



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill is H.B. 4325

FY 2011-12 Senate-Passed Gross Appropriation	\$285,880,500
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House Changes to Senate-Passed:

<p>1. Operations. The Governor maintained funding for community college operations at the FY 2010-11 level. The Senate reduced funding for community college operations by \$10.0 million (3.4%). The reduction was allocated based on the Performance Indicators Task Force Formula that was developed pursuant to Section 242 of Public Act 154 of 2005, and Section 304 of Public Act 165 of 2010. The House reduced funding for community colleges by \$43,883,700 (15.0%), applying the reductions across-the-board instead of using the Performance Indicators Task Force Formula. <u>Table 1</u> delineates the impact on each college.</p>	(33,883,700)
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Total Changes.....	(\$33,883,700)
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FY 2011-12 House-Passed Gross Appropriation	\$251,996,800
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Note: The House included appropriations for community colleges in an omnibus bill (appropriations for School Aid, Community Colleges, and Higher Education) that amends the State School Aid Act (H.B. 4325). This analysis compares the Senate Bill 171 with H.B. 4325.

Changes from FY 2011-12 Senate-Passed:

1. **Internet Reports.** Requires use of the Internet to fulfill reporting requirements unless otherwise specified. Governor and Senate deleted, House restored. (House Sec. 203)
2. **Appropriation Limitations.** Provides community colleges shall comply with current Joint Capital Outlay Subcommittee (JCOS) use and finance requirements. Governor deleted compliance with JCOS. Senate restored JCOS compliance and included penalty of 1% appropriations reduction for each violation. House provided failure to comply may result in forfeiture of future JCOS consideration for capital outlay projects. (House Sec. 208/Senate Sec. 217)
3. **Transparency.** The House added language requiring each college to develop, post, and maintain on an easily public accessible internet site a comprehensive report categorizing all institutional general fund expenditures. (House Sec. 209)
4. **Collaboration with Four-Year Universities.** Encourages community colleges to explore ways of increasing collaboration and cooperation with universities. Governor and House deleted, Senate restored. (Senate Sec. 224)
5. **Purchase of Foreign Automobiles Prohibition.** Funds appropriated in Part 1 shall not be used for the lease or purchase of a vehicle assembled or manufactured outside of the United States if competitively priced and of comparable quality automobiles made in the state of Michigan or elsewhere in the United States of America are available. Governor and House deleted. Senate included. (Senate Sec. 247)
6. **Communications with Legislators.** The Senate included new language stating a community college shall not take disciplinary action against an employee for communicating with a member of the legislature or his or her staff. (Senate Sec. 251)
7. **Block Transfers.** The House added new language creating a committee to develop a process to improve the transferability of core college courses between colleges and universities. (House Sec. 210)
8. **Reverse Transfer.** House intent language that community colleges work with public universities to implement reverse transfer agreements (transfer credits back to the community college for an associate's degree). (House Sec. 213)
9. **Common Cut Score.** House language providing that a committee shall be created to develop a common set of scores using the ACT assessment to determine placement in developmental courses, requires report. (House Sec. 214)
10. **FY 2011-12 Budget Report.** New House language requiring report on FY 2011-12 budgeted revenue sources, expenditures, enrollments, and contact hours, by November 15, 2011. (House Sec. 215)
11. **Statutory Mandates.** House language stating legislative intent for a review of statutory mandates imposed on community colleges. (Determine whether necessary and costs/benefit analysis.) Provides for report. (House Sec. 216)
12. **Performance Indicators Task Force.** Provides that it is the intent of the legislature that performance measures be reviewed and more fully implemented for distribution of State funding in future years and that the performance indicators task force review and implement one or more measurable data items for the local strategic value indicator and review and implement one or more measurable data items for an administrative cost formula component. Governor and House deleted, Senate included. (Senate Sec. 304)
13. **Indian Tuition Waivers.** Subsection (2) Colleges shall use the criteria cited in 1976 PA 174, MCL 390.1251 to 390.1253, to determine eligibility for tuition waivers, and shall grant those waivers to individuals who meet the criteria and request tuition waivers. Governor and Senate included, House deleted. (Senate Sec. 506 (2))
14. **Anticipated Appropriations for Fiscal Year 2012-13.** The Governor and House included line-item appropriations for FY 2012-13. The Senate did not include line items and instead included boilerplate stating intent of the legislature to provide appropriations for FY 2012-13 for the line-items listed in Part 1 at the FY 2011-12 level except for changes in caseload and related costs, Federal fund match rates, economic factors, and available revenue. (Senate Sec. 1201)

Date Completed: 5-6-11

Fiscal Analyst: Bill Bowerman



Table 1: FY 2011-12 Community College Appropriation Bill

College	FY 2010-11 Enacted	FY 2011-12 Governor Rec.		FY 2011-12 House Passed				FY 2011-12 Senate Passed				House Over/ (Under) Senate
		Amount	Percent Change	Reduction & SAF Shift	Percent Change	Roll At-Risk Into Base	House	Reduction & SAF Shift	Percent Change	Roll At-Risk Into Base	Senate	
Alpena	5,126,100	5,126,100	0.0	(768,900)	(15.0)	\$79,000	4,436,200	(192,900)	(3.8)	\$79,000	5,012,200	(576,000)
Bay de Noc	5,178,400	5,178,400	0.0	(776,800)	(15.0)	88,200	4,489,800	(200,200)	(3.9)	88,200	5,066,400	(576,600)
Delta	13,751,600	13,751,600	0.0	(2,062,700)	(15.0)	109,500	11,798,400	(404,900)	(2.9)	109,500	13,456,200	(1,657,800)
Glen Oaks	2,304,800	2,304,800	0.0	(345,700)	(15.0)	102,000	2,061,100	(64,300)	(2.8)	102,000	2,342,500	(281,400)
Gogebic	4,275,200	4,275,200	0.0	(641,300)	(15.0)	54,700	3,688,600	(169,200)	(4.0)	54,700	4,160,700	(472,100)
Grand Rapids	17,219,800	17,219,800	0.0	(2,583,000)	(15.0)	139,700	14,776,500	(594,300)	(3.5)	139,700	16,765,200	(1,988,700)
Henry Ford	20,898,900	20,898,900	0.0	(3,134,800)	(15.0)	177,200	17,941,300	(837,700)	(4.0)	177,200	20,238,400	(2,297,100)
Jackson	11,542,300	11,542,300	0.0	(1,731,300)	(15.0)	159,800	9,970,800	(409,700)	(3.5)	159,800	11,292,400	(1,321,600)
Kalamazoo Valley	11,888,600	11,888,600	0.0	(1,783,300)	(15.0)	89,000	10,194,300	(351,800)	(3.0)	89,000	11,625,800	(1,431,500)
Kellogg	9,311,800	9,311,800	0.0	(1,396,800)	(15.0)	130,800	8,045,800	(339,600)	(3.6)	130,800	9,103,000	(1,057,200)
Kirtland	2,842,800	2,842,800	0.0	(426,400)	(15.0)	126,200	2,542,600	(63,000)	(2.2)	126,200	2,906,000	(363,400)
Lake Michigan	5,012,100	5,012,100	0.0	(751,800)	(15.0)	147,000	4,407,300	(197,500)	(3.9)	147,000	4,961,600	(554,300)
Lansing	29,762,500	29,762,500	0.0	(4,464,400)	(15.0)	141,900	25,440,000	(1,070,100)	(3.6)	141,900	28,834,300	(3,394,300)
Macomb	31,773,900	31,773,900	0.0	(4,766,200)	(15.0)	81,300	27,089,000	(1,188,800)	(3.7)	81,300	30,666,400	(3,577,400)
Mid Michigan	4,289,200	4,289,200	0.0	(643,400)	(15.0)	123,700	3,769,500	(96,800)	(2.3)	123,700	4,316,100	(546,600)
Monroe	4,142,800	4,142,800	0.0	(621,400)	(15.0)	100,900	3,622,300	(107,700)	(2.6)	100,900	4,136,000	(513,700)
Montcalm	2,981,600	2,981,600	0.0	(447,200)	(15.0)	66,700	2,601,100	(67,700)	(2.3)	66,700	2,980,600	(379,500)
Mott	15,016,400	15,016,400	0.0	(2,252,500)	(15.0)	142,800	12,906,700	(541,300)	(3.6)	142,800	14,617,900	(1,711,200)
Muskegon	8,518,600	8,518,600	0.0	(1,277,800)	(15.0)	96,600	7,337,400	(306,500)	(3.6)	96,600	8,308,700	(971,300)
North Central	2,893,600	2,893,600	0.0	(434,000)	(15.0)	100,500	2,560,100	(80,500)	(2.8)	100,500	2,913,600	(353,500)
Northwestern	8,682,000	8,682,000	0.0	(1,302,300)	(15.0)	130,200	7,509,900	(339,400)	(3.9)	130,200	8,472,800	(962,900)
Oakland	20,133,700	20,133,700	0.0	(3,020,100)	(15.0)	145,300	17,258,900	(683,800)	(3.4)	145,300	19,595,200	(2,336,300)
St. Clair	6,729,800	6,729,800	0.0	(1,009,500)	(15.0)	91,200	5,811,500	(248,200)	(3.7)	91,200	6,572,800	(761,300)
Schoolcraft	11,767,000	11,767,000	0.0	(1,765,000)	(15.0)	118,000	10,120,000	(277,500)	(2.4)	118,000	11,607,500	(1,487,500)
Southwestern	6,276,900	6,276,900	0.0	(941,500)	(15.0)	156,600	5,492,000	(268,600)	(4.3)	156,600	6,164,900	(672,900)
Washtenaw	12,149,000	12,149,000	0.0	(1,822,300)	(15.0)	109,400	10,436,100	(303,100)	(2.5)	109,400	11,955,300	(1,519,200)
Wayne County	15,889,900	15,889,900	0.0	(2,383,500)	(15.0)	178,200	13,684,600	(527,100)	(3.3)	178,200	15,541,000	(1,856,400)
West Shore	2,198,500	2,198,500	0.0	(329,800)	(15.0)	136,300	2,005,000	(67,800)	(3.1)	136,300	2,267,000	(262,000)
SUBTOTAL OPERATIONS:	\$292,557,800	\$292,557,800	0.0	(\$43,883,700)	(15.0)	\$3,322,700	\$251,996,800	(\$10,000,000)	(3.4)	\$3,322,700	\$285,880,500	(33,883,700)
At Risk	3,322,700	3,322,700	0.0	0	0.0	(3,322,700)	0	0	0.0	(3,322,700)	0	0
TOTAL APPROPRIATION:	\$295,880,500	\$295,880,500	0.0	(\$43,883,700)	(14.8)	\$0	\$251,996,800	(\$10,000,000)	(3.4)	\$0	\$285,880,500	(33,883,700)
State School Aid Fund	0	195,880,500	---	195,880,500	---	0	195,880,500	195,880,500	---	0	195,880,500	0
GF/GP	\$295,880,500	\$100,000,000	(66.2)	(\$239,764,200)	(81.0)	\$0	\$56,116,300	(\$205,880,500)	(69.6)	\$0	\$90,000,000	(33,883,700)