

**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 section 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  
2 article, the amounts listed in subsections (2), ~~and~~ (4), (5), **AND**

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

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

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

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

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

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

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

15 (v) State general fund/general purpose money,  
 16 ~~\$96,516,400.00.~~ **\$138,363,500.00.**

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

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

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

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

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

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

25 (f) Grand Rapids Community College,  
 26 ~~\$17,054,300.00.~~ **\$17,403,500.00.**

27 (g) Henry Ford Community College,

1 ~~\$20,596,700.00~~-\$20,997,900.00.  
2 (h) Jackson Community College, ~~\$11,491,500.00~~-\$11,723,600.00.  
3 (i) Kalamazoo Valley Community College,  
4 ~~\$11,828,300.00~~-\$12,086,900.00  
5 (j) Kellogg Community College, ~~\$9,289,300.00~~-\$9,494,000.00.  
6 (k) Kirtland Community College, ~~\$2,968,300.00~~-\$3,046,800.00.  
7 (l) Lake Michigan College, ~~\$5,059,300.00~~-\$5,162,900.00.  
8 (m) Lansing Community College, ~~\$29,335,000.00~~-\$29,935,300.00.  
9 (n) Macomb Community College, ~~\$31,206,500.00~~-\$31,837,200.00.  
10 (o) Mid Michigan Community College,  
11 ~~\$4,393,400.00~~-\$4,504,700.00.  
12 (p) Monroe County Community College,  
13 ~~\$4,223,500.00~~-\$4,329,900.00.  
14 (q) Montcalm Community College, ~~\$3,038,500.00~~-\$3,112,000.00.  
15 (r) C.S. Mott Community College,  
16 ~~\$14,890,400.00~~-\$15,202,200.00.  
17 (s) Muskegon Community College, ~~\$8,456,100.00~~-\$8,628,000.00.  
18 (t) North Central Michigan College,  
19 ~~\$2,979,900.00~~-\$3,055,400.00.  
20 (u) Northwestern Michigan College,  
21 ~~\$8,624,100.00~~-\$8,799,300.00.  
22 (v) Oakland Community College, ~~\$19,977,500.00~~-\$20,422,900.00.  
23 (w) St. Clair County Community College,  
24 ~~\$6,697,300.00~~-\$6,839,900.00.  
25 (x) Schoolcraft College, ~~\$11,800,500.00~~-\$12,076,700.00.  
26 (y) Southwestern Michigan College,  
27 ~~\$6,269,000.00~~-\$6,385,400.00.

1 (z) Washtenaw Community College,

2 ~~\$12,242,000.00.~~ **\$12,573,900.00.**

3 (aa) Wayne County Community College,

4 ~~\$15,798,500.00.~~ **\$16,146,700.00.**

5 (bb) West Shore Community College,

6 ~~\$2,298,200.00.~~ **\$2,342,900.00.**

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

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

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

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

12 ~~\$96,516,400.00.~~ **\$102,363,500.00.**

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

22 **COLLEGE UNDER THIS SECTION SHALL BE BASED ON EACH PARTICIPATING**  
23 **COLLEGE'S TOTAL PAYROLL COVERED BY THE RETIREMENT SYSTEM-COVERED**  
24 **PAYROLL FOR ALL PARTICIPATING COLLEGES FOR THE IMMEDIATELY**  
25 **PRECEDING STATE FISCAL YEAR.**

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

27 ~~— (b) Bay de Noc Community College, \$30,800.00.~~

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

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

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

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

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

12 (A) THE AMOUNT OF A PAYMENT UNDER THIS SUBSECTION SHALL BE THE  
13 DIFFERENCE BETWEEN THE UNFUNDED ACTUARIAL ACCRUED LIABILITY  
14 CONTRIBUTION RATE AS CALCULATED UNDER SECTION 41 OF THE PUBLIC  
15 SCHOOL EMPLOYEES RETIREMENT ACT OF 1979, 1980 PA 300, MCL 38.1341,  
16 AND THE MAXIMUM EMPLOYER RATE OF 20.96% UNDER SECTION 41 OF THE  
17 PUBLIC SCHOOL EMPLOYEES RETIREMENT ACT OF 1979, 1980 PA 300, MCL  
18 38.1341.

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

26 (C) EACH PARTICIPATING COLLEGE RECEIVING FUNDS UNDER THIS  
27 SUBSECTION SHALL FORWARD AN AMOUNT EQUAL TO THE AMOUNT ALLOCATED

1 UNDER SUBDIVISION (B) TO THE RETIREMENT SYSTEM IN A FORM AND MANNER  
2 DETERMINED BY THE RETIREMENT SYSTEM.

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

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

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

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

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

24 (C) THE APPROPRIATIONS DESCRIBED IN THIS SUBSECTION SHALL BE  
25 MADE TO EACH ELIGIBLE COMMUNITY COLLEGE WITHIN 60 DAYS AFTER THE  
26 DEPARTMENT OF TREASURY CERTIFIES TO THE STATE BUDGET DIRECTOR THAT  
27 IT HAS RECEIVED ALL NECESSARY INFORMATION TO PROPERLY DETERMINE THE

1 AMOUNTS OF TAX REVENUE LOST BY EACH ELIGIBLE COMMUNITY COLLEGE IN  
2 FISCAL YEAR 2012-2013 UNDER SECTION 12 OF THE MICHIGAN RENAISSANCE  
3 ZONE ACT, MCL 125.2692.

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

13 (8) AS USED IN THIS SECTION:

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

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

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

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

25 Sec. 201a. It is the intent of the legislature to provide  
26 appropriations for the fiscal year ending on September 30, ~~2014~~  
27 2015 for the items listed in section 201. The fiscal year ~~2013-2014~~



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

7       Sec. 206. The funds appropriated in section 201 are  
8 appropriated for community colleges with fiscal years ending June  
9 30, ~~2013-2014~~ and shall be paid out of the state treasury and  
10 distributed by the state treasurer to the respective community  
11 colleges in 11 monthly installments on the sixteenth of each month,  
12 or the next succeeding business day, beginning with October 16,  
13 ~~2012-2013~~. Each community college shall accrue its July and August  
14 ~~2013-2014~~ payments to its institutional fiscal year ending June 30,  
15 ~~2013-2014~~. However, if the state budget director determines that a  
16 community college failed to submit all verified Michigan community  
17 colleges activities classification structure data for school year  
18 ~~2011-2012-2012-2013~~ to the workforce development agency by November  
19 1, ~~2012-2013~~, or failed to submit its longitudinal data system  
20 data set for school year ~~2011-2012-2012-2013~~ to the center for  
21 educational performance and information under section 219, the  
22 state treasurer shall withhold the monthly installments from that  
23 community college until those data are submitted. The state budget  
24 director shall notify the chairs of the house and senate  
25 appropriations subcommittees on community colleges at least 10 days  
26 before withholding funds from any community college.

27       Sec. 208. A community college shall not use money appropriated

1 in section 201 to pay for the construction or maintenance of a  
2 self-liquidating project. A community college shall comply **WITH**  
3 **SECTION 238 OF THE MANAGEMENT AND BUDGET ACT, 1984 PA 431, MCL**  
4 **18.1238, AND** with the current use and finance requirements of the  
5 joint capital outlay subcommittee (JCOS) for any construction,  
6 renovation, or other capital outlay projects pursuant to JCOS  
7 policy. The appropriation in section 201 for a community college  
8 that fails to comply with JCOS requirements shall be reduced by 1%  
9 for each violation.

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

15 (a) The annual operating budget and subsequent budget  
16 revisions.

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

19 **(C) GENERAL FUND REVENUE AND EXPENDITURE PROJECTIONS FOR**  
20 **FISCAL YEAR 2013-2014 AND FISCAL YEAR 2014-2015.**

21 **(D) A LISTING OF ALL DEBT SERVICE OBLIGATIONS, DETAILED BY**  
22 **PROJECT, ANTICIPATED FISCAL YEAR 2013-2014 PAYMENT OF EACH PROJECT,**  
23 **AND TOTAL OUTSTANDING DEBT.**

24 **(E) THE ESTIMATED COST TO THE COMMUNITY COLLEGE RESULTING FROM**  
25 **THE PATIENT PROTECTION AND AFFORDABLE CARE ACT, PUBLIC LAW 111-148,**  
26 **AS AMENDED BY THE HEALTH CARE AND EDUCATION RECONCILIATION ACT OF**  
27 **2010, PUBLIC LAW 111-152.**

1           (F) ~~(e)~~ Links to all of the following for the community  
2 college:

3           (i) The current collective bargaining agreement for each  
4 bargaining unit.

5           (ii) Each health care benefits plan, including, but not limited  
6 to, medical, dental, vision, disability, long-term care, or any  
7 other type of benefits that would constitute health care services,  
8 offered to any bargaining unit or employee of the community  
9 college.

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

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

15           (2) For statewide consistency and public visibility, community  
16 colleges must use the icon badge provided by the department of  
17 technology, management, and budget consistent with the icon badge  
18 developed by the department of education for K-12 school districts.  
19 It must appear on the front of each community college's homepage.  
20 The size of the icon may be reduced to 150 x 150 pixels. ~~To be in~~  
21 ~~compliance with this section, all data elements defined in this~~  
22 ~~section must be available on the college's homepage by December 31,~~  
23 ~~2012. Each community college shall notify the state budget office~~  
24 ~~when all data elements defined in this section are made available~~  
25 ~~on its website.~~

26           (3) The state budget director shall determine whether a  
27 community college has complied with this section. The state budget

1 director may withhold a community college's monthly installments  
2 described in section 206 until the community college complies with  
3 this section. The state budget director shall notify the chairs of  
4 the house and senate appropriations subcommittee on community  
5 colleges at least 10 days before withholding funds from any  
6 community college.

7 (4) Each community college shall report the following  
8 information to the senate and house appropriations subcommittees on  
9 community colleges, the senate and house fiscal agencies, and the  
10 state budget office by November 15, ~~2012~~, ~~2013~~, and post that  
11 information on the internet website required under subsection (1):

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

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

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

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

20 (e) Budgeted fiscal year ~~2012-2013~~-~~2013-2014~~ total general  
21 fund expenditures.

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

27 (2) Recognizing the central role of community colleges in

1 responding to local employment needs and challenges, community  
2 colleges shall develop and continue efforts to collaborate with  
3 local employers and students to identify local employment needs and  
4 strategies to meet them.

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

7 (4) **COMMUNITY COLLEGES ARE ENCOURAGED TO WORK WITH**  
8 **UNIVERSITIES TO DEVELOP EQUIVALENCY STANDARDS OF CORE COLLEGE**  
9 **COURSES AND IDENTIFY EQUIVALENT COURSES OFFERED BY POSTSECONDARY**  
10 **INSTITUTIONS.**

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

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

1 also report any revisions to the reported ~~2011-2012~~**2012-2013** OR  
2 **2013-2014** academic year tuition and mandatory fees adopted by the  
3 college governing board to the house and senate fiscal agencies,  
4 the state budget director, and the workforce development agency  
5 within 15 days of being adopted.

6       Sec. 229. **(1)** It is the intent of the legislature that each  
7 community college that receives an appropriation in section 201  
8 include in its admission application process a specific question as  
9 to whether an applicant for admission is a veteran, an active  
10 member of the military, a member of the national guard or military  
11 reserves, or the spouse or dependent of a veteran, active member of  
12 the military, or member of the national guard or military reserves,  
13 in order to more quickly identify potential educational assistance  
14 available to that applicant.

15       **(2) IT IS THE INTENT OF THE LEGISLATURE THAT EACH PUBLIC**  
16 **COMMUNITY COLLEGE THAT RECEIVES AN APPROPRIATION IN SECTION 201**  
17 **SHALL WORK WITH THE HOUSE AND SENATE COMMUNITY COLLEGE**  
18 **SUBCOMMITTEES, THE MICHIGAN COMMUNITY COLLEGE ASSOCIATION, AND**  
19 **VETERANS GROUPS TO REVIEW THE ISSUE OF IN-DISTRICT TUITION FOR**  
20 **VETERANS OF THIS STATE WHEN DETERMINING TUITION RATES AND FEES.**

21       **(3)** As used in this section, "veteran" means an honorably  
22 discharged veteran entitled to educational assistance under the  
23 provisions of section 5003 of the post-911 veterans educational  
24 assistance act of 2008, 38 USC 3301 to 3324.

25       Sec. 229a. Included in the fiscal year ~~2012-2013~~**2013-2014**  
26 appropriations for the department of technology, management, and  
27 budget are appropriations to provide funding for the state share of

1 costs for previously constructed capital projects for community  
 2 colleges. Those appropriations for state building authority rent  
 3 represent additional state general fund support for community  
 4 colleges, and the following is an estimate of the amount of that  
 5 support to each community college:

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

7 (b) Bay de Noc Community College, ~~\$618,000.00~~-\$644,500.00.

8 (c) Delta College, ~~\$2,610,000.00~~-\$2,877,700.00.

9 (d) Glen Oaks Community College, ~~\$123,000.00~~-\$124,900.00.

10 (e) Gogebic Community College, ~~\$60,000.00~~-\$78,100.00.

11 (f) Grand Rapids Community College,

12 ~~\$1,675,000.00~~-\$1,700,400.00.

13 (g) Henry Ford Community College, ~~\$1,110,000.00~~-\$1,126,800.00.

14 (h) Jackson Community College, ~~\$1,563,000.00~~-\$1,809,500.00.

15 (i) Kalamazoo Valley Community College,

16 ~~\$1,467,000.00~~-\$1,489,300.00.

17 (j) Kellogg Community College, ~~\$520,000.00~~-\$527,900.00.

18 (k) Kirtland Community College, ~~\$363,300.00~~-\$368,800.00.

19 (l) Lake Michigan College, ~~\$340,000.00~~-\$345,200.00.

20 (m) Lansing Community College, ~~\$384,000.00~~-\$617,600.00.

21 (n) Macomb Community College, ~~\$1,313,100.00~~-\$1,332,900.00.

22 (o) Mid Michigan Community College, ~~\$915,000.00~~-\$928,900.00.

23 (p) Monroe County Community College,

24 ~~\$1,355,000.00~~-\$1,375,600.00.

25 (q) Montcalm Community College, ~~\$756,000.00~~-\$1,015,700.00.

26 (r) C.S. Mott Community College, ~~\$1,803,000.00~~-\$1,830,400.00.

27 (s) Muskegon Community College, ~~\$198,000.00~~-\$201,000.00.

1 (T) NORTH CENTRAL MICHIGAN COLLEGE, \$476,300.00.

2 (U) ~~(t)~~Northwestern Michigan College,

3 ~~\$1,305,000.00~~-\$1,324,800.00.

4 (V) ~~(u)~~Oakland Community College, ~~\$465,000.00~~-\$472,100.00.

5 (W) ~~(v)~~St. Clair County Community College,

6 ~~\$356,100.00~~-\$361,400.00.

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

8 (Y) ~~(x)~~Southwestern Michigan College,

9 ~~\$530,600.00~~-\$538,600.00.

10 (Z) ~~(y)~~Washtenaw Community College,

11 ~~\$1,993,000.00~~-\$2,023,100.00.

12 (AA) ~~(z)~~Wayne County Community College,

13 ~~\$1,890,000.00~~-\$1,918,700.00.

14 (BB) ~~(aa)~~West Shore Community College,

15 ~~\$577,000.00~~-\$585,800.00.

16 SEC. 229B. (1) THE DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND  
 17 BUDGET, AFTER CONSULTATION WITH THE UNEMPLOYMENT INSURANCE AGENCY  
 18 IN THE DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS, THE  
 19 WORKFORCE DEVELOPMENT AGENCY, AND COMMUNITY COLLEGES, SHALL PREPARE  
 20 A REPORT THAT PROVIDES ACCURATE INFORMATION ON STUDENT EDUCATIONAL  
 21 OUTCOMES IN THE EMPLOYMENT MARKET, INCLUDING ALL OF THE FOLLOWING  
 22 INFORMATION:

23 (A) THE NUMBER OF STUDENTS WHO SUCCESSFULLY COMPLETED A  
 24 SKILLED TRADES PROGRAM AND OBTAINED AN APPRENTICESHIP OR JOB IN A  
 25 FIELD RELATED TO THAT SKILLED TRADES PROGRAM IN FISCAL YEAR 2012-  
 26 2013.

27 (B) THE NUMBER OF STUDENTS DESCRIBED IN SUBDIVISION (A) WHO



1 ARE VETERANS OF THE UNITED STATES ARMED FORCES.

2 (2) BY FEBRUARY 1, 2014, THE DEPARTMENT SHALL SUBMIT THE  
3 REPORT DESCRIBED IN SUBSECTION (1) TO THE SENATE AND HOUSE  
4 APPROPRIATIONS SUBCOMMITTEES ON COMMUNITY COLLEGES AND THE SENATE  
5 AND HOUSE FISCAL AGENCIES.

6 (3) THE STATE BUDGET DIRECTOR SHALL IMPLEMENT UNIFORM  
7 REPORTING GUIDELINES FOR THE REPORTING OF THE INFORMATION DESCRIBED  
8 IN SUBSECTION (1).

9 (4) AS USED IN THIS SECTION, "SKILLED TRADES PROGRAM" MEANS AN  
10 ACADEMIC PROGRAM CATEGORIZED IN THE UNITED STATES DEPARTMENT OF  
11 EDUCATION CLASSIFICATION OF INSTRUCTIONAL PROGRAM CODES AS 01, 46,  
12 47, 48, OR 49.

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

18 (2) Any additional funding provided to community college  
19 operations under section 201(2) in fiscal year ~~2012-2013-2013-2014~~  
20 that exceeds the amounts appropriated for operations in fiscal year  
21 ~~2011-2012~~ is allocated solely for the purpose of offsetting a  
22 ~~portion of the retirement contributions owed by the college for the~~  
23 ~~fiscal year ending September 30, 2013. The additional funding 2012-~~  
24 ~~2013~~ is distributed based on the following formula:

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

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

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

2 (d) Based on a weighted degree formula as provided for in the  
3 2006 recommendations of the performance indicators task force,  
4 17.5%.

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

8 (3) The appropriation in section 201(2)(cc) for local  
9 strategic value shall be allocated to each community college that  
10 certifies to the state budget director, through a board of trustees  
11 resolution on or before November 1, ~~2012~~, **2013**, that the college  
12 has met 4 out of 5 best practices listed in each category described  
13 in subsection (4). The resolution shall provide specifics as to how  
14 the community college meets each best practice measure within each  
15 category. One-third of funding available under the strategic value  
16 component shall be allocated to each category described in  
17 subsection (4). Amounts distributed under local strategic value  
18 shall be on a proportionate basis to each college's fiscal year  
19 ~~2011-2012~~ **2012-2013** operations funding. Payments to community  
20 colleges that qualify for local strategic value funding shall be  
21 distributed with the November installment payment described in  
22 section 206.

23 (4) For purposes of subsection (3), the following categories  
24 of best practices reflect functional activities of community  
25 colleges that have strategic value to the local communities and  
26 regional economies:

27 (a) For Category A, economic development and business or

1 industry partnerships, the following:

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

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

6 (iii) The community college supports entrepreneurship through a  
7 small business assistance center or other training or consulting  
8 activities targeted toward small businesses.

9 (iv) The community college supports technological advancement  
10 through industry partnerships, incubation activities, or operation  
11 of a Michigan technical education center or other advanced  
12 technology center.

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

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

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

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

23 (iii) The community college provides, supports, or participates  
24 in programming to promote successful transitions to college for  
25 traditional age students, including grant programs such as talent  
26 search, upward bound, or other activities to promote college  
27 readiness in area high schools and community centers.

1           (iv) The community college provides, supports, or participates  
2 in programming to promote successful transitions to college for new  
3 or reentering adult students, such as adult basic education, GED  
4 preparation, GED testing, or recruiting, advising, or orientation  
5 activities specific to adults.

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

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

11           (i) The community college provides continuing education  
12 programming for leisure, wellness, personal enrichment, or  
13 professional development.

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

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

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

26           (v) The community college promotes, sponsors, or hosts  
27 community service activities for students, staff, or community

1 members.

2       Sec. 296. (1) If the maximum amount appropriated under this  
3 act from the state school aid fund for a fiscal year exceeds the  
4 amount necessary to fully fund allocations under this act from the  
5 state school aid fund, that excess amount shall not be expended in  
6 that state fiscal year and shall not lapse to the general fund, but  
7 ~~instead~~ shall **INSTEAD** be deposited into the school aid  
8 stabilization fund created in section 11a.

9       (2) If the total maximum amount appropriated under all  
10 articles of this act from the state school aid fund and the school  
11 aid stabilization fund exceeds the amount available for expenditure  
12 from the state school aid fund for that fiscal year, payments under  
13 sections 11f, 11g, 11j, 22a, 26a, 26b, 31d, 31f, 51a(2), 51a(12),  
14 51c, 53a, 56, and 152a shall be made in full. In addition, for  
15 districts beginning operations after 1994-95 that qualify for  
16 payments under section 22b, payments under section 22b shall be  
17 made so that the qualifying districts receive the lesser of an  
18 amount equal to the 1994-95 foundation allowance of the district in  
19 which the district beginning operations after 1994-95 is located or  
20 \$5,500.00. The amount of the payment to be made under section 22b  
21 for these qualifying districts shall be as calculated under section  
22 22a, with the balance of the payment under section 22b being  
23 subject to the proration otherwise provided under this subsection  
24 and subsection (3). If proration is necessary, state payments under  
25 each of the other sections of article I from all state funding  
26 sources, and state appropriations to community colleges and public  
27 universities under articles II and III from the state school aid

1 fund, shall be prorated in the manner prescribed in subsection (3)  
2 as necessary to reflect the amount available for expenditure from  
3 the state school aid fund for the affected fiscal year. However, if  
4 the department of treasury determines that proration will be  
5 required under this subsection, or if the department of treasury  
6 determines that further proration is required under this subsection  
7 after an initial proration has already been made for a fiscal year,  
8 the department of treasury shall notify the state budget director,  
9 and the state budget director shall notify the legislature at least  
10 30 calendar days or 6 legislative session days, whichever is more,  
11 before the department reduces any payments under this act because  
12 of the proration. During the 30-calendar-day or 6-legislative-  
13 session-day period after that notification by the state budget  
14 director, the department shall not reduce any payments under this  
15 act because of proration under this subsection. The legislature may  
16 prevent proration from occurring by, within the 30-calendar-day or  
17 6-legislative-session-day period after that notification by the  
18 state budget director, enacting legislation appropriating  
19 additional funds from the general fund, countercyclical budget and  
20 economic stabilization fund, state school aid fund balance, or  
21 another source to fund the amount of the projected shortfall.

22 (3) If proration is necessary under subsection (2), the  
23 department shall calculate the proration in district and  
24 intermediate district payments under article I that is required  
25 under subsection (2), and the department of treasury shall  
26 calculate the proration in community college and public university  
27 payments under articles II and III that is required under

1 subsection (2), as follows:

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

6 (i) Districts.

7 (ii) Intermediate districts.

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

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

12 (b) 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) (i) for districts by  
15 reducing payments to districts. This reduction shall be made by  
16 calculating an equal dollar amount per pupil as necessary to  
17 recover this percentage of the proration amount and reducing each  
18 district's total state school aid from state sources, other than  
19 payments under sections 11f, 11g, 11j, 22a, 26a, 26b, 31d, 31f,  
20 51a(2), 51a(12), 51c, 53a, and 152a, by that amount.

21 (c) The department shall recover a percentage of the proration  
22 amount required under subsection (2) that is equal to the  
23 percentage calculated under subdivision (a) (ii) for intermediate  
24 districts by reducing payments to intermediate districts. This  
25 reduction shall be made by reducing the payments to each  
26 intermediate district, other than payments under sections 11f, 11g,  
27 26a, 26b, 51a(2), 51a(12), 53a, 56, and 152a, on an equal

1 percentage basis.

2 (d) The department shall recover a percentage of the proration  
3 amount required under subsection (2) that is equal to the  
4 percentage calculated under subdivision (a) (iii) for entities  
5 receiving funding from the state school aid fund under article I  
6 other than districts and intermediate districts by reducing  
7 payments to these entities. This reduction shall be made by  
8 reducing the payments to each of these entities, other than  
9 payments under sections 11j, 26a, and 26b, on an equal percentage  
10 basis.

11 (e) The department of treasury shall recover a percentage of  
12 the proration amount required under subsection (2) that is equal to  
13 the percentage calculated under subdivision (a) (iv) for community  
14 colleges and public universities that receive funding from the  
15 state school aid fund by reducing that portion of the payments  
16 under articles II and III to these community colleges and public  
17 universities that is from the state school aid fund on an equal  
18 percentage basis.

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 2013-2014  
22 under article II is estimated at \$335,977,600.00 and the amount of  
23 that state spending from state sources to be paid to local units of  
24 government for fiscal year 2013-2014 is estimated at  
25 \$335,977,600.00.

26 Enacting section 2. Sections 210a and 216 of the state school  
27 aid act of 1979, 1979 PA 94, MCL 388.1810a and 388.1816, are



1 repealed effective October 1, 2013.

2 Enacting section 3. This amendatory act takes effect October  
3 1, 2013.