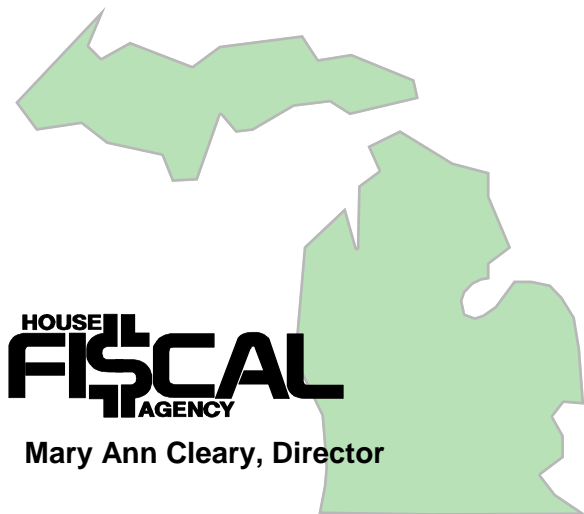


LINE ITEM AND BOILERPLATE SUMMARY

COMMUNITY COLLEGES

Fiscal Year 2017-18
Article II, Public Act 108 of 2017
House Bill 4313 as Enacted



Perry Zielak, Fiscal Analyst

September 2017

**HOUSE FISCAL AGENCY
GOVERNING COMMITTEE**

**Laura Cox
Tom Leonard
Dan Lauwers**

**Fred Durhal III
Sam Singh
Christine Greig**

**MICHIGAN HOUSE OF REPRESENTATIVES
APPROPRIATIONS COMMITTEE**

**Laura Cox, Chair
Rob VerHeulen, Vice-Chair
Chris Afendoulis
Sue Allor
John Bizon
Tommy Brann
Edward Canfield, D.O.
Shane Hernandez
Larry Inman
Tim Kelly
Kimberly LaSata
Steve Marino
Aaron Miller
Dave Pagel
Scott VanSingel**

**Roger Victory
Mary Whiteford
Jeff Yaroach
Fred Durhal III, Minority Vice-Chair
Tom Cochran
Pam Faris
Jon Hoadley
Robert Kosowski
David LaGrand
Kristy Pagan
Ronnie Peterson
Yousef Rabhi
Sylvia Santana
Henry Yanez**

STATE OF MICHIGAN
HOUSE OF REPRESENTATIVES



HOUSE FISCAL AGENCY

MARY ANN CLEARY, DIRECTOR

P.O. BOX 30014 ■ LANSING, MICHIGAN 48909-7514
PHONE: (517) 373-8080 ■ FAX: (517) 373-5874
www.house.mi.gov/hfa

GOVERNING COMMITTEE

LAURA COX, CHAIR
TOM LEONARD, VC
DAN LAUWERS

FRED DURHAL III, MVC
SAM SINGH
CHRISTINE GREIG

September 2017

TO: Members of the Michigan House of Representatives

The House Fiscal Agency has prepared a **Line Item Summary** for each of the FY 2017-18 appropriation acts. Each **Summary** contains line-by-line appropriation and revenue source detail, and a brief explanation of each boilerplate section in the appropriation bill.

In this report, line item vetoes are presented in the following manner: appropriation amounts shown in ~~strikeout~~ are those that appear in the enrolled bill; amounts shown directly below ~~strikeout~~ amounts reflect the effect of the veto.

Line Item Summaries are available on the HFA website (www.house.mi.gov/hfa), or from Kathryn Bateson, Administrative Assistant (373-8080 or kbateson@house.mi.gov).

A handwritten signature in black ink that reads "Mary Ann Cleary".

Mary Ann Cleary, Director

TABLE OF CONTENTS

COMMUNITY COLLEGES.....1

 Operations2

 Other Payments7

BOILERPLATE SECTION INFORMATION9

GLOSSARY

STATE BUDGET TERMS

Line Item

Specific funding amount in an appropriation bill which establishes spending authorization for a particular program or function.

Boilerplate

Specific language sections in an appropriation bill which direct, limit, or restrict line-item expenditures, express legislative intent, and/or require reports.

Lapse

Appropriated amounts that are unspent or unobligated at the end of a fiscal year; appropriations are automatically terminated at the end of a fiscal year unless otherwise provided by law.

Work Project

Account authorized through statutory process which allows appropriated spending authorization from one fiscal year to be utilized for expenditures in a succeeding fiscal year or years for a specific project or purpose.

APPROPRIATIONS AND FUND SOURCES

Appropriations

Authority to expend funds for a particular purpose. An appropriation is not a mandate to spend.

Gross: Total of all applicable appropriations in an appropriation bill.

Adjusted Gross: Net amount of gross appropriations after subtracting interdepartmental grants (IDGs) and intradepartmental transfers (IDTs).

Interdepartmental Grant (IDG) Revenue

Funds received by one state department from another state department—usually for service(s) provided.

Intradepartmental Transfer (IDT) Revenue

Funds transferred from one appropriation unit to another within the same departmental budget.

Federal Revenue

Federal grant or match revenue; generally dedicated to specific programs or purposes.

Local Revenue

Revenue received from local units of government for state services.

Private Revenue

Revenue from non-government entities: rents, royalties or interest payments, payments from hospitals or individuals, or gifts and bequests.

State Restricted Revenue

State revenue restricted by the State Constitution, state statute, or outside restriction that is available only for specified purposes; includes most fee revenue; at year-end, unused restricted revenue generally remains in the restricted fund.

General Fund/General Purpose (GF/GP) Revenue

Unrestricted general fund revenue available to fund basic state programs and other purposes determined by the Legislature; unused GF/GP revenue lapses to the General Fund at the end of a fiscal year.

MAJOR STATE FUNDS

General Fund

The state's primary operating fund; receives state revenue not dedicated to another state fund.

School Aid Fund (SAF)

A restricted fund that serves as the primary state funding source for K-12 schools and Intermediate School Districts. Constitutionally, SAF revenue may also be used for postsecondary education.

Budget Stabilization Fund

The Countercyclical Economic and Budget Stabilization Fund (also known as the "rainy day fund"); the Management and Budget Act provides guidelines for making deposits into and withdrawals from the fund.

COMMUNITY COLLEGES

The 1963 Michigan Constitution charged the legislature with providing by law for the establishment and financial support of public community colleges controlled by locally elected boards, which it did with enactment of the Community College Act of 1966. Twenty-eight public community colleges have been established, each drawing its students primarily from within a district organized under statute; each is governed by a locally elected board of trustees. Community colleges are supported primarily through a combination of state appropriations, tuition and fees, and local property tax revenues.

Community colleges offer a wide range of programs that are generally two years or less in duration, including: vocational-technical education leading to an associate's degree, education in anticipation of transfer to a four-year institution, basic skills, and customized training or retraining for displaced workers. Since 2012, community colleges have been statutorily permitted to offer baccalaureate degrees in a limited number of majors: cement technology, maritime technology, energy production technology, and culinary arts.

Since enactment of the FY 2011-12 budget in 2011, the Community Colleges budget has been enacted as Article II of the State School Aid Act, rather than being enacted as a standard one-year budget act.

GROSS APPROPRIATION	\$399,326,500	Total of all applicable line item appropriations.
Total interdepartmental grant/intradepartmental transfer revenue	0	Revenue received from other departments or transferred within the department.
ADJUSTED GROSS APPROPRIATION	\$399,326,500	Gross appropriation less (or minus) interdepartmental grant (IDG) and intradepartmental transfer (IDT) revenue.
Total federal revenue	0	Revenue received from federal departments and agencies.
Total local revenue	0	Revenue received from local units of government.
Total private revenue	0	Revenue received from private individuals and entities.
Total state restricted revenue	398,301,500	State revenue dedicated to a specific fund (other than the General Fund); or revenue earmarked for a specific purpose.
STATE GENERAL FUND/ GENERAL PURPOSE	\$1,025,000	Unrestricted state revenue from taxes and other sources.

SECTION 201(2): OPERATIONS

For FY 2017-18, total appropriations for community college operations were increased by 1.0%, or \$3.2 million, over the prior fiscal year. The majority of the increase is allocated using a performance indicators formula that distributes the increase as follows:

- 30% in proportion to FY 2016-17 base funding
- 30% based on contact-hour-equated students, weighted for health and technology fields
- 10% based on performance completion improvement
- 10% based on performance completion number
- 10% based on performance completion rate
- 5% based on administrative costs
- 5% based on a local strategic value component

Although the revenue mix varies considerably among the colleges, state aid made up about 20% of total community college general fund operating revenue in FY 2015-16, with property taxes contributing 34% and tuition and fees comprising 41%. The remaining 5% of community college revenues consisted of grants, gifts, and other sources of funds.

Related Boilerplate Section(s) for All Items in this Section: 204, 205, 206, 207, 208, 209, 222, 227, 230, 296

Alpena Community College	\$5,627,500	Alpena Community College is situated on a 700-acre campus in Alpena, bordered by the Thunder Bay River. Founded in 1952 as part of the Alpena Public Schools, the college separated from the school district in 1979. The college's voting district, which overlaps the public school district, comprises most of Alpena County and the southeastern corner of Presque Isle County. The college also maintains its Huron Shores campus in Oscoda.
		Funding Source(s): Restricted 5,627,500
Bay de Noc Community College	5,589,000	Established in 1963, Bay de Noc Community College is situated on a 160-acre campus in Escanaba, Delta County. In 2007, the college opened a 67,000 square foot facility in Iron Mountain, Dickinson County, partially supported by a local millage. Courses are also offered in Manistique. The college's voting district consists of Delta County, with residents of Dickinson County also eligible for in-district tuition. The college also provides reciprocal in-state tuition rates to residents of several Wisconsin counties.
		Funding Source(s): Restricted 5,589,000
Delta College	14,990,700	Founded in 1961, Delta College is situated on a 640-acre campus in University Center, Bay County. The college's voting district comprises the tri-county area of Midland, Bay, and Saginaw counties. In addition to its main campus in University Center, the college operates facilities in Saginaw, Midland, and Bay City.
		Funding Source(s): Restricted 14,990,700
Glen Oaks Community College	2,601,400	Established in 1965, Glen Oaks Community College is situated on a 300-acre campus in Centreville, St. Joseph County. The college's voting district consists of St. Joseph County, although the college also offers discounted tuition rates to Cass County residents in the Three Rivers, White Pigeon, or Constantine school districts, as well as residents in Branch County and Elkhart, LaGrange, and Steuben counties in Indiana.
		Funding Source(s): Restricted 2,601,400

Gogebic Community College	4,715,400	Originally founded in 1932 as part of the Ironwood School District, the Gogebic Community College district was established in 1965. The college is situated on a 260-acre campus in Ironwood, Gogebic County. The college owns and operates the Mt. Zion recreational complex, and offers courses at the Copper Country Center in Houghton.
Funding Source(s): Restricted 4,715,400		
Grand Rapids Community College	18,556,800	Founded in 1914, GRCC was the state's first community college, and among the first community colleges in the country. The college was originally established as part of the Grand Rapids Public Schools, but separated from the school district in July 1991. The college's voting district overlaps the Kent Intermediate School District, encompassing 20 public school districts. GRCC has the Main and DeVos campuses located in downtown Grand Rapids, in addition to offering classes at its Lakeshore campus in Holland and other locations in the Grand Rapids area.
Funding Source(s): Restricted 18,556,800		
Henry Ford College	22,299,200	Established in 1938, the college is organized as part of the Dearborn Public Schools as both the college and the school district feature the same board. The college's main campus is located on land originally donated to the college in 1956 by Ford Motor Company from the estate of Henry Ford. The college also offers courses at its east campus, which houses a Michigan Technical Education Center (M-TEC).
Funding Source(s): Restricted 22,299,200		
Jackson College	12,590,100	Established in 1928 as part of the Jackson Union School District, the college became a separate district in 1962, with the college's voting district comprising Jackson County. The college's main campus is located on 500 acres south of the City of Jackson. In addition to its main campus, the college offers courses at the north campus in Jackson, the Lenawee Intermediate School District Tech Center in Adrian, and the LeTarte Center in Hillsdale.
Funding Source(s): Restricted 12,590,100		
Kalamazoo Valley Community College	12,948,700	Established in 1966; the KVCC voting district comprises ten public school districts in the Kalamazoo area (Climax-Scotts, Comstock, Galesburg-Augusta, Gull Lake, Kalamazoo, Mattawan, Parchment, Portage, Schoolcraft, and Vicksburg). The college's main campus is located on 187 acres in Texas Township (southwest of Kalamazoo). The nearby Groves Center campus houses an M-TEC center and various career academies. The college's Arcadia Commons Campus, in downtown Kalamazoo, houses the Kalamazoo Valley Museum and the Center for New Media. The Bronson Healthy Living Campus was created in cooperation with Bronson Healthcare and the Kalamazoo Community Mental Health and Substance Abuse Services.
Funding Source(s): Restricted 12,948,700		
Kellogg Community College	10,143,600	Established in 1956 as part of the Battle Creek Public Schools, the college was separated from the school district in 1970. The college offers courses at its main campus in Battle Creek, with additional facilities in Albion (Eastern Academic Center), Coldwater (Grahf Center), Hastings (Fehsenfeld Center), and the M-TEC center at Ft. Custer Industrial Park. The college's voting district comprises 11 school districts covering portions of Calhoun, Barry, Branch, Hillsdale, Kalamazoo, and St. Joseph counties (Albion, Athens, Battle Creek, Harper Creek, Homer, Lakeview, Mar-Lee, Marshall, Pennfield, Tekonsha, and Union City).
Funding Source(s): Restricted 10,143,600		

Kirtland Community College	3,289,400	Established in 1966, the college's district comprises six public school districts (Crawford-AuSable, Fairview Area, Roscommon Area, Houghton Lake, Mio-AuSable, and West Branch-Rose City). Spanning nine counties, the district is geographically the largest community college district in the state. The college's main campus is located in Roscommon; there is also a campus location in West Branch, an M-TEC center located in Gaylord, and a Health Sciences Center in Grayling.
Funding Source(s): Restricted 3,289,400		
Lake Michigan College	5,523,600	Established in 1946 as Benton Harbor Junior College, the college was later renamed with the creation of a county-wide community college district. Today, the college's voting district comprises all of Berrien County, Covert Township and the South Haven Public Schools district in Van Buren County. The college's main campus is located in Benton Township. The college also maintains a campus in Bertrand Township (Bertrand Crossing Campus, located southwest of Niles) and South Haven.
Funding Source(s): Restricted 5,523,600		
Lansing Community College	32,324,200	Established in 1957, the college's voting district comprises 15 school districts surrounding Lansing (Bath, Dansville, DeWitt, East Lansing, Grand Ledge, Haslett, Holt, Lansing, Leslie, Mason, Okemos, Stockbridge, Waverly, Webberville, and Williamston). The college's main campus is located in downtown Lansing and includes a university center. The college also operates a west campus (including an M-TEC center) in Delta Township, an east campus in East Lansing, and learning centers in Howell and St. Johns.
Funding Source(s): Restricted 32,324,200		
Macomb Community College	33,863,600	Established in 1954 as part of the Van Dyke Public Schools, the college became a separate entity in 1962, with a voting district encompassing all of Macomb County. The college's main campus is located in Clinton Township as is its East Campus, which houses the college's Public Service Institute (police, fire/EMS, industrial health and safety programs). The college also maintains a South Campus and an M-TEC center in Warren.
Funding Source(s): Restricted 33,863,600		
Mid Michigan Community College	4,968,900	Established in 1965, the college's voting district spans portions of Clare, Gladwin, and Isabella counties, and includes the Beaverton, Clare, Farwell, Gladwin, and Harrison school districts. The college's 560-acre main campus and an M-TEC center are located in Harrison. The college also operates facilities in Mt. Pleasant, including the Doan Center for Science and Health Technologies, which houses many of the college's health professions programs.
Funding Source(s): Restricted 4,968,900		
Monroe County Community College	4,665,500	Established in 1964, the college opened to students in 1967 with the completion of its main campus in Monroe Charter Township. The 210-acre campus consists of seven buildings, including the La-Z-Boy Center, a multi-purpose educational and performing arts venue. In addition, the college also offers courses at the Whitman Center in Bedford Township. The college maintains a reciprocity agreement allowing Ohio residents to pay out-of-district rates if their program of study is not offered at Owens Community College in Ohio. The college's voting district consists of Monroe County.
Funding Source(s): Restricted 4,665,500		

Montcalm Community College	3,446,300	Established in 1965, the college's main 220-acre campus is located in Sidney, in central Montcalm County. The college's voting district comprises the Carson/Crystal, Central Montcalm, Greenville, Lakeview, Montabella, Tri County, and Vestaburg school districts, spanning portions of Clinton, Gratiot, Kent, Ionia, Isabella, Mecosta, Montcalm, and Newaygo counties. In addition to its main campus, the college maintains an M-TEC center in Greenville, and offers courses at centers in Ionia and Howard City.
		Funding Source(s): Restricted 3,446,300
C.S. Mott Community College	16,258,100	Established by the Flint Board of Education in 1923, the college separated from the school district, becoming Genesee Community College, following approval by Genesee County voters in 1969. In 1973, the college was renamed Charles Stewart Mott Community College. The college's voting district comprises the Genesee Intermediate School District, except for Maple Grove and Birch Run townships. The college's main campus, an M-TEC center, and the Workforce Education Center are located in Flint. The college also maintains extension centers in Clio, Fenton, Howell, and Lapeer, and offers courses at a service center in Owosso, and other community technology centers.
		Funding Source(s): Restricted 16,258,100
Muskegon Community College	9,203,000	Established in 1926 as part of the Muskegon school district, the college became a distinct entity in 1963, with the college's voting district comprising all of Muskegon County. In addition to its 111-acre main campus in Muskegon, the college also offers courses in Fremont, Grand Haven, Newaygo, Coopersville and the Holland Satellite Center.
		Funding Source(s): Restricted 9,203,000
North Central Michigan College	3,353,200	Established in 1958, the college's voting district comprises all of Emmet County. The college's main campus is located in Petoskey, with courses also offered at sites in Cheboygan and Gaylord.
		Funding Source(s): Restricted 3,353,200
Northwestern Michigan College	9,508,900	Established in 1951, the college is located on a 100-acre campus east of downtown Traverse City between east and west Grand Traverse Bay. The college's voting district comprises all of Grand Traverse County. The college also offers courses at its University Center, and the Aero Park Campus, which houses the college's aviation, workforce development, and trade and technical programs. The college offers a bachelor's degree in maritime technology through its Great Lakes Maritime Academy, located at the college's Great Lakes campus on the west bay.
		Funding Source(s): Restricted 9,508,900
Oakland Community College	21,905,700	Established in 1964, the college's voting district overlaps the district for Oakland Schools (the ISD), and encompasses more than 28 public school districts in the Oakland County area. The college's central administrative offices are located in Bloomfield Hills. The college maintains five campuses: Auburn Hills, Highland Lakes (Waterford), Orchard Ridge (Farmington Hills), Royal Oak, and Southfield.
		Funding Source(s): Restricted 21,905,700
Schoolcraft College	12,991,300	Established in 1962, the college's voting district comprises the school districts of Clarenceville, Garden City, Livonia, Plymouth-Canton, and Northville. The college's main campus is located in Livonia, as is a separate public safety training complex. The college's Radcliffe Center campus is located in Garden City.
		Funding Source(s): Restricted 12,991,300

Southwestern Michigan College	6,860,700	Established in 1964, the college's voting district comprises all of Cass County and Keeler and Hamilton Townships in Van Buren County. The college's 240-acre main campus in Dowagiac includes three on-campus housing buildings. The college also maintains a campus in Niles.
Funding Source(s): Restricted 6,860,700		
St. Clair County Community College	7,300,100	Established in 1923 by the Port Huron Board of Education, the college separated from the public school district in 1967, with the establishment of a county-wide community college district. The college's 25-acre main campus is located in downtown Port Huron. The college also offers classes at off-campus centers in Algonac, Crosswell, Peck, and Yale.
Funding Source(s): Restricted 7,300,100		
Washtenaw Community College	13,631,400	Established in 1965, the college's main 285-acre campus is located in Ann Arbor Charter Township. The college also offers courses at off-campus sites in Brighton, Dexter, Howell, and Ypsilanti.
Funding Source(s): Restricted 13,631,400		
Wayne County Community College	17,338,300	Established in 1967, the college's voting district comprises all of Wayne County except Dearborn, Dearborn Heights (partially), Garden City, Highland Park, Livonia, Northville, Plymouth, and Canton Township (partially). The college maintains five campuses, including three campuses in Detroit, and campuses in Belleville (Western Campus), and Taylor (Downriver Campus). The college's central administration is located at its downtown Detroit campus. The downriver campus houses the Michigan Institute for Public Safety Education.
Funding Source(s): Restricted 17,338,300		
West Shore Community College	2,556,300	Established in 1967, the college's voting district comprises all of Mason County and Manistee County, and parts of Lake, Newaygo, and Oceana counties. The college's 360-acre main campus is located in Mason County's Victory Township, near Scottville and Ludington. The college's Manistee County Education Center, near Manistee, was developed in partnership with the West Shore Medical Center.
Funding Source(s): Restricted 2,556,300		
GROSS APPROPRIATION	\$319,050,900	Total of all applicable line item appropriations.
State School Aid Fund	319,050,900	Restricted fund established under Article 4, Section 11 of the State Constitution. The SAF is primarily used to provide funding to K-12 school districts, although the constitution allows the fund to also support higher education (colleges and universities).
STATE GENERAL FUND/ GENERAL PURPOSE	\$0	Unrestricted state revenue from taxes and other sources.

SECTIONS 201(4), (5), (6), and (7): OTHER PAYMENTS

In addition to base funding for operations, the Community Colleges budget contains four other types of payments to colleges: three related to retirement costs and one for reimbursement of tax revenues lost due to renaissance zones. There is also a one-time appropriation for an updated college transfer website.

MPSERS Offset Sec. 201(4)a	\$1,733,600	Payments to community colleges for the purpose of offsetting a portion of the contributions owed to the Michigan Public School Employees' Retirement System (MPSERS) by colleges. The amount allocated to each college is in proportion to its percentage of total covered payroll in the immediately preceding fiscal year, as provided in section 207a.
		Funding Source(s): Restricted 1,733,600
		<i>Related Boilerplate Section(s): 207, 207a</i>
<hr/>		
MPSERS Normal Cost Offset Sec. 201(4)b	3,612,000	Payments to community colleges for the purpose of offsetting a portion of the normal cost contribution rate owed to MPSERS by colleges to reduce the assumed rate of return from 8% to 7.5%.
		Funding Source(s): Restricted 3,612,000
		<i>Related Boilerplate Section(s): 207, 207a</i>
<hr/>		
MPSERS State Share Contributions Sec. 201(5)	70,805,000	Payments to community colleges to make up the difference between the contribution rate needed to meet the MPSERS unfunded actuarial accrued liability and the employer contribution cap of 20.96% of payroll set by recent amendments (2012 PA 300) to the Public School Employees Retirement Act. The amount allocated to each college is in proportion to its percentage of total covered payroll in the immediately preceding fiscal year, as provided in section 207b.
		Funding Source(s): Restricted 70,805,000
		<i>Related Boilerplate Section(s): 207, 207b</i>
<hr/>		
Renaissance Zone Reimbursements Sec. 201(6)	3,100,000	Payments to community colleges for tax revenue lost in the prior fiscal year as a result of property exemptions under the Michigan Renaissance Zone Act. The amount allocated to each college is in proportion to its percentage of the total revenue lost by community colleges in 2017, as provided by section 207c.
		Funding Source(s): Restricted 3,100,000
		<i>Related Boilerplate Section(s): 207c</i>
<hr/>		
Michigan Transfer Network Sec. 201(7)	1,025,000	Appropriates funds to the Michigan Community College Association for enhancing the Michigan Transfer Network website. The site aims to improve the transfer of college credits between postsecondary institutions within the state.
		Funding Source(s): GF/GP 1,025,000
		<i>Related Boilerplate Section(s): None</i>
<hr/>		
GROSS APPROPRIATION	\$80,275,600	Total of all applicable line item appropriations.
<hr/>		
State School Aid Fund	79,250,600	Restricted fund established under Article 4, Section 11 of the State Constitution. The SAF is primarily used to provide funding to K-12 school districts, although the constitution allows the fund to also support higher education (colleges and universities).
<hr/>		
STATE GENERAL FUND/ GENERAL PURPOSE	\$1,025,000	Unrestricted state revenue from taxes and other sources.

BOILERPLATE SECTION INFORMATION

NOTE: Boilerplate sections with no changes from current law do not appear in budget bill but remain in compiled School Aid Act and apply to FY 2017-18 appropriations.

Sec. 201a. FY 2018-19 Appropriations

States legislative intent for FY 2018-19 appropriations to be the same as those for FY 2017-18, adjusted for caseloads, available federal funds, economic factors, and available revenue.

Sec. 202. Management and Budget Act

Subjects appropriations to the Management and Budget Act.

Sec. 202a. Definitions

Defines various terms.

Sec. 203. Internet Reporting

Requires colleges, the Workforce Development Agency, and the Center for Educational Performance and Information (CEPI) to use the Internet to fulfill reporting requirements.

Sec. 204. Buy American/Buy Michigan

Prohibits the use of funds to purchase foreign goods or services if American products that are competitively priced and of similar quality are available; states preference for Michigan goods and services; states preference for goods and services provided by Michigan businesses owned and operated by veterans.

Sec. 205. Deprived and Depressed Communities

Encourages colleges to ensure businesses in economically distressed areas compete for and perform contracts for services and/or supplies.

Sec. 206. Payment of Appropriations

Provides for payment of appropriations in 11 installments per year to community colleges; directs Department of Treasury to withhold appropriations if colleges fail to submit Activities Classification Structure data, longitudinal data system data, annual independent audits, tuition and fee information, and degree and certificate award data as required.

Sec. 207. Retirement Contributions

Conditions receipt of appropriations on a college's payment of the employer's contributions to the Michigan Public School Employees' Retirement System, and forbids a college from contributing to more than one retirement fund providing benefits for an employee.

Sec. 207a. MPSERS Offset

Specifies the purpose and allocation method for the MPSERS offset, which is funded with \$1.7 million from the School Aid fund. Funds to be allocated based on prior year covered payroll and to be used solely for offsetting a portion of the retirement contributions owed by the receiving college.

Sec. 207b. MPSERS State Share

Specifies the purpose and allocation method for the state share MPSERS funding. Funds to be allocated based on prior year covered payroll and to be used for paying the difference between the contribution rate needed to meet the total unfunded actuarial accrued liability to the system and the 20.96% employer cap set by statute.

Sec. 207c. Renaissance Zone Reimbursements

Specifies the purpose and allocation method for the Renaissance Zone reimbursements. Available funds to be allocated based each affected college's proportion of total revenue lost in the prior fiscal year as a result of property exemptions under the Michigan Renaissance Zone Act.

Sec. 208. Self-liquidating Projects; Capital Outlay

Prohibits colleges from using state funds for construction or maintenance of a self-liquidating projects; requires colleges to comply with Joint Capital Outlay Subcommittee (JCOS) use and finance policy for any capital outlay projects. Subjects colleges that fail to comply with JCOS requirements to a penalty of 1% of the operations funding for each violation.

BOILERPLATE SECTION INFORMATION

Sec. 209. Transparency Website

Requires colleges to post specified information on their websites, including: annual operating budgets, general fund revenue and expenditure projections, a listing of debt service obligations, collective bargaining agreements, health care benefits plans, audits and financial reports, and information on dual enrollment programs and other opportunities for earning college credit while in high school. Colleges must provide a link to the required information on their homepages using a standardized icon. Each college must also include current fiscal year budget information on its website and provide that information to the legislature and the State Budget Office.

Sec. 210. Collaboration With Four-Year Universities, Local Employers, and Each Other

Encourages colleges to collaborate with four-year universities, particularly in areas of training, instruction, and program articulation; encourages colleges to collaborate with local employers and each other to identify local employment needs; encourages colleges to work with universities to develop equivalency standards.

Sec. 210b. Colleges and Universities Transfer Agreement

Requires the Michigan Community College Association and the Michigan Association of State Universities to submit a progress report on the implementation of the Michigan Transfer Agreement, the development and implementation of transfer pathways, and various other transfer requirements between community colleges and state universities.

Sec. 210d. Reverse Transfer

Urges community colleges to work with public universities to increase the number of students awarded community college credentials as a result of "reverse transfer" of credits for university coursework to a community college.

Sec. 212. Cost Containment Initiatives

Encourages colleges to evaluate and pursue efficiency and cost-containment measures, including joint ventures, consolidating services, program collaboration, increasing web-based instruction, improving energy efficiency, eliminating low-volume/high-cost instructional programs, self-insurance, and group purchasing.

Sec. 217. Activities Classification Structure (ACS) Data; ACS Advisory Committee

Requires the Center for Educational Performance and Information (CEPI) to establish, maintain, and coordinate the ACS database of community college data; creates within CEPI an interagency advisory committee to review the ACS report, data, definitions, processes, and other items as needed.

Sec. 218. Prisoner Credit Hours

Excludes credit/contact hours for students incarcerated in penal institutions from enrollment data submitted by colleges.

Sec. 219. P-20 Longitudinal Data System

Requires each college to provide its P-20 longitudinal data system data for the preceding academic year to CEPI by October 15.

Sec. 220. Performance Audits

Explicitly authorizes performance audits by the auditor general and requires audited colleges to report audit responses to the legislature, the fiscal agencies, the auditor general and the state budget director.

Sec. 221. Record Retention

Requires colleges to retain class summaries, class lists, registration documents, student transcripts, and other specified information for audit purposes.

Sec. 222. Financial Statements

Requires colleges to submit audited financial statements to CEPI before November 15. CEPI will then provide the information to various state agencies.

Sec. 223. North American Indian Tuition Waiver Report

Requires colleges to report to the Department of Civil Rights on the number of North American Indian tuition waiver applications received and approved, the number and monetary value of the waivers, the number of students with waivers who withdrew from school, and the number of students with waivers who completed a degree or certificate program.

Sec. 224. Aggregate Academic Status

Requires that colleges provide CEPI data for the P-20 longitudinal data system in order to inform interested high schools of the aggregate academic status of their students.

BOILERPLATE SECTION INFORMATION

Sec. 225. Tuition Rate Reports

Requires colleges to report tuition/fee rates and tuition/fee rate revisions to CEPI by August 31. CEPI will then provide the information to various state agencies.

Sec. 226. Degrees Awarded by Colleges

Requires colleges to report by November 15 to CEPI the numbers and types of associate degrees and other certificates awarded by each college.

Sec. 227. Community College Automobile Purchases

Forbids lease or purchase of foreign-made vehicles if vehicles made in Michigan or elsewhere in the U.S. are competitively priced and of comparable quality.

Sec. 228. Communication with the Legislature

Forbids a community college from taking disciplinary action against an employee for communicating with the legislature.

Sec. 229. Veterans Notice on Applications

States each community college is expected to include in its application for admission process a specific question as to whether the applicant is a current or former member of the armed forces; urges colleges to work with various organizations to review the issue of in-district tuition for veterans.

Sec. 229a. State Building Authority Rent Payments

Itemizes estimated amounts of community college-related state building authority rent payments, totaling \$30.9 million, which are appropriated in the budget for the Department of Technology, Management, and Budget.

Sec. 230. Performance Indicator Formula

States the formula by which the amount available for performance funding (which is the amount of the annual increase in funding for community college operations) is allocated: 30 percent proportionate to prior-year base appropriations, 30 percent based on contact-hour-equated students weighted for health and technology/industrial fields, 10 percent based on performance completion improvement, 10 percent based on performance completion number, 10 percent based on performance completion rate, 5 percent based on administrative costs, and 5 percent based on meeting certain requirements reflective of providing strategic value to the local community.

Sec. 296. [Article IV] School Aid Funding Proration

Provides for community college appropriation amounts funded from School Aid Fund revenue to be reduced (along with K-12 and university appropriations) if total School Aid Fund appropriations are greater than the revenue available in the fund.

Enacting Section 1. State Spending to Locals

Reports spending from state resources and estimated payments to local units of government.



Mary Ann Cleary, Director
 Bethany Wicksall, Deputy Director
 517.373.8080

AREAS OF RESPONSIBILITY

Agriculture and Rural Development	William E. Hamilton
Attorney General	Michael Clossen
Auditor General	Benjamin Gielczyk
Bill Analysis	Edith Best; Jennifer McInerney; Patrick Morris; Emily Smith; Sue Stutzky
Capital Outlay	Benjamin Gielczyk
Civil Rights	Michael Clossen
Community Colleges	Perry Zielak
Corrections	Robin R. Risko
Economic and Revenue Forecasting	Jim Stansell
Education (Department)	Samuel Christensen
Environmental Quality	Austin Scott
Executive Office	Benjamin Gielczyk
Fiscal Oversight, Audit, and Litigation	Mary Ann Cleary
Health and Human Services:	
Human Services	Viola Bay Wild
Medicaid, Physical and Behavioral Health	Kevin Koorstra
Public Health, Aging, Departmentwide Administration	Susan Frey
Higher Education	Perry Zielak
Insurance and Financial Services	Marcus Coffin
Judiciary	Robin R. Risko
Legislature	Benjamin Gielczyk
Licensing and Regulatory Affairs	Marcus Coffin
Local Finance	Benjamin Gielczyk
Lottery	Benjamin Gielczyk
Michigan Strategic Fund	Benjamin Gielczyk
Military and Veterans Affairs	Kent Dell
Natural Resources	Austin Scott
Natural Resources Trust Fund	Benjamin Gielczyk; Austin Scott
Retirement	Bethany Wicksall
Revenue Forecasting	Jim Stansell
Revenue Sharing	Jim Stansell; Benjamin Gielczyk
School Aid	Bethany Wicksall; Samuel Christensen
State (Department)	Michael Clossen
State Police	Kent Dell
Supplemental Coordinator	Robin R. Risko
Talent and Economic Development	Benjamin Gielczyk
Tax Analysis	Jim Stansell; Benjamin Gielczyk
Technology, Management, and Budget	Michael Clossen
Transfer Coordinator	Viola Bay Wild
Transportation	William E. Hamilton
Treasury	Benjamin Gielczyk
Unemployment Insurance	Marcus Coffin



P.O. Box 30014 ■ Lansing, MI 48909-7514
(517) 373-8080
www.house.mi.gov/hfa