programs named in subdivision (a) from July 1,
12 ~~2015-2016~~ through June 30, ~~2016-2017~~.

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

14 (a) Establish, maintain, and coordinate the state community
15 college database commonly known as the "activities classification
16 structure" or "ACS" database.

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

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

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

25 (e) Provide data in a useful manner to allow state
26 policymakers and community college officials to make informed
27 policy decisions.

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

3 (2) There is created within the center the activities
4 classification structure advisory committee. The committee shall
5 provide advice to the director of the center regarding the
6 management of the state community college database, including, but
7 not limited to:

8 (a) Determining what data are necessary to collect and
9 maintain to enable state and community college officials to make
10 informed policy decisions.

11 (b) Defining the roles of all stakeholders in the data
12 collection system.

13 (c) Recommending timelines for the implementation and ongoing
14 collection of data.

15 (d) Establishing and maintaining data definitions, data
16 transmission protocols, and system specifications and procedures
17 for the efficient and accurate transmission and collection of data.

18 (e) Establishing and maintaining a process for ensuring the
19 accuracy of the data.

20 (f) Establishing and maintaining policies related to data
21 collection, including, but not limited to, privacy policies related
22 to individual student data.

23 (g) Ensuring that the data are made available to state
24 policymakers and citizens of this state in the most useful format
25 possible.

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

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

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

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

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

9 (d) One representative from the center appointed by the
10 director of the center.

11 (e) One representative from the state budget office, appointed
12 by the state budget director.

13 (f) One representative from the governor's policy office,
14 appointed by that office.

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

22 Sec. 222. Each community college shall have an annual audit of
23 all income and expenditures performed by an independent auditor and
24 shall furnish the independent auditor's management letter and an
25 annual audited accounting of all general and current funds income
26 and expenditures including audits of college foundations to the
27 **CENTER BEFORE NOVEMBER 15 OF EACH YEAR. THE CENTER SHALL MAKE THIS**

1 **INFORMATION AVAILABLE TO** members of the senate and house
2 appropriations subcommittees on community colleges, the senate and
3 house fiscal agencies, the auditor general, the workforce
4 development agency, ~~the center,~~ and the state budget director.
5 ~~before November 15 of each year.~~ If a community college fails to
6 furnish the audit materials, the monthly state aid installments
7 shall be withheld from that college until the information is
8 submitted. All reporting shall conform to the requirements set
9 forth in the "2001 Manual for Uniform Financial Reporting, Michigan
10 Public Community Colleges". A community college shall make the
11 information the community college is required to provide under this
12 section available to the public on its website.

13 Sec. 223. (1) By February 15 of each year, the department of
14 civil rights shall annually submit to the state budget director,
15 the house and senate appropriations subcommittees on community
16 colleges, and the house and senate fiscal agencies a report on
17 North American Indian tuition waivers for the preceding ~~fiscal~~
18 **ACADEMIC** year that includes, but is not limited to, all of the
19 following information:

20 (a) The number of waiver applications received and the number
21 of waiver applications approved.

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

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

26 (ii) The number of North American Indian waivers granted each
27 term, **INCLUDING CONTINUING EDUCATION STUDENTS**, and the monetary

1 value of the waivers for the previous ~~fiscal~~-**ACADEMIC** year.

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

8 (iv) The number of students attending under a North American
9 Indian tuition waiver who successfully complete a degree or
10 certificate program, separated by degree or certificate level, and
11 the graduation rate for students attending under a North American
12 Indian tuition waiver who complete a degree **OR CERTIFICATE** within
13 150% of the normal time to complete, separated by the level of the
14 degree **OR CERTIFICATE.**

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

20 (3) The department of civil rights may consolidate the report
21 required under this section with the report required under section
22 268, but a consolidated report must separately identify data for
23 universities and data for community colleges.

24 Sec. 224. ~~A community college~~-**USING THE DATA PROVIDED BY THE**
25 **COMMUNITY COLLEGES AS REQUIRED UNDER SECTION 219, THE CENTER** shall
26 use the P-20 longitudinal data system to inform interested Michigan
27 high schools and the public of the aggregate academic status of its

1 students for the previous academic year. ~~in a manner prescribed~~
2 ~~by~~ **THE CENTER SHALL WORK WITH** the Michigan Community College
3 Association and in cooperation with the Michigan Association of
4 Secondary School Principals. ~~Community colleges shall cooperate~~
5 ~~with the center to maintain a systematic approach for accomplishing~~
6 ~~this work.~~

7 Sec. 225. Each community college shall report to the ~~house and~~
8 ~~senate fiscal agencies, the state budget director, and the center~~
9 by August 31 ~~, 2016,~~ **OF EACH YEAR** the tuition and mandatory fees
10 paid by a full-time in-district student and a full-time out-of-
11 district student as established by the college governing board for
12 the ~~2016-2017~~ **CURRENT** academic year. This report should also
13 include the annual cost of attendance based on a full-time course
14 load of 30 credits. Each community college shall also report any
15 revisions to the reported ~~2016-2017~~ **CURRENT** academic year tuition
16 and mandatory fees adopted by the college governing board to ~~the~~
17 ~~house and senate fiscal agencies, the state budget director, and~~
18 the center within 15 days of being adopted. **THE CENTER SHALL MAKE**
19 **THIS INFORMATION AND ANY REVISIONS AVAILABLE TO THE HOUSE AND**
20 **SENATE FISCAL AGENCIES AND THE STATE BUDGET DIRECTOR.**

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

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

- 9 (a) Alpena Community College, ~~\$632,500.00~~**\$630,000.00.**
10 (b) Bay de Noc Community College, ~~\$685,100.00~~**\$682,400.00.**
11 (c) Delta College, ~~\$3,360,600.00~~**\$3,347,300.00.**
12 (d) Glen Oaks Community College, ~~\$124,500.00~~**\$124,000.00.**
13 (e) Gogebic Community College, ~~\$56,700.00~~**\$56,400.00.**
14 (f) Grand Rapids Community College,
15 ~~\$2,083,500.00~~**\$2,075,300.00.**
16 (g) Henry Ford College, ~~\$1,040,300.00~~**\$1,036,200.00.**
17 (h) Jackson College, ~~\$2,273,800.00~~**\$2,264,800.00.**
18 (i) Kalamazoo Valley Community College,
19 ~~\$2,030,900.00~~**\$1,957,400.00.**
20 (j) Kellogg Community College, ~~\$526,200.00~~**\$524,100.00.**
21 (k) Kirtland Community College, ~~\$367,300.00~~**\$365,900.00.**
22 (l) Lake Michigan College, ~~\$344,100.00~~**\$342,700.00.**
23 (m) Lansing Community College, ~~\$1,154,600.00~~**\$1,150,000.00.**
24 (n) Macomb Community College, ~~\$1,715,700.00~~**\$1,662,100.00.**
25 (o) Mid Michigan Community College,
26 ~~\$1,634,300.00~~**\$1,627,800.00.**
27 (p) Monroe County Community College,

1 ~~\$1,278,100.00~~ **\$1,273,000.00.**

2 (q) Montcalm Community College, ~~\$982,600.00~~ **\$978,700.00.**

3 (r) C.S. Mott Community College, ~~\$1,497,600.00~~ **\$1,817,300.00.**

4 (s) Muskegon Community College, ~~\$623,500.00~~ **\$570,500.00.**

5 (t) North Central Michigan College, ~~\$417,900.00~~ **\$416,300.00.**

6 (u) Northwestern Michigan College,

7 ~~\$1,320,600.00~~ **\$1,315,400.00.**

8 (v) Oakland Community College, ~~\$470,500.00~~ **\$468,700.00.**

9 (w) Schoolcraft College, ~~\$1,564,400.00~~ **\$1,558,300.00.**

10 (x) Southwestern Michigan College, ~~\$574,800.00~~ **\$531,700.00.**

11 (y) St. Clair County Community College,

12 ~~\$360,200.00~~ **\$358,800.00.**

13 (z) Washtenaw Community College, ~~\$1,696,000.00~~ **\$1,689,300.00.**

14 (aa) Wayne County Community College,

15 ~~\$1,479,400.00~~ **\$1,473,600.00.**

16 (bb) West Shore Community College, ~~\$583,900.00~~ **\$581,600.00.**

17 Sec. 230. (1) Money included in the appropriations for
18 community college operations under section 201(2) in fiscal year
19 ~~2016-2017~~ **2017-2018** for performance funding is distributed based on
20 the following formula:

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

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

26 (c) Based on the performance improvement as provided for in
27 the 2016 recommendations of the performance indicators task force,

1 10%.

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

5 (e) Based on the performance completion rate as provided for
6 in the 2016 recommendations of the performance indicators task
7 force, 10%.

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

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

12 (2) Money included in the appropriations for community college
13 operations under section 201(2) for local strategic value shall be
14 allocated to each community college that certifies to the state
15 budget director, through a board of trustees resolution on or
16 before October 15, ~~2016~~, **2017**, that the college has met 4 out of 5
17 best practices listed in each category described in subsection (3).
18 The resolution shall provide specifics as to how the community
19 college meets each best practice measure within each category. One-
20 third of funding available under the strategic value component
21 shall be allocated to each category described in subsection (3).
22 Amounts distributed under local strategic value shall be on a
23 proportionate basis to each college's fiscal year ~~2015-2016-2016-~~
24 **2017** operations funding. Payments to community colleges that
25 qualify for local strategic value funding shall be distributed with
26 the November installment payment described in section 206.

27 (3) For purposes of subsection (2), the following categories

1 of best practices reflect functional activities of community
2 colleges that have strategic value to the local communities and
3 regional economies:

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

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

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

10 (iii) The community college supports entrepreneurship through
11 a small business assistance center or other training or consulting
12 activities targeted toward small businesses.

13 (iv) The community college supports technological advancement
14 through industry partnerships, incubation activities, or operation
15 of a Michigan technical education center or other advanced
16 technology center.

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

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

20 (i) The community college has active partnerships with
21 regional high schools, intermediate school districts, and career-
22 tech centers to provide instruction through dual enrollment,
23 concurrent enrollment, direct credit, middle college, or academy
24 programs.

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

1 (iii) The community college provides, supports, or
2 participates in programming to promote successful transitions to
3 college for traditional age students, including grant programs such
4 as talent search, upward bound, or other activities to promote
5 college readiness in area high schools and community centers.

6 (iv) The community college provides, supports, or participates
7 in programming to promote successful transitions to college for new
8 or reentering adult students, such as adult basic education, a high
9 school equivalency test preparation program and testing, or
10 recruiting, advising, or orientation activities specific to adults.
11 As used in this subparagraph, "high school equivalency test
12 preparation program" means that term as defined in section 4.

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

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

18 (i) The community college provides continuing education
19 programming for leisure, wellness, personal enrichment, or
20 professional development.

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

25 (iii) The community college operates public facilities to
26 promote cultural, educational, or personal enrichment for community
27 members, such as libraries, computer labs, performing arts centers,

1 museums, art galleries, or television or radio stations.

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

6 (v) The community college promotes, sponsors, or hosts
7 community service activities for students, staff, or community
8 members.

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

19 Enacting section 1. In accordance with section 30 of article
20 IX of the state constitution of 1963, total state spending from
21 state sources for community colleges for fiscal year 2017-2018
22 under article II of the state school aid act of 1979, 1979 PA 94,
23 MCL 388.1801 to 388.1830a, is estimated at \$401,326,500.00 and the
24 amount of that state spending from state sources to be paid to
25 local units of government for fiscal year 2017-2018 is estimated at
26 \$401,326,500.00.

27 Enacting section 2. This amendatory act takes effect October

1 1, 2017.