

FIRST CONFERENCE REPORT

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

Senate Bill No. 199, entitled

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 201, 201a, 206, 208, 209, 210, 224, 225, 229, 229a, 230, and 296 (MCL 388.1801, 388.1801a, 388.1806, 388.1808, 388.1809, 388.1810, 388.1824, 388.1825, 388.1829, 388.1829a, 388.1830, and 388.1896), section 201 as amended by 2012 PA 465, sections 201a, 206, 208, 209, 210, 224, 225, 229, and 230 as amended and section 229a as added by 2012 PA 201, and section 296 as added by 2011 PA 62, and by adding section 229b; and to repeal acts and parts of acts.

Recommends:

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

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

(attached)

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

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 201, 201a, 206, 208, 209, 210, 224, 225, 229, 229a, 230, and 296 (MCL 388.1801, 388.1801a, 388.1806, 388.1808, 388.1809, 388.1810, 388.1824, 388.1825, 388.1829, 388.1829a, 388.1830, and 388.1896), section 201 as amended by 2012 PA 465, sections 201a, 206, 208, 209, 210, 224, 225, 229, and 230

as amended and section 229a as added by 2012 PA 201, and section 296 as added by 2011 PA 62, and by adding sections 201b, 210b, and 229b; and to repeal acts and parts of acts.

Darwin L. Booher

Paul Muxlow

Roger Kahn

Greg MacMaster

Glenn Anderson

Adam F. Zemke

Conferees for the Senate

Conferees for the House

**SUBSTITUTE FOR
SENATE BILL NO. 199**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 201, 201a, 206, 208, 209, 210, 224, 225, 229,
229a, 230, and 296 (MCL 388.1801, 388.1801a, 388.1806, 388.1808,
388.1809, 388.1810, 388.1824, 388.1825, 388.1829, 388.1829a,
388.1830, and 388.1896), section 201 as amended by 2012 PA 465,
sections 201a, 206, 208, 209, 210, 224, 225, 229, and 230 as
amended and section 229a as added by 2012 PA 201, and section 296
as added by 2011 PA 62, and by adding sections 201b, 210b, and
229b; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

1 article, the amounts listed in subsections (2), ~~and (4)~~, (5), AND
 2 (7) are appropriated for community colleges for the fiscal year
 3 ending September 30, ~~2013~~, 2014, from the funds indicated in this
 4 section. The following is a summary of the appropriations in
 5 subsections (2), ~~and (4)~~, (5), AND (7):

6 (a) The gross appropriation is ~~\$294,130,500.00~~
 7 **\$335,977,600.00**. After deducting total interdepartmental grants and
 8 intradepartmental transfers in the amount of \$0.00, the adjusted
 9 gross appropriation is ~~\$294,130,500.00~~ **\$335,977,600.00**.

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

12 (i) Total federal revenues, \$0.00.

13 (ii) Total local revenues, \$0.00.

14 (iii) Total private revenues, \$0.00.

15 (iv) Total other state restricted revenues, \$197,614,100.00.

16 (v) State general fund/general purpose money,

17 ~~\$96,516,400.00~~ **\$138,363,500.00**.

18 (2) Subject to subsection (3), the amount appropriated for
 19 community college operations is ~~\$292,396,900.00~~, **\$298,244,000.00**,
 20 allocated as follows:

21 (a) Alpena Community College, ~~\$5,111,200.00~~ **\$5,221,100.00**.

22 (b) Bay de Noc Community College, ~~\$5,161,300.00~~ **\$5,263,800.00**.

23 (c) Delta College, ~~\$13,712,700.00~~ **\$14,022,200.00**.

24 (d) Glen Oaks Community College, ~~\$2,383,000.00~~ **\$2,434,300.00**.

25 (e) Gogebic Community College, ~~\$4,233,100.00~~ **\$4,317,500.00**.

26 (f) Grand Rapids Community College,

27 ~~\$17,054,300.00~~ **\$17,403,500.00**.

- 1 (g) Henry Ford Community College,
 2 ~~\$20,596,700.00~~-\$20,997,900.00.
- 3 (h) Jackson Community College, ~~\$11,491,500.00~~-\$11,723,600.00.
- 4 (i) Kalamazoo Valley Community College,
 5 ~~\$11,828,300.00~~-\$12,086,900.00
- 6 (j) Kellogg Community College, ~~\$9,289,300.00~~-\$9,494,000.00.
- 7 (k) Kirtland Community College, ~~\$2,968,300.00~~-\$3,046,800.00.
- 8 (l) Lake Michigan College, ~~\$5,059,300.00~~-\$5,162,900.00.
- 9 (m) Lansing Community College, ~~\$29,335,000.00~~-\$29,935,300.00.
- 10 (n) Macomb Community College, ~~\$31,206,500.00~~-\$31,837,200.00.
- 11 (o) Mid Michigan Community College,
 12 ~~\$4,393,400.00~~-\$4,504,700.00.
- 13 (p) Monroe County Community College,
 14 ~~\$4,223,500.00~~-\$4,329,900.00.
- 15 (q) Montcalm Community College, ~~\$3,038,500.00~~-\$3,112,000.00.
- 16 (r) C.S. Mott Community College,
 17 ~~\$14,890,400.00~~-\$15,202,200.00.
- 18 (s) Muskegon Community College, ~~\$8,456,100.00~~-\$8,628,000.00.
- 19 (t) North Central Michigan College,
 20 ~~\$2,979,900.00~~-\$3,055,400.00.
- 21 (u) Northwestern Michigan College,
 22 ~~\$8,624,100.00~~-\$8,799,300.00.
- 23 (v) Oakland Community College, ~~\$19,977,500.00~~-\$20,422,900.00.
- 24 (w) St. Clair County Community College,
 25 ~~\$6,697,300.00~~-\$6,839,900.00.
- 26 (x) Schoolcraft College, ~~\$11,800,500.00~~-\$12,076,700.00.
- 27 (y) Southwestern Michigan College,

1 ~~\$6,269,000.00.~~ \$6,385,400.00.

2 (z) Washtenaw Community College,

3 ~~\$12,242,000.00.~~ \$12,573,900.00.

4 (aa) Wayne County Community College,

5 ~~\$15,798,500.00.~~ \$16,146,700.00.

6 (bb) West Shore Community College,

7 ~~\$2,298,200.00.~~ \$2,342,900.00.

8 (cc) Local strategic value, ~~\$1,277,500.00.~~ \$877,100.00.

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

11 (a) State school aid fund, \$195,880,500.00.

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

13 ~~\$96,516,400.00.~~ \$102,363,500.00.

14 (4) From the appropriations described in subsection (1), there
15 is appropriated for fiscal year ~~2012-2013-~~2013-2014 an amount not
16 to exceed \$1,733,600.00 for payments to community colleges from the
17 state school aid fund. A community college that receives money
18 under this subsection shall use that money solely for the purpose
19 of offsetting a portion of the retirement contributions owed by the
20 college for the fiscal year ending September 30, ~~2013-~~2014. The
21 amount allocated to each community college under this subsection is

22 ~~as follows:~~ **THE AMOUNT ALLOCATED TO EACH PARTICIPATING COMMUNITY**
23 **COLLEGE UNDER THIS SECTION SHALL BE BASED ON EACH PARTICIPATING**
24 **COLLEGE'S TOTAL PAYROLL COVERED BY THE RETIREMENT SYSTEM-COVERED**
25 **PAYROLL FOR ALL PARTICIPATING COLLEGES FOR THE IMMEDIATELY**
26 **PRECEDING STATE FISCAL YEAR.**

27 ~~— (a) Alpena Community College, \$30,400.00.~~

- 1 ~~—— (b) Bay de Noc Community College, \$30,800.00.~~
- 2 ~~—— (c) Delta College, \$81,400.00.~~
- 3 ~~—— (d) Glen Oaks Community College, \$14,200.00.~~
- 4 ~~—— (e) Gogebic Community College, \$25,300.00.~~
- 5 ~~—— (f) Grand Rapids Community College, \$101,700.00.~~
- 6 ~~—— (g) Henry Ford Community College, \$123,000.00.~~
- 7 ~~—— (h) Jackson Community College, \$68,500.00.~~
- 8 ~~—— (i) Kalamazoo Valley Community College, \$70,400.00.~~
- 9 ~~—— (j) Kellogg Community College, \$55,300.00.~~
- 10 ~~—— (k) Kirtland Community College, \$17,500.00.~~
- 11 ~~—— (l) Lake Michigan College, \$30,200.00.~~
- 12 ~~—— (m) Lansing Community College, \$175,000.00.~~
- 13 ~~—— (n) Macomb Community College, \$186,200.00.~~
- 14 ~~—— (o) Mid Michigan Community College, \$26,100.00.~~
- 15 ~~—— (p) Monroe County Community College, \$25,000.00.~~
- 16 ~~—— (q) Montcalm Community College, \$18,000.00.~~
- 17 ~~—— (r) C.S. Mott Community College, \$88,700.00.~~
- 18 ~~—— (s) Muskegon Community College, \$50,400.00.~~
- 19 ~~—— (t) North Central Michigan College, \$17,600.00.~~
- 20 ~~—— (u) Northwestern Michigan College, \$51,500.00.~~
- 21 ~~—— (v) Oakland Community College, \$118,800.00.~~
- 22 ~~—— (w) St. Clair County Community College, \$39,900.00.~~
- 23 ~~—— (x) Schoolcraft College, \$70,100.00.~~
- 24 ~~—— (y) Southwestern Michigan College, \$37,500.00.~~
- 25 ~~—— (z) Washtenaw Community College, \$72,200.00.~~
- 26 ~~—— (aa) Wayne County Community College, \$94,200.00.~~
- 27 ~~—— (bb) West Shore Community College, \$13,700.00.~~

1 ~~———— (5) Notwithstanding subsections (1) and (3) of this section as~~
2 ~~in effect for the fiscal year ending September 30, 2012, the~~
3 ~~amounts appropriated for community colleges under subsection (2) of~~
4 ~~this section for the fiscal year ending September 30, 2012 are~~
5 ~~appropriated from the following funds:~~

6 ~~———— (a) State school aid fund, \$259,629,400.00.~~

7 ~~———— (b) State general fund/general purpose money, \$24,251,100.00.~~

8 (5) FROM THE APPROPRIATIONS DESCRIBED IN SUBSECTION (1), THERE
9 IS APPROPRIATED AN AMOUNT NOT TO EXCEED \$31,400,000.00 FROM THE
10 STATE GENERAL FUND FOR PAYMENTS TO COMMUNITY COLLEGES THAT ARE
11 PARTICIPATING ENTITIES OF THE RETIREMENT SYSTEM. ALL OF THE
12 FOLLOWING APPLY TO THE APPROPRIATIONS DESCRIBED IN THIS SUBSECTION:

13 (A) THE AMOUNT OF A PAYMENT UNDER THIS SUBSECTION 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 AND THE MAXIMUM EMPLOYER RATE OF 20.96% UNDER SECTION 41 OF THE
18 PUBLIC SCHOOL EMPLOYEES RETIREMENT ACT OF 1979, 1980 PA 300, MCL
19 38.1341.

20 (B) THE AMOUNT ALLOCATED TO EACH COMMUNITY COLLEGE UNDER THIS
21 SUBSECTION SHALL BE BASED ON EACH COMMUNITY COLLEGE'S PERCENTAGE OF
22 THE TOTAL COVERED PAYROLL FOR ALL COMMUNITY COLLEGES THAT ARE
23 PARTICIPATING COLLEGES IN THE IMMEDIATELY PRECEDING FISCAL YEAR. A
24 COMMUNITY COLLEGE THAT RECEIVES FUNDS UNDER THIS SUBSECTION SHALL
25 USE THE FUNDS SOLELY FOR THE PURPOSE OF RETIREMENT CONTRIBUTIONS
26 UNDER SUBDIVISION (C).

27 (C) EACH PARTICIPATING COLLEGE RECEIVING FUNDS UNDER THIS

1 SUBSECTION SHALL FORWARD AN AMOUNT EQUAL TO THE AMOUNT ALLOCATED
2 UNDER SUBDIVISION (B) TO THE RETIREMENT SYSTEM IN A FORM AND MANNER
3 DETERMINED BY THE RETIREMENT SYSTEM.

4 (6) ALL OF THE FOLLOWING APPLY TO COMMUNITY COLLEGES DESCRIBED
5 IN SECTION 12(3) OF THE MICHIGAN RENAISSANCE ZONE ACT, MCL
6 125.2692:

7 (A) FROM THE APPROPRIATIONS DESCRIBED IN SUBSECTION (1), THE
8 FOLLOWING AMOUNT IS ALLOCATED FOR REIMBURSEMENT TO COMMUNITY
9 COLLEGES UNDER SECTION 12(3) OF THE MICHIGAN RENAISSANCE ZONE ACT,
10 MCL 125.2692:

11 (i) IF THE AMOUNT OF TAX REVENUE LOST BY COMMUNITY COLLEGES AS
12 A RESULT OF THE EXEMPTION OF PROPERTY UNDER THE MICHIGAN
13 RENAISSANCE ZONE ACT IN FISCAL YEAR 2012-2013 IS \$3,500,000.00 OR
14 MORE, \$3,500,000.00 FROM THE STATE GENERAL FUND.

15 (ii) IF THE AMOUNT OF TAX REVENUE LOST BY COMMUNITY COLLEGES AS
16 A RESULT OF THE EXEMPTION OF PROPERTY UNDER THE MICHIGAN
17 RENAISSANCE ZONE ACT IN FISCAL YEAR 2012-2013 IS LESS THAN
18 \$3,500,000.00, THE ACTUAL AMOUNT OF TAX REVENUE LOST BY THE
19 COMMUNITY COLLEGES.

20 (B) THE AMOUNT ALLOCATED TO EACH COMMUNITY COLLEGE UNDER THIS
21 SUBSECTION SHALL BE BASED ON THAT COMMUNITY COLLEGE'S PROPORTION OF
22 TOTAL REVENUE LOST BY COMMUNITY COLLEGES IN FISCAL YEAR 2012-2013
23 AS A RESULT OF THE EXEMPTION OF PROPERTY UNDER THE MICHIGAN
24 RENAISSANCE ZONE ACT.

25 (C) THE APPROPRIATIONS DESCRIBED IN THIS SUBSECTION SHALL BE
26 MADE TO EACH ELIGIBLE COMMUNITY COLLEGE WITHIN 60 DAYS AFTER THE
27 DEPARTMENT OF TREASURY CERTIFIES TO THE STATE BUDGET DIRECTOR THAT

1 IT HAS RECEIVED ALL NECESSARY INFORMATION TO PROPERLY DETERMINE THE
2 AMOUNTS OF TAX REVENUE LOST BY EACH ELIGIBLE COMMUNITY COLLEGE IN
3 FISCAL YEAR 2012-2013 UNDER SECTION 12 OF THE MICHIGAN RENAISSANCE
4 ZONE ACT, MCL 125.2692.

5 (7) FROM THE APPROPRIATIONS DESCRIBED IN SUBSECTION (1), THERE
6 IS APPROPRIATED \$1,100,000.00 FROM THE STATE GENERAL FUND, FOR
7 FISCAL YEAR 2013-2014 ONLY, TO THE MICHIGAN COMMUNITY COLLEGE
8 ASSOCIATION, FOR THE PURPOSE OF EXPANDING THE MICHIGAN COMMUNITY
9 COLLEGE VIRTUAL LEARNING COLLABORATIVE. THE MICHIGAN COMMUNITY
10 COLLEGE ASSOCIATION SHALL PROVIDE INFORMATION ON REQUEST TO THE
11 HOUSE AND SENATE SUBCOMMITTEES ON COMMUNITY COLLEGES, THE HOUSE AND
12 SENATE FISCAL AGENCIES, AND THE STATE BUDGET DIRECTOR ON THE USE OF
13 THESE FUNDS UNTIL THE PROJECT IS COMPLETED.

14 (8) AS USED IN THIS SECTION:

15 (A) "MICHIGAN RENAISSANCE ZONE ACT" MEANS THE MICHIGAN
16 RENAISSANCE ZONE ACT, 1996 PA 376, MCL 125.2681 TO 125.2696.

17 (B) "PARTICIPATING COLLEGE" MEANS A COMMUNITY COLLEGE THAT IS
18 A REPORTING UNIT OF THE RETIREMENT SYSTEM AND THAT REPORTS
19 EMPLOYEES TO THE RETIREMENT SYSTEM FOR THE STATE FISCAL YEAR.

20 (C) "RETIREMENT BOARD" MEANS THE BOARD THAT ADMINISTERS THE
21 RETIREMENT SYSTEM UNDER THE PUBLIC SCHOOL EMPLOYEES RETIREMENT ACT
22 OF 1979, 1980 PA 300, MCL 38.1301 TO 38.1437.

23 (D) "RETIREMENT SYSTEM" MEANS THE MICHIGAN PUBLIC SCHOOL
24 EMPLOYEES' RETIREMENT SYSTEM UNDER THE PUBLIC SCHOOL EMPLOYEES
25 RETIREMENT ACT OF 1979, 1980 PA 300, MCL 38.1301 TO 38.1437.

26 Sec. 201a. It is the intent of the legislature to provide
27 appropriations for the fiscal year ending on September 30, 2014

1 2015 for the items listed in section 201. The fiscal year ~~2013-2014~~
2 2014-2015 appropriations are anticipated to be the same as those
3 for fiscal year ~~2012-2013,~~ 2013-2014, except that the amounts will
4 be adjusted for changes in caseload and related costs, federal fund
5 match rates, economic factors, and available revenue. These
6 adjustments will be determined after the January ~~2013-2014~~
7 consensus revenue estimating conference.

8 SEC. 201B. (1) IN ADDITION TO THE AMOUNTS APPROPRIATED UNDER
9 SECTION 201, \$12,500,000.00 IS APPROPRIATED FOR COMMUNITY COLLEGES
10 FROM STATE GENERAL FUND/GENERAL PURPOSE MONEY FOR THE FISCAL YEAR
11 ENDING SEPTEMBER 30, 2013, FOR PAYMENTS TO COMMUNITY COLLEGES THAT
12 ARE PARTICIPATING COMMUNITY COLLEGES OF THE RETIREMENT SYSTEM.
13 PAYMENTS MADE UNDER THIS SECTION SHALL BE EQUAL TO THE DIFFERENCE
14 BETWEEN THE UNFUNDED ACTUARIAL ACCRUED LIABILITY CONTRIBUTION RATE
15 AS CALCULATED UNDER SECTION 41 OF THE PUBLIC SCHOOL EMPLOYEES
16 RETIREMENT ACT OF 1979, 1980 PA 300, MCL 38.1341, AND THE MAXIMUM
17 EMPLOYER RATE OF 20.96% INCLUDED IN SECTION 41 OF THE PUBLIC SCHOOL
18 EMPLOYEES RETIREMENT ACT OF 1979, 1980 PA 300, MCL 38.1341.

19 (2) THE AMOUNT ALLOCATED TO EACH COMMUNITY COLLEGE UNDER THIS
20 SECTION SHALL BE BASED ON EACH PARTICIPATING COMMUNITY COLLEGE'S
21 TOTAL PAYROLL COVERED BY THE RETIREMENT SYSTEM IN PROPORTION TO THE
22 TOTAL COVERED PAYROLL FOR THE IMMEDIATELY PRECEDING FISCAL YEAR FOR
23 ALL PARTICIPATING COMMUNITY COLLEGES. A COMMUNITY COLLEGE THAT
24 RECEIVES FUNDS UNDER THIS SECTION SHALL USE THE FUNDS SOLELY FOR
25 THE PURPOSE OF RETIREMENT CONTRIBUTIONS AS SPECIFIED IN SUBSECTION
26 (3).

27 (3) EACH COMMUNITY COLLEGE THAT RECEIVES FUNDS UNDER THIS

1 SECTION SHALL FORWARD AN AMOUNT EQUAL TO THE AMOUNT IT RECEIVES
2 UNDER SUBSECTION (2) TO THE RETIREMENT SYSTEM IN THE FORM AND
3 MANNER PRESCRIBED BY THE RETIREMENT SYSTEM.

4 (4) AS USED IN THIS SECTION:

5 (A) "PARTICIPATING COMMUNITY COLLEGE" MEANS A COMMUNITY
6 COLLEGE THAT IS A REPORTING UNIT OF THE RETIREMENT SYSTEM AND THAT
7 REPORTS EMPLOYEES TO THE MICHIGAN PUBLIC SCHOOL EMPLOYEES'
8 RETIREMENT SYSTEM FOR THE APPLICABLE FISCAL YEAR.

9 (B) "RETIREMENT BOARD" MEANS THE BOARD THAT ADMINISTERS THE
10 RETIREMENT SYSTEM.

11 (C) "RETIREMENT SYSTEM" MEANS THE MICHIGAN PUBLIC SCHOOL
12 EMPLOYEES' RETIREMENT SYSTEM UNDER THE PUBLIC SCHOOL EMPLOYEES
13 RETIREMENT ACT OF 1979, 1980 PA 300, MCL 38.1301 TO 38.1437.

14 Sec. 206. The funds appropriated in section 201 are
15 appropriated for community colleges with fiscal years ending June
16 30, ~~2013-2014~~ and shall be paid out of the state treasury and
17 distributed by the state treasurer to the respective community
18 colleges in 11 monthly installments on the sixteenth of each month,
19 or the next succeeding business day, beginning with October 16,
20 ~~2012-2013~~. Each community college shall accrue its July and August
21 ~~2013-2014~~ payments to its institutional fiscal year ending June 30,
22 ~~2013-2014~~. However, if the state budget director determines that a
23 community college failed to submit all verified Michigan community
24 colleges activities classification structure data for school year
25 ~~2011-2012-2012-2013~~ to the workforce development agency by November
26 1, ~~2012-2013~~, or failed to submit its longitudinal data system
27 data set for school year ~~2011-2012-2012-2013~~ to the center for

1 educational performance and information under section 219, the
2 state treasurer shall withhold the monthly installments from that
3 community college until those data are submitted. The state budget
4 director shall notify the chairs of the house and senate
5 appropriations subcommittees on community colleges at least 10 days
6 before withholding funds from any community college.

7 Sec. 208. A community college shall not use money appropriated
8 in section 201 to pay for the construction or maintenance of a
9 self-liquidating project. A community college shall comply **WITH**
10 **SECTION 238 OF THE MANAGEMENT AND BUDGET ACT, 1984 PA 431, MCL**
11 **18.1238, AND** with the current use and finance requirements of the
12 joint capital outlay subcommittee (JCOS) for any construction,
13 renovation, or other capital outlay projects pursuant to JCOS
14 policy. The appropriation in section 201 for a community college
15 that fails to comply with JCOS requirements shall be reduced by 1%
16 for each violation.

17 Sec. 209. (1) Within 30 days after the board of a community
18 college adopts its annual operating budget for the following school
19 fiscal year, or after the board adopts a subsequent revision to
20 that budget, the community college shall make all of the following
21 available through a link on its website homepage:

22 (a) The annual operating budget and subsequent budget
23 revisions.

24 (b) A link to the most recent "Activities Classification
25 Structure Manual for Michigan Community Colleges".

26 (c) **GENERAL FUND REVENUE AND EXPENDITURE PROJECTIONS FOR**
27 **FISCAL YEAR 2013-2014 AND FISCAL YEAR 2014-2015.**

1 (D) A LISTING OF ALL DEBT SERVICE OBLIGATIONS, DETAILED BY
2 PROJECT, ANTICIPATED FISCAL YEAR 2013-2014 PAYMENT OF EACH PROJECT,
3 AND TOTAL OUTSTANDING DEBT.

4 (E) THE ESTIMATED COST TO THE COMMUNITY COLLEGE RESULTING FROM
5 THE PATIENT PROTECTION AND AFFORDABLE CARE ACT, PUBLIC LAW 111-148,
6 AS AMENDED BY THE HEALTH CARE AND EDUCATION RECONCILIATION ACT OF
7 2010, PUBLIC LAW 111-152.

8 (F) ~~(e)~~—Links to all of the following for the community
9 college:

10 (i) The current collective bargaining agreement for each
11 bargaining unit.

12 (ii) Each health care benefits plan, including, but not limited
13 to, medical, dental, vision, disability, long-term care, or any
14 other type of benefits that would constitute health care services,
15 offered to any bargaining unit or employee of the community
16 college.

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

19 (iv) A copy of the board of trustees resolution regarding
20 compliance with best practices for the local strategic value
21 component described in section 230(3).

22 (2) For statewide consistency and public visibility, community
23 colleges must use the icon badge provided by the department of
24 technology, management, and budget consistent with the icon badge
25 developed by the department of education for K-12 school districts.
26 It must appear on the front of each community college's homepage.
27 The size of the icon may be reduced to 150 x 150 pixels. ~~To be in~~

1 ~~compliance with this section, all data elements defined in this~~
2 ~~section must be available on the college's homepage by December 31,~~
3 ~~2012. Each community college shall notify the state budget office~~
4 ~~when all data elements defined in this section are made available~~
5 ~~on its website.~~

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, ~~2012,~~**2013**, and post that
18 information on the internet website required under subsection (1):

19 (a) Budgeted fiscal year ~~2012-2013-2013-2014~~ general fund
20 revenue from tuition and fees.

21 (b) Budgeted fiscal year ~~2012-2013-2013-2014~~ general fund
22 revenue from state appropriations.

23 (c) Budgeted fiscal year ~~2012-2013-2013-2014~~ general fund
24 revenue from property taxes.

25 (d) Budgeted fiscal year ~~2012-2013-2013-2014~~ total general
26 fund revenue.

27 (e) Budgeted fiscal year ~~2012-2013-2013-2014~~ total general

1 fund expenditures.

2 Sec. 210. (1) Recognizing the critical importance of education
3 in strengthening Michigan's workforce, the legislature encourages
4 each community college to explore ways of increasing collaboration
5 and cooperation with 4-year universities, particularly in the areas
6 related to training, instruction, and program articulation.

7 (2) Recognizing the central role of community colleges in
8 responding to local employment needs and challenges, community
9 colleges shall develop and continue efforts to collaborate with
10 local employers and students to identify local employment needs and
11 strategies to meet them.

12 (3) Community colleges are encouraged to collaborate with each
13 other on innovations to identify and meet local employment needs.

14 **(4) COMMUNITY COLLEGES ARE ENCOURAGED TO WORK WITH**
15 **UNIVERSITIES TO DEVELOP EQUIVALENCY STANDARDS OF CORE COLLEGE**
16 **COURSES AND IDENTIFY EQUIVALENT COURSES OFFERED BY POSTSECONDARY**
17 **INSTITUTIONS.**

18 **SEC. 210B. (1) IT IS THE INTENT OF THE LEGISLATURE THAT THE**
19 **MICHIGAN ASSOCIATION OF COLLEGIATE REGISTRARS AND ADMISSIONS**
20 **OFFICERS IMPLEMENT ANY AGREEMENT OR AGREEMENTS AMONG THE COMMUNITY**
21 **COLLEGES AND UNIVERSITIES CONCERNING THE TRANSFERABILITY OF COLLEGE**
22 **COURSES RESULTING FROM THE RECOMMENDATIONS OF THE COMMITTEE CREATED**
23 **UNDER FORMER SECTION 210A.**

24 **(2) IT IS THE INTENT OF THE LEGISLATURE THAT THE MICHIGAN**
25 **ASSOCIATION OF COLLEGIATE REGISTRARS AND ADMISSIONS OFFICERS, THE**
26 **MICHIGAN COMMUNITY COLLEGE ASSOCIATION, AND THE PRESIDENTS COUNCIL,**
27 **STATE UNIVERSITIES OF MICHIGAN SHALL TOGETHER SUBMIT AN**

1 IMPLEMENTATION UPDATE REPORT TO THE SENATE AND HOUSE APPROPRIATIONS
2 SUBCOMMITTEES ON COMMUNITY COLLEGES AND HIGHER EDUCATION, THE
3 SENATE AND HOUSE FISCAL AGENCIES, AND THE STATE BUDGET DIRECTOR BY
4 MARCH 1, 2014.

5 Sec. 224. ~~Upon request, a~~ A community college shall **USE THE P-**
6 **20 LONGITUDINAL DATA SYSTEM TO** inform interested Michigan high
7 schools of the aggregate academic status of its students for the
8 previous academic year, in a manner prescribed by the Michigan
9 community college association and in cooperation with the Michigan
10 association of secondary school principals. Community colleges
11 shall cooperate with the center for educational performance and
12 information to design and implement a systematic approach for
13 accomplishing this work.

14 Sec. 225. Each community college shall report to the house and
15 senate fiscal agencies, the state budget director, and the
16 workforce development agency by August 31, ~~2012,~~ **2013**, the tuition
17 and mandatory fees paid by a full-time in-district student and a
18 full-time out-of-district student as established by the college
19 governing board for the ~~2011-2012-~~ **2013-2014** academic year. This
20 report should also include the annual cost of attendance based on a
21 full-time course load of 30 credits. Each community college shall
22 also report any revisions to the reported ~~2011-2012-~~ **2012-2013 OR**
23 **2013-2014** academic year tuition and mandatory fees adopted by the
24 college governing board to the house and senate fiscal agencies,
25 the state budget director, and the workforce development agency
26 within 15 days of being adopted.

27 Sec. 229. (1) It is the intent of the legislature that each

1 community college that receives an appropriation in section 201
2 include in its admission application process a specific question as
3 to whether an applicant for admission is a veteran, an active
4 member of the military, a member of the national guard or military
5 reserves, or the spouse or dependent of a veteran, active member of
6 the military, or member of the national guard or military reserves,
7 in order to more quickly identify potential educational assistance
8 available to that applicant.

9 (2) IT IS THE INTENT OF THE LEGISLATURE THAT EACH PUBLIC
10 COMMUNITY COLLEGE THAT RECEIVES AN APPROPRIATION IN SECTION 201
11 SHALL WORK WITH THE HOUSE AND SENATE COMMUNITY COLLEGE
12 SUBCOMMITTEES, THE MICHIGAN COMMUNITY COLLEGE ASSOCIATION, AND
13 VETERANS GROUPS TO REVIEW THE ISSUE OF IN-DISTRICT TUITION FOR
14 VETERANS OF THIS STATE WHEN DETERMINING TUITION RATES AND FEES.

15 (3) As used in this section, "veteran" means an honorably
16 discharged veteran entitled to educational assistance under the
17 provisions of section 5003 of the post-911 veterans educational
18 assistance act of 2008, 38 USC 3301 to 3324.

19 Sec. 229a. Included in the fiscal year ~~2012-2013-2013-2014~~
20 appropriations for the department of technology, management, and
21 budget are appropriations to provide funding for the state share of
22 costs for previously constructed capital projects for community
23 colleges. Those appropriations for state building authority rent
24 represent additional state general fund support for community
25 colleges, and the following is an estimate of the amount of that
26 support to each community college:

27 (a) Alpena Community College, ~~\$428,100.00~~-\$434,500.00.

- 1 (b) Bay de Noc Community College, ~~\$618,000.00~~-\$644,500.00.
- 2 (c) Delta College, ~~\$2,610,000.00~~-\$2,877,700.00.
- 3 (d) Glen Oaks Community College, ~~\$123,000.00~~-\$124,900.00.
- 4 (e) Gogebic Community College, ~~\$60,000.00~~-\$78,100.00.
- 5 (f) Grand Rapids Community College,
- 6 ~~\$1,675,000.00~~-\$1,700,400.00.
- 7 (g) Henry Ford Community College, ~~\$1,110,000.00~~-\$1,126,800.00.
- 8 (h) Jackson Community College, ~~\$1,563,000.00~~-\$1,809,500.00.
- 9 (i) Kalamazoo Valley Community College,
- 10 ~~\$1,467,000.00~~-\$1,489,300.00.
- 11 (j) Kellogg Community College, ~~\$520,000.00~~-\$527,900.00.
- 12 (k) Kirtland Community College, ~~\$363,300.00~~-\$368,800.00.
- 13 (l) Lake Michigan College, ~~\$340,000.00~~-\$345,200.00.
- 14 (m) Lansing Community College, ~~\$384,000.00~~-\$617,600.00.
- 15 (n) Macomb Community College, ~~\$1,313,100.00~~-\$1,332,900.00.
- 16 (o) Mid Michigan Community College, ~~\$915,000.00~~-\$928,900.00.
- 17 (p) Monroe County Community College,
- 18 ~~\$1,355,000.00~~-\$1,375,600.00.
- 19 (q) Montcalm Community College, ~~\$756,000.00~~-\$1,015,700.00.
- 20 (r) C.S. Mott Community College, ~~\$1,803,000.00~~-\$1,830,400.00.
- 21 (s) Muskegon Community College, ~~\$198,000.00~~-\$201,000.00.
- 22 **(T) NORTH CENTRAL MICHIGAN COLLEGE, \$476,300.00.**
- 23 **(U) ~~(t)~~Northwestern Michigan College,**
- 24 ~~\$1,305,000.00~~-\$1,324,800.00.
- 25 **(V) ~~(u)~~Oakland Community College, \$465,000.00-\$472,100.00.**
- 26 **(W) ~~(v)~~St. Clair County Community College,**
- 27 ~~\$356,100.00~~-\$361,400.00.

1 (X) ~~(w)~~ Schoolcraft College, ~~\$1,546,100.00~~-\$1,569,500.00.

2 (Y) ~~(x)~~ Southwestern Michigan College,
3 ~~\$530,600.00~~-\$538,600.00.

4 (Z) ~~(y)~~ Washtenaw Community College,
5 ~~\$1,993,000.00~~-\$2,023,100.00.

6 (AA) ~~(z)~~ Wayne County Community College,
7 ~~\$1,890,000.00~~-\$1,918,700.00.

8 (BB) ~~(aa)~~ West Shore Community College,
9 ~~\$577,000.00~~-\$585,800.00.

10 SEC. 229B. (1) THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND
11 BUDGET, AFTER CONSULTATION WITH THE UNEMPLOYMENT INSURANCE AGENCY
12 IN THE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS, THE
13 WORKFORCE DEVELOPMENT AGENCY, AND COMMUNITY COLLEGES, SHALL PREPARE
14 A REPORT ON THE FEASIBILITY OF PROVIDING ACCURATE INFORMATION ON
15 STUDENT EDUCATIONAL OUTCOMES IN THE EMPLOYMENT MARKET, INCLUDING
16 ALL OF THE FOLLOWING INFORMATION:

17 (A) THE NUMBER OF STUDENTS WHO SUCCESSFULLY COMPLETED A
18 SKILLED TRADES PROGRAM AND OBTAINED AN APPRENTICESHIP OR JOB IN A
19 FIELD RELATED TO THAT SKILLED TRADES PROGRAM IN FISCAL YEAR 2012-
20 2013.

21 (B) THE NUMBER OF STUDENTS DESCRIBED IN SUBDIVISION (A) WHO
22 ARE VETERANS OF THE UNITED STATES ARMED FORCES.

23 (2) BY SEPTEMBER 1, 2014, THE DEPARTMENT SHALL SUBMIT THE
24 REPORT DESCRIBED IN SUBSECTION (1) TO THE SENATE AND HOUSE
25 APPROPRIATIONS SUBCOMMITTEES ON COMMUNITY COLLEGES AND THE SENATE
26 AND HOUSE FISCAL AGENCIES.

27 (3) AS USED IN THIS SECTION, "SKILLED TRADES PROGRAM" MEANS AN

1 ACADEMIC PROGRAM CATEGORIZED IN THE UNITED STATES DEPARTMENT OF
2 EDUCATION CLASSIFICATION OF INSTRUCTIONAL PROGRAM CODES AS 01, 46,
3 47, 48, OR 49.

4 Sec. 230. (1) It is the intent of the legislature that the
5 recommendations and performance measures developed by the
6 performance indicators task force formed under section 242 of 2005
7 PA 154 be reviewed and more fully implemented for distribution of
8 state funding to community colleges in future years.

9 (2) Any additional funding provided to community college
10 operations under section 201(2) in fiscal year ~~2012-2013-2013-2014~~
11 that exceeds the amounts appropriated for operations in fiscal year
12 ~~2011-2012 is allocated solely for the purpose of offsetting a~~
13 ~~portion of the retirement contributions owed by the college for the~~
14 ~~fiscal year ending September 30, 2013. The additional funding 2012-~~
15 ~~2013~~ is distributed based on the following formula:

16 (a) Allocated proportionate to fiscal year ~~2011-2012-2012-2013~~
17 base appropriations, 50%.

18 (b) Based on contact hour equated students, 10%.

19 (c) Based on administrative costs, 7.5%.

20 (d) Based on a weighted degree formula as provided for in the
21 2006 recommendations of the performance indicators task force,
22 17.5%.

23 (e) Based on the local strategic value component, as developed
24 in cooperation with the Michigan community college association and
25 described in subsection (3), 15%.

26 (3) The appropriation in section 201(2)(cc) for local
27 strategic value shall be allocated to each community college that

1 certifies to the state budget director, through a board of trustees
2 resolution on or before November 1, ~~2012~~, **2013**, that the college
3 has met 4 out of 5 best practices listed in each category described
4 in subsection (4). The resolution shall provide specifics as to how
5 the community college meets each best practice measure within each
6 category. One-third of funding available under the strategic value
7 component shall be allocated to each category described in
8 subsection (4). Amounts distributed under local strategic value
9 shall be on a proportionate basis to each college's fiscal year
10 ~~2011-2012-2012-2013~~ operations funding. Payments to community
11 colleges that qualify for local strategic value funding shall be
12 distributed with the November installment payment described in
13 section 206.

14 (4) For purposes of subsection (3), the following categories
15 of best practices reflect functional activities of community
16 colleges that have strategic value to the local communities and
17 regional economies:

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

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

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

24 (iii) The community college supports entrepreneurship through a
25 small business assistance center or other training or consulting
26 activities targeted toward small businesses.

27 (iv) The community college supports technological advancement

1 through industry partnerships, incubation activities, or operation
2 of a Michigan technical education center or other advanced
3 technology center.

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

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

7 (i) The community college has active partnerships with regional
8 high schools, intermediate school districts, and career-tech
9 centers to provide instruction through dual enrollment, direct
10 credit, middle college, or academy programs.

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

14 (iii) The community college provides, supports, or participates
15 in programming to promote successful transitions to college for
16 traditional age students, including grant programs such as talent
17 search, upward bound, or other activities to promote college
18 readiness in area high schools and community centers.

19 (iv) The community college provides, supports, or participates
20 in programming to promote successful transitions to college for new
21 or reentering adult students, such as adult basic education, GED
22 preparation, GED testing, or recruiting, advising, or orientation
23 activities specific to adults.

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

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

2 (i) The community college provides continuing education
3 programming for leisure, wellness, personal enrichment, or
4 professional development.

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

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

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

17 (v) The community college promotes, sponsors, or hosts
18 community service activities for students, staff, or community
19 members.

20 Sec. 296. (1) If the maximum amount appropriated under this
21 act from the state school aid fund for a fiscal year exceeds the
22 amount necessary to fully fund allocations under this act from the
23 state school aid fund, that excess amount shall not be expended in
24 that state fiscal year and shall not lapse to the general fund, but
25 ~~instead~~ shall **INSTEAD** be deposited into the school aid
26 stabilization fund created in section 11a.

27 (2) If the total maximum amount appropriated under all

1 articles of this act from the state school aid fund and the school
2 aid stabilization fund exceeds the amount available for expenditure
3 from the state school aid fund for that fiscal year, payments under
4 sections 11f, 11g, 11j, 22a, 26a, 26b, 31d, 31f, 51a(2), 51a(12),
5 51c, 53a, 56, and 152a shall be made in full. In addition, for
6 districts beginning operations after 1994-95 that qualify for
7 payments under section 22b, payments under section 22b shall be
8 made so that the qualifying districts receive the lesser of an
9 amount equal to the 1994-95 foundation allowance of the district in
10 which the district beginning operations after 1994-95 is located or
11 \$5,500.00. The amount of the payment to be made under section 22b
12 for these qualifying districts shall be as calculated under section
13 22a, with the balance of the payment under section 22b being
14 subject to the proration otherwise provided under this subsection
15 and subsection (3). If proration is necessary, state payments under
16 each of the other sections of article I from all state funding
17 sources, and state appropriations to community colleges and public
18 universities under articles II and III from the state school aid
19 fund, shall be prorated in the manner prescribed in subsection (3)
20 as necessary to reflect the amount available for expenditure from
21 the state school aid fund for the affected fiscal year. However, if
22 the department of treasury determines that proration will be
23 required under this subsection, or if the department of treasury
24 determines that further proration is required under this subsection
25 after an initial proration has already been made for a fiscal year,
26 the department of treasury shall notify the state budget director,
27 and the state budget director shall notify the legislature at least

1 30 calendar days or 6 legislative session days, whichever is more,
2 before the department reduces any payments under this act because
3 of the proration. During the 30-calendar-day or 6-legislative-
4 session-day period after that notification by the state budget
5 director, the department shall not reduce any payments under this
6 act because of proration under this subsection. The legislature may
7 prevent proration from occurring by, within the 30-calendar-day or
8 6-legislative-session-day period after that notification by the
9 state budget director, enacting legislation appropriating
10 additional funds from the general fund, countercyclical budget and
11 economic stabilization fund, state school aid fund balance, or
12 another source to fund the amount of the projected shortfall.

13 (3) If proration is necessary under subsection (2), the
14 department shall calculate the proration in district and
15 intermediate district payments under article I that is required
16 under subsection (2), and the department of treasury shall
17 calculate the proration in community college and public university
18 payments under articles II and III that is required under
19 subsection (2), as follows:

20 (a) The department and the department of treasury shall
21 calculate the percentage of total state school aid fund money that
22 is appropriated and allocated under this act for the affected
23 fiscal year for each of the following:

24 (i) Districts.

25 (ii) Intermediate districts.

26 (iii) Entities receiving funding from the state school aid fund
27 under article I other than districts or intermediate districts.

1 (iv) Community colleges and public universities that receive
2 funding from the state school aid fund.

3 (b) The department shall recover a percentage of the proration
4 amount required under subsection (2) that is equal to the
5 percentage calculated under subdivision (a) (i) for districts by
6 reducing payments to districts. This reduction shall be made by
7 calculating an equal dollar amount per pupil as necessary to
8 recover this percentage of the proration amount and reducing each
9 district's total state school aid from state sources, other than
10 payments under sections 11f, 11g, 11j, 22a, 26a, 26b, 31d, 31f,
11 51a(2), 51a(12), 51c, 53a, and 152a, by that amount.

12 (c) The department shall recover a percentage of the proration
13 amount required under subsection (2) that is equal to the
14 percentage calculated under subdivision (a) (ii) for intermediate
15 districts by reducing payments to intermediate districts. This
16 reduction shall be made by reducing the payments to each
17 intermediate district, other than payments under sections 11f, 11g,
18 26a, 26b, 51a(2), 51a(12), 53a, 56, and 152a, on an equal
19 percentage basis.

20 (d) The department shall recover a percentage of the proration
21 amount required under subsection (2) that is equal to the
22 percentage calculated under subdivision (a) (iii) for entities
23 receiving funding from the state school aid fund under article I
24 other than districts and intermediate districts by reducing
25 payments to these entities. This reduction shall be made by
26 reducing the payments to each of these entities, other than
27 payments under sections 11j, 26a, and 26b, on an equal percentage

1 basis.

2 (e) The department of treasury shall recover a percentage of
3 the proration amount required under subsection (2) that is equal to
4 the percentage calculated under subdivision (a)(iv) for community
5 colleges and public universities that receive funding from the
6 state school aid fund by reducing that portion of the payments
7 under articles II and III to these community colleges and public
8 universities that is from the state school aid fund on an equal
9 percentage basis.

10 Enacting section 1. (1) In accordance with section 30 of
11 article I of the state constitution of 1963, total state spending
12 on community colleges under article II as amended by 2012 PA 201
13 and this amendatory act from state sources for fiscal year 2012-
14 2013 is estimated at \$306,630,500.00 and the amount of that state
15 spending from state sources to be paid to local units of government
16 for fiscal year 2012-2013 is estimated at \$306,630,500.00.

17 (2) In accordance with section 30 of article IX of the state
18 constitution of 1963, total state spending from state sources for
19 community colleges for fiscal year 2013-2014 under article II is
20 estimated at \$335,977,600.00 and the amount of that state spending
21 from state sources to be paid to local units of government for
22 fiscal year 2013-2014 is estimated at \$335,977,600.00.

23 Enacting section 2. Sections 201b, 210a, and 216 of the state
24 school aid act of 1979, 1979 PA 94, MCL 388.1801b, 388.1810a, and
25 388.1816, are repealed effective October 1, 2013.

26 Enacting section 3. (1) Except as otherwise provided in
27 subsection (2), this amendatory act takes effect October 1, 2013.

1 (2) Section 201b of the state school aid act of 1979, 1979 PA
2 94, MCL 388.1801b, as added by this amendatory act, takes effect
3 upon enactment of this amendatory act.