

Legislative Analysis



ALLOW COMMUNITY COLLEGES TO GRANT BACCALAUREATE DEGREES IN CERTAIN FIELDS

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House Bill 4837 as introduced
Sponsor: Rep. John Walsh

House Bill 5533 as introduced
Sponsor: Rep. Joel Sheltroun
Committee: Education

First Analysis (11-10-09)

BRIEF SUMMARY: The bills would allow community colleges to grant baccalaureate degrees in nursing, cement technology, maritime technology, and culinary arts.

FISCAL IMPACT: In general, the bills would serve to increase operating costs of state community colleges that elect to offer the select baccalaureate programs. See *Fiscal Information*.

THE APPARENT PROBLEM:

There are 28 community colleges located throughout Michigan. Community colleges were founded to democratize higher education: to provide an affordable education option; to ensure a policy of open enrollment so that higher education credentials are widely available to many citizens; and to provide regionally relevant jobs programs in order to spur the state's economy. The community colleges are controlled by locally-elected boards of trustees, and receive some of their revenue from locally-generated property taxes voted on by the residents within a community college's district.

Michigan's Community College Act prohibits the state's community colleges from awarding baccalaureate degrees. Instead, community colleges award two-year associates degrees and certificates. In order to complete a four-year degree, a community college student must transfer to a four-year college or university.

Nationwide the community college system has been challenged by government and industry leaders to increase enrollments in a broad-based effort to re-educate the workforce. That has been especially true in Michigan, where college attendance among residents lags behind the national average, and the lack of higher education among our workers arguably creates a drag on the state's economy. In response to the challenge, some Michigan community colleges have increased their enrollments 20 percent.

Recently, the Michigan Community College Association has requested permission to offer baccalaureate degrees in four technical areas: nursing, maritime technology, culinary arts, and cement technology. They offer a two-part rationale for their request: First, various industries have changed their credential of entry from the associate degree

to the baccalaureate degree, and community colleges must expand their mission to meet these new needs; and second, the community college can deliver high quality, fully accredited programming for less cost to both the student and the state.

For example, all 28 community colleges offer an associates degree in nursing. However, according to committee testimony, the changing nature of the health care industry is also changing the entry level requirements for nurses from the Associate Degree in Nursing (or RN) to the Bachelor of Science in Nursing, a BSN baccalaureate degree. Although some community college nursing students can already complete their BSN degrees at their community college because of articulation agreements and partnerships with four-year universities, they cannot earn their BSN from the community college itself.

Further, in conjunction with Ferris State University, Northwestern Michigan College operates one of six federally authorized maritime academies in the United States. The community college officials argue they can offer the degree in less time (a savings of 20 credit hours) for less money (saving more than \$10,000) than under the current transfer program.

Similarly, Alpena Community College offers an associate degree in cement technology--the only such degree in the state--developed in close cooperation with local quarrying, shipping, and cement block manufacturing industries. As the industrial processes grow in complexity, it is expected that workers will need a baccalaureate degree to enter the business.

Finally, according to committee testimony, nine community colleges offer associates degrees in culinary arts. Their leaders would like the ability to offer baccalaureate degrees on the community college campus.

Legislation has been introduced that would allow, but not require, community colleges to offer baccalaureate degrees in nursing, cement technology, culinary arts, and maritime technology.

THE CONTENT OF THE BILLS:

House Bill 4837 would amend the Community College Act (MCL 389.105 and 389.121) to allow community colleges to grant baccalaureate degrees in nursing, cement technology, and culinary arts.

Under the law, a "community college" is defined to mean "an educational institution providing collegiate and non-collegiate level education primarily to individuals above the 12th grade age level within commuting distance. The term includes an area vocational-technical education program that may result in the granting of an associate degree or other diploma or certificate, **but not an educational institution or program granting baccalaureate or higher degrees.**" (Emphasis added)

House Bill 4837 would revise that definition to allow **the granting of a baccalaureate degree in nursing, cement technology, or culinary arts**. It strikes the language, "but not an educational institution or program granting baccalaureate or higher degrees."

The section of the law that describes the power and authority of the board of trustees of a community college district would be amended to allow a board to **establish education programs and grant baccalaureate degrees in nursing, cement technology, or culinary arts**.

House Bill 5533 would amend the Community College Act (MCL 389.121) to allow the board of trustees of a community college district to establish education programs and grant baccalaureate degrees in nursing, cement technology, maritime technology, or culinary arts.

The bill is tie-barred to House Bill 4837. This means House Bill 5533 could not go into effect unless House Bill 4837 is also enacted into law.

FISCAL INFORMATION:

In general, the bills would serve to increase operating costs of state community colleges that elect to offer the select baccalaureate programs. A community college could incur costs for the salary and benefits of additional faculty (full-time and part-time) and support staff, as well as operating costs for administration, materials and supplies, travel, information technology, accreditation, and other support services. A college could also incur costs for capital expenses related to equipment and facilities (increased capacity). Some expenses would be non-recurring in nature, such as those related to equipment and facilities, while others would be recurring in nature (e.g. faculty salaries).¹

Funding for community colleges comes from three main funding sources: property tax revenue, tuition, and state appropriations. The costs of adding a baccalaureate program would be borne by some combination of those sources, or supplemented by other outside sources (grants, contributions, etc). In general, upper division courses have a higher cost than lower division courses. As such, costs could be partially offset through a stratified tuition plan that imposes higher tuition rates for upper division courses, as is the practice in many public universities. The costs of expanding an existing associate's degree program into a baccalaureate program would vary by college, depending on its current capacity and the additional requirements (costs) imposed by expanding its program.²

¹ See, for example, the budget plan document that Florida colleges must submit to the Florida Department of Education as part of the colleges' proposed plans to offer baccalaureate programs, [<http://www.fldoe.org/cc/Educators/Excel/bacc-budget2.xls>].

² See, for example, the materials provided by several Florida colleges proposing to offer baccalaureate degrees, submitted to the Florida Board of Education, for its January 21, 2009 meeting, [http://www.fldoe.org/board/meetings/2009_01_21/baccproposals.pdf]. The materials provided to the Florida BOE indicate that expanding program offerings to the baccalaureate level range from \$100,000 to \$500,000 per year, depending on the program and other factors unique to the college. Also see, for example, *Bachelor of Science in Nursing (BN) Degree Proposal*, Manatee (Florida) Community College, December 2008,

According to the state Board of Nursing, all 28 community colleges offer an associate's degree in nursing, while 20 colleges and universities (12 public universities and 8 private colleges and universities) offer a baccalaureate degree in nursing.

Additionally, there are nine community colleges that offer an associate's degree in culinary arts, including Mott, Grand Rapids, Henry Ford, Macomb, Mid-Michigan, Northwestern Michigan, Oakland, Schoolcraft, and Washtenaw, according to the Integrated Postsecondary Education Data System (IPEDS). The concrete technology program is said to apply to Alpena Community College. The Maritime Technology program is said to apply to Northwestern Michigan College.

ARGUMENTS:

For:

In its legislative summary entitled "Community College Authority to Grant Baccalaureate Degrees in Applied and Technical Areas" published in October 2009, a spokesman for the Michigan Community College Association notes that baccalaureate degrees in community colleges are a fast-growing trend in higher education. Community colleges are authorized to award the degrees under select circumstances in 20 states, including Minnesota and Indiana in the midwest.

Here in Michigan, the community college baccalaureate concept has been researched and recommended by both state and national organizations. For example, the *Lieutenant Governor's Commission on Higher Education and Economic Growth*, customarily called the Cherry Commission Report, recommended in December 2004: "The Michigan legislature must pass enabling legislation that defines the criteria and process by which Michigan community colleges may offer applied baccalaureate degrees in response to unmet economic, employer, or community needs in their service regions."

In addition, the Department of Labor and Economic Growth (now the Department of Energy, Labor, and Economic Growth) commissioned a study to identify communities or regions with broad existing and emerging labor market needs. In April 2008 the study recommended: "Michigan [should] implement applied baccalaureate degrees in its community colleges."

Finally, in March 2008, the Institute for Higher Education Policy in Washington, D.C., with support from the W. K. Kellogg Foundation, concluded in their study *Higher Education in Michigan: Overcoming Challenges to Expand Access*: "Allow selected community colleges in regions with insufficient higher education access to confer baccalaureate degrees in high-need fields."

[http://www.fldoe.org/board/meetings/2009_03_17/MCCproposal.pdf]. Here, MCC indicates that its baccalaureate nursing program would cost about \$350,000 in the first year and about \$600,000 subsequent years.

For:

These bills increase access to higher education. Proponents of the bills note that in other states where community colleges offer baccalaureate degrees in work-related technical areas such as nursing, dental hygiene, specialized teaching, and applied technology, higher education becomes accessible for adult working students who cannot attend a traditional university. The students can earn the degrees closer to home, and their tuition is lower than in most four-year colleges and universities.

For:

The community college presidents who support these bills want to respond to critical work force shortages in specific regions, and for particular occupations and industries. They note that community colleges are uniquely positioned to respond to employer needs, and the baccalaureate degree programs would allow them to do so. The community college leaders acknowledge that universities fear community colleges will encroach on their turf, and possibly divert funding for public four-year universities. However, the community college leaders argue that Michigan's economic future and competitiveness require the evolution of the higher education system. Only then will higher education institutions meet the current demand, and significantly accelerate the number of Michigan citizens with baccalaureate degrees.

Against:

Opponents of these bills promote, as an alternative, higher education partnerships between two- and four-year schools. They note, for example, that Alpena Community College has formal four-year partnerships and collaborations with Ferris State University, Lake Superior State University, Northwood University, the University of Detroit Mercy, and Western Michigan University. Schoolcraft College has agreements with 11 four-year schools. Grand Rapids Community College allows transfer of up to 30 semester credits to 27 four-year schools. Similar arrangements are available at Bay College, Delta, Glen Oaks, Kalamazoo Valley, Kellogg, Lake Michigan, Mid-Michigan, Monroe, Montcalm, Northwestern Michigan, St. Clair, Southwestern, Wayne County, and West Shore.

Opponents note that Michigan's two-year community college programs now transition smoothly to four-year programs at colleges and universities. There are improved articulation agreements so that first- and second-year classes are aligned, easing the transfer process, and many universities are now recognizing the credits earned at the community college level. For example, East Michigan University and Washtenaw Community College have an articulation agreement that allows transfer students to complete a nursing degree at EMU. Further, the Michigan Association of Collegiate Registrars and Admissions Officers has developed a set of computerized systems (customarily called "the transfer wizard") that allow students to more easily see the classes that qualify for university credit. Finally, many universities and community colleges have partnered to create University Centers on the community college campus, so that students can take their junior and senior level courses there, and earn their baccalaureate programs closer to home.

These opponents of the bills say community college baccalaureate degrees are not necessary. Instead, they promote more partnerships between two- and four-year campuses.

Against:

Those who oppose these bills argue that Michigan's 28 community colleges have a different mission than do the state's 15 public universities. The central mission of the community colleges has been, since their founding, to provide affordable and accessible two-year degrees and certificates that ready students for the workforce, or prepare them academically for transfer to a four-year school where they can earn a baccalaureate degree.

For example, the editors of the *Lansing State Journal* say that a four-year degree program at a community college will invite mission creep...if given four-year degree granting authority, "community colleges would begin an inexorable transformation into bigger institutions with larger staffs and much higher costs. Ten or 20 years after this process started, Michigan leaders would be arguing for the need to create new "community colleges to provide low-cost access." (8-6-09) The editors of the *Grand Rapids Press* agree. They argue that state lawmakers should reject legislation that would allow community colleges to grant bachelor's degrees...since "no convincing case has been made to support shifting the structure of higher education so dramatically." They continue: "Community colleges play important roles--granting two-year degrees, offering a low-cost alternative for students going on to four-year colleges and universities, and serving as centers for worker retraining. They are helping to rebuild Michigan's economy. The Legislature should look to reinforce, not shift, that role." (7-10-09)

Opponents of the bills fear that offering baccalaureate degrees at the community college will risk "our open-door mission and its equity agenda, our certificate and associate degree workforce education programs, our university transfer programs, and our grassroots connections to our local communities." (*Detroit Free Press* 8-6-09)

Against:

Opponents of the bills note that while all community colleges are regionally accredited through the North Central Association of the Higher Learning Commission, and all 28 community college nursing programs have been approved by the Michigan Board of Nursing, the community college nursing programs are not accredited by either the National League for Nursing Accreditation Commission, or the Commission on Collegiate Nursing Education. These specialty accreditation programs set high standards for faculty (recommending PhD degrees), as well as for clinical sites and supervision. Furthermore, if a baccalaureate nurse wishes to continue his or her education to earn a Masters of Science in Nursing degree or a doctorate, that student must have earned a BSN in an accredited BSN program.

Response:

The community college presidents note that while regional accreditation by the Higher Learning Commission is required (in order, for example, that students are eligible for federal scholarships and loans), specialty accreditation is optional: neither associate

degree nor baccalaureate degree nursing programs are required to have specialized accreditation. If a community college offered a baccalaureate degree without having specialty accreditation, its students could be advised that their BSN degrees were terminal degrees that would not transfer to a university offering a masters degree.

Against:

Opponents of the bills argue that their enactment could reduce the number of registered nurses overall. They note that community colleges prepare RNs quickly and efficiently through high quality associate degree-granting programs. In two years' time, well-trained nurses are ready for work in local hospitals and nursing homes. If community colleges also offered baccalaureate degrees, it is likely that more students would elect the four-year degree, rather than the two-year degree, thus delaying their entry into the workplace.

Response:

The community college presidents note that more baccalaureate degree nurses are needed, as hospitals are increasingly requiring the BSN as an entry degree. They also note that thousands of students are annually turned away from four-year programs because there are neither enough faculty nor enough clinical sites. They can better serve the health care industry by retaining their associate nursing programs to train RNs, and adding baccalaureate programs to train BSNs.

POSITIONS:

The Michigan Community College Association supports HB 4837. (10-22-09)

Henry Ford Community College supports the bills. (10-22-09)

Southwestern Michigan College supports HB 4837. (10-22-09)

The Allegiance Health System supports House Bill 4837. (10-29-09)

Schoolcraft College supports House Bill 4837. (10-29-09)

Alpena Community College supports House Bill 4837. (10-29-09)

The Alpena County Board of Commissioners supports House Bill 4837. (8-25-09)

Jackson Community College supports House Bill 4837. (10-29-09)

Northwestern Michigan College supports House Bill 4837. (10-29-09)

Munson Medical Center supports having a baccalaureate degree in nursing program at Northwestern Michigan College. (10-28-09)

The Home Builder's Association of the Holland Area supports House Bill 4837 in concept. (8-31-09)

The Presidents Council, State Universities of Michigan opposes the bills. (10-22-09)

The University of Michigan-Flint opposes the bills. (10-22-09)

Ferris State University opposes the bills. (10-22-09)

Oakland University opposes the bills. (10-29-09)

Wayne State University opposes the bills. (10-29-09)

Western Michigan University opposes the bills. (10-29-09)

Eastern Michigan University opposes House Bill 4837. (10-29-09)

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.