

**SUBSTITUTE FOR
SENATE BILL NO. 201**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 201, 202a, 206, 207a, 207b, 207c, 219, 229a,
and 230 (MCL 388.1801, 388.1802a, 388.1806, 388.1807a, 388.1807b,
388.1807c, 388.1819, 388.1829a, and 388.1830), sections 201, 202a,
206, 207a, 207b, 207c, 229a, and 230 as amended by 2022 PA 144 and
section 219 as amended by 2016 PA 249, and by adding sections 216c,
217a, and 217b; 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 this section are appropriated for
3 community colleges for the fiscal year ending September 30, ~~2023,~~
4 **2024**, from the funds indicated in this section. The following is a

1 summary of the appropriations in this section:

2 (a) The gross appropriation is ~~\$530,258,000.00.~~
 3 **\$562,771,800.00.** After deducting total interdepartmental grants and
 4 intradepartmental transfers in the amount of \$0.00, the adjusted
 5 gross appropriation is ~~\$530,258,000.00.~~ **\$562,771,800.00.**

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

8 (i) Total federal revenues, ~~\$81,200,000.00.~~ **\$0.00.**

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

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

11 (iv) Total other state restricted revenues, ~~\$449,058,000.00.~~
 12 **\$562,771,800.00.**

13 (v) State general fund/general purpose money, \$0.00.

14 (2) Subject to subsection (3), the amount appropriated for
 15 community college operations is ~~\$341,224,400.00,~~ **\$420,082,800.00,**
 16 allocated as follows:

17 (a) The appropriation for Alpena Community College is
 18 ~~\$6,040,500.00, \$5,753,300.00 for operations, \$273,500.00 for~~
 19 ~~performance funding, and \$13,700.00 for costs incurred under the~~
 20 ~~North American Indian tuition waiver.~~ **\$6,887,000.00, \$6,026,800.00**
 21 **for operations, \$328,600.00 for performance funding, \$26,500.00 for**
 22 **costs incurred under the North American Indian tuition waiver, and**
 23 **\$505,100.00 for ITEM 1-time supplement.**

24 (b) The appropriation for Bay de Noc Community College is
 25 ~~\$5,986,700.00, \$5,602,800.00 for operations, \$274,200.00 for~~
 26 ~~performance funding, and \$109,700.00 for costs incurred under the~~
 27 ~~North American Indian tuition waiver.~~ **\$7,074,600.00, \$5,877,000.00**
 28 **for operations, \$370,000.00 for performance funding, \$113,900.00**
 29 **for costs incurred under the North American Indian tuition waiver,**

1 and \$713,700.00 for ITEM 1-time supplement.

2 (c) The appropriation for Delta College is ~~\$15,928,400.00,~~
3 ~~\$15,160,500.00 for operations, \$727,700.00 for performance funding,~~
4 ~~and \$40,200.00 for costs incurred under the North American Indian~~
5 ~~tuition waiver.~~ \$19,522,400.00, \$15,888,200.00 for operations,
6 \$904,900.00 for performance funding, \$48,200.00 for costs incurred
7 under the North American Indian tuition waiver, and \$2,681,100.00
8 for ITEM 1-time supplement.

9 (d) The appropriation for Glen Oaks Community College is
10 ~~\$2,802,100.00, \$2,651,200.00 for operations, \$150,900.00 for~~
11 ~~performance funding, and \$0.00 for costs incurred under the North~~
12 ~~American Indian tuition waiver.~~ \$3,365,800.00, \$2,802,100.00 for
13 operations, \$164,300.00 for performance funding, \$0.00 for costs
14 incurred under the North American Indian tuition waiver, and
15 \$399,400.00 for ITEM 1-time supplement.

16 (e) The appropriation for Gogebic Community College is
17 ~~\$5,145,800.00, \$4,873,700.00 for operations, \$229,600.00 for~~
18 ~~performance funding, and \$42,500.00 for costs incurred under the~~
19 ~~North American Indian tuition waiver.~~ \$5,759,100.00, \$5,103,300.00
20 for operations, \$271,700.00 for performance funding, \$37,900.00 for
21 costs incurred under the North American Indian tuition waiver, and
22 \$346,200.00 for ITEM 1-time supplement.

23 (f) The appropriation for Grand Rapids Community College is
24 ~~\$19,950,600.00, \$18,773,100.00 for operations, \$993,100.00 for~~
25 ~~performance funding, and \$184,400.00 for costs incurred under the~~
26 ~~North American Indian tuition waiver.~~ \$25,751,300.00, \$19,766,200.00
27 for operations, \$1,293,800.00 for performance funding, \$122,000.00
28 for costs incurred under the North American Indian tuition waiver,
29 and \$4,569,300.00 for ITEM 1-time supplement.

(g) The appropriation for Henry Ford College is ~~\$23,731,400.00, \$22,533,100.00 for operations, \$1,167,000.00 for performance funding, and \$31,300.00 for costs incurred under the North American Indian tuition waiver.~~ **\$29,899,100.00, \$23,700,100.00 for operations, \$1,475,600.00 for performance funding, \$14,100.00 for costs incurred under the North American Indian tuition waiver, and \$4,709,300.00 for ITEM 1-time supplement.**

(h) The appropriation for Jackson College is ~~\$13,337,700.00, \$12,756,200.00 for operations, \$538,900.00 for performance funding, and \$42,600.00 for costs incurred under the North American Indian tuition waiver.~~ **\$15,733,200.00, \$13,295,100.00 for operations, \$670,800.00 for performance funding, \$33,300.00 for costs incurred under the North American Indian tuition waiver, and \$1,734,000.00 for ITEM 1-time supplement.**

(i) The appropriation for Kalamazoo Valley Community College is ~~\$13,832,700.00, \$13,099,900.00 for operations, \$676,200.00 for performance funding, and \$56,600.00 for costs incurred under the North American Indian tuition waiver.~~ **\$17,313,200.00, \$13,776,100.00 for operations, \$847,000.00 for performance funding, \$57,500.00 for costs incurred under the North American Indian tuition waiver, and \$2,632,600.00 for ITEM 1-time supplement.**

(j) The appropriation for Kellogg Community College is ~~\$10,781,400.00, \$10,267,100.00 for operations, \$487,300.00 for performance funding, and \$27,000.00 for costs incurred under the North American Indian tuition waiver.~~ **\$12,689,400.00, \$10,754,400.00 for operations, \$617,800.00 for performance funding, \$21,000.00 for costs incurred under the North American Indian tuition waiver, and \$1,296,200.00 for ITEM 1-time supplement.**

(k) The appropriation for Kirtland Community College is

~~\$3,601,000.00, \$3,358,400.00 for operations, \$219,500.00 for performance funding, and \$23,100.00 for costs incurred under the North American Indian tuition waiver.~~**\$4,302,300.00, \$3,577,900.00 for operations, \$234,300.00 for performance funding, \$19,800.00 for costs incurred under the North American Indian tuition waiver, and \$470,300.00 for ITEM 1-time supplement.**

(l) The appropriation for Lake Michigan College is ~~\$5,990,800.00, \$5,702,700.00 for operations, \$275,700.00 for performance funding, and \$12,400.00 for costs incurred under the North American Indian tuition waiver.~~**\$7,418,700.00, \$5,978,400.00 for operations, \$407,500.00 for performance funding, \$3,600.00 for costs incurred under the North American Indian tuition waiver, and \$1,029,200.00 for ITEM 1-time supplement.**

(m) The appropriation for Lansing Community College is ~~\$34,339,200.00, \$32,852,000.00 for operations, \$1,376,900.00 for performance funding, and \$110,300.00 for costs incurred under the North American Indian tuition waiver.~~**\$40,049,800.00, \$34,228,900.00 for operations, \$1,752,300.00 for performance funding, \$63,500.00 for costs incurred under the North American Indian tuition waiver, and \$4,005,100.00 for ITEM 1-time supplement.**

(n) The appropriation for Macomb Community College is ~~\$35,950,400.00, \$34,276,100.00 for operations, \$1,635,800.00 for performance funding, and \$38,500.00 for costs incurred under the North American Indian tuition waiver.~~**\$44,648,400.00, \$35,911,900.00 for operations, \$2,068,200.00 for performance funding, \$26,500.00 for costs incurred under the North American Indian tuition waiver, and \$6,641,800.00 for ITEM 1-time supplement.**

(o) The appropriation for Mid Michigan Community College is ~~\$5,555,700.00, \$5,184,400.00 for operations, \$273,700.00 for~~

~~performance funding, and \$97,600.00 for costs incurred under the~~
~~North American Indian tuition waiver.~~**\$6,980,300.00, \$5,458,100.00**
for operations, \$341,700.00 for performance funding, \$55,600.00 for
costs incurred under the North American Indian tuition waiver, and
\$1,124,900.00 for ITEM 1-time supplement.

(p) The appropriation for Monroe County Community College is
~~\$5,005,000.00, \$4,746,200.00 for operations, \$257,400.00 for~~
~~performance funding, and \$1,400.00 for costs incurred under the~~
~~North American Indian tuition waiver.~~**\$6,191,500.00, \$5,003,600.00**
for operations, \$337,400.00 for performance funding, \$2,100.00 for
costs incurred under the North American Indian tuition waiver, and
\$848,400.00 for ITEM 1-time supplement.

(q) The appropriation for Montcalm Community College is
~~\$3,767,400.00, \$3,570,600.00 for operations, \$188,300.00 for~~
~~performance funding, and \$8,500.00 for costs incurred under the~~
~~North American Indian tuition waiver.~~**\$4,500,800.00, \$3,758,900.00**
for operations, \$237,900.00 for performance funding, \$9,500.00 for
costs incurred under the North American Indian tuition waiver, and
\$494,500.00 for ITEM 1-time supplement.

(r) The appropriation for C.S. Mott Community College is
~~\$17,127,100.00, \$16,440,000.00 for operations, \$658,300.00 for~~
~~performance funding, and \$28,800.00 for costs incurred under the~~
~~North American Indian tuition waiver.~~**\$20,479,200.00, \$17,098,300.00**
for operations, \$832,000.00 for performance funding, \$31,500.00 for
costs incurred under the North American Indian tuition waiver, and
\$2,517,400.00 for ITEM 1-time supplement.

(s) The appropriation for Muskegon Community College is
~~\$9,775,400.00, \$9,289,100.00 for operations, \$444,300.00 for~~
~~performance funding, and \$42,000.00 for costs incurred under the~~

~~North American Indian tuition waiver.~~\$11,771,900.00, \$9,733,400.00
for operations, \$573,000.00 for performance funding, \$12,700.00 for
costs incurred under the North American Indian tuition waiver, and
\$1,452,800.00 for ITEM 1-time supplement.

(t) The appropriation for North Central Michigan College is
~~\$3,779,800.00, \$3,389,300.00 for operations, \$226,600.00 for~~
~~performance funding, and \$163,900.00 for costs incurred under the~~
~~North American Indian tuition waiver.~~\$4,586,200.00, \$3,615,900.00
for operations, \$303,500.00 for performance funding, \$142,200.00
for costs incurred under the North American Indian tuition waiver,
and \$524,600.00 for ITEM 1-time supplement.

(u) The appropriation for Northwestern Michigan College is
~~\$10,162,300.00, \$9,567,100.00 for operations, \$439,700.00 for~~
~~performance funding, and \$155,500.00 for costs incurred under the~~
~~North American Indian tuition waiver.~~\$12,009,100.00, \$10,006,800.00
for operations, \$559,800.00 for performance funding, \$177,000.00
for costs incurred under the North American Indian tuition waiver,
and \$1,265,500.00 for ITEM 1-time supplement.

(v) The appropriation for Oakland Community College is
~~\$23,505,300.00, \$22,211,700.00 for operations, \$1,257,800.00 for~~
~~performance funding, and \$35,800.00 for costs incurred under the~~
~~North American Indian tuition waiver.~~\$30,599,500.00, \$23,469,500.00
for operations, \$1,516,900.00 for performance funding, \$22,300.00
for costs incurred under the North American Indian tuition waiver,
and \$5,590,800.00 for ITEM 1-time supplement.

(w) The appropriation for Schoolcraft College is
~~\$13,960,700.00, \$13,196,200.00 for operations, \$743,300.00 for~~
~~performance funding, and \$21,200.00 for costs incurred under the~~
~~North American Indian tuition waiver.~~\$18,321,900.00, \$13,939,500.00

1 for operations, \$926,800.00 for performance funding, \$30,700.00 for
2 costs incurred under the North American Indian tuition waiver, and
3 \$3,424,900.00 for ITEM 1-time supplement.

4 (x) The appropriation for Southwestern Michigan College is
5 ~~\$7,359,900.00, \$6,979,400.00 for operations, \$353,400.00 for~~
6 ~~performance funding, and \$27,100.00 for costs incurred under the~~
7 ~~North American Indian tuition waiver.~~ \$8,453,900.00, \$7,332,800.00
8 for operations, \$420,100.00 for performance funding, \$12,700.00 for
9 costs incurred under the North American Indian tuition waiver, and
10 \$688,300.00 for ITEM 1-time supplement.

11 (y) The appropriation for St. Clair County Community College
12 is ~~\$7,805,200.00, \$7,385,200.00 for operations, \$401,400.00 for~~
13 ~~performance funding, and \$18,600.00 for costs incurred under the~~
14 ~~North American Indian tuition waiver.~~ \$9,540,100.00, \$7,786,600.00
15 for operations, \$508,600.00 for performance funding, \$16,000.00 for
16 costs incurred under the North American Indian tuition waiver, and
17 \$1,228,900.00 for ITEM 1-time supplement.

18 (z) The appropriation for Washtenaw Community College is
19 ~~\$14,875,000.00, \$13,855,900.00 for operations, \$995,400.00 for~~
20 ~~performance funding, and \$23,700.00 for costs incurred under the~~
21 ~~North American Indian tuition waiver.~~ \$20,555,700.00, \$14,851,300.00
22 for operations, \$1,289,000.00 for performance funding, \$12,700.00
23 for costs incurred under the North American Indian tuition waiver,
24 and \$4,402,700.00 for ITEM 1-time supplement.

25 (aa) The appropriation for Wayne County Community College is
26 ~~\$18,384,700.00, \$17,593,400.00 for operations, \$782,700.00 for~~
27 ~~performance funding, and \$8,600.00 for costs incurred under the~~
28 ~~North American Indian tuition waiver.~~ \$22,440,700.00, \$18,376,100.00
29 for operations, \$980,700.00 for performance funding, \$4,600.00 for

costs incurred under the North American Indian tuition waiver, and \$3,079,300.00 for ITEM 1-time supplement.

(bb) The appropriation for West Shore Community College is ~~\$2,742,200.00, \$2,585,600.00 for operations, \$135,400.00 for performance funding, and \$21,200.00 for costs incurred under the North American Indian tuition waiver.~~ **\$3,237,700.00, \$2,721,000.00 for operations, \$156,100.00 for performance funding, \$14,400.00 for costs incurred under the North American Indian tuition waiver, and \$346,200.00 for ITEM 1-time supplement.**

(3) The amount appropriated in subsection (2) for community college operations is ~~\$341,224,400.00~~ **\$420,082,800.00** and is appropriated from the state school aid fund.

(4) From the appropriations described in subsection (1), both of the following apply:

(a) Subject to section 207a, the amount appropriated for fiscal year ~~2022-2023~~ **2023-2024** to offset certain fiscal year ~~2022-2023~~ **2023-2024** retirement contributions is ~~\$1,733,600.00,~~ **\$7,189,000.00**, appropriated from the state school aid fund.

(b) For fiscal year ~~2022-2023,~~ **2023-2024**, there is allocated an amount not to exceed ~~\$10,800,000.00~~ **\$23,000,000.00** for payments to participating community colleges, appropriated from the state school aid fund. A community college that receives money under this subdivision shall use that money solely for the purpose of offsetting the normal cost contribution rate.

(5) From the appropriations described in subsection (1), subject to section 207b, the amount appropriated for payments to community colleges that are participating entities of the retirement system is ~~\$92,600,000.00,~~ **\$105,800,000.00**, appropriated from the state school aid fund.

1 (6) From the appropriations described in subsection (1),
2 subject to section 207c, the amount appropriated for renaissance
3 zone tax reimbursements is \$2,200,000.00, appropriated from the
4 state school aid fund. Each community college receiving funds in
5 this subsection shall accrue these payments to its institutional
6 fiscal year ending June 30, 2023.2024.

7 ~~(7) From the appropriations described in subsection (1),~~
8 ~~subject to section 216, the amount appropriated for the Michigan~~
9 ~~reconnect grant program short-term training grants is~~
10 ~~\$6,000,000.00, appropriated from the coronavirus state fiscal~~
11 ~~recovery funds under the American rescue plan act of 2021, title~~
12 ~~IX, subtitle M of Public Law 117-2.~~

13 ~~(8) From the appropriations described in subsection (1), there~~
14 ~~is appropriated \$9,200,000.00 from the coronavirus state fiscal~~
15 ~~recovery funds under the American rescue plan act of 2021, title~~
16 ~~IX, subtitle M of Public Law 117-2, for fiscal year 2022-2023 only,~~
17 ~~to the nonprofit organization Talent 2025, for the creation and~~
18 ~~operation of the Michigan center for adult college success to focus~~
19 ~~on research, support models, and best practices on ensuring~~
20 ~~enrollment and completion of college degrees and certificates among~~
21 ~~adults returning to further their education due to being unemployed~~
22 ~~or underemployed, including, but not limited to, those whose~~
23 ~~employment opportunities have been adversely affected by the COVID-~~
24 ~~19 pandemic. The goal of the research is to identify barriers that~~
25 ~~prevent these individuals from completing degree and certificate~~
26 ~~programs, create greater support systems within colleges and~~
27 ~~universities for these students that address these barriers, and as~~
28 ~~a result increase the number of adults completing degree and~~
29 ~~certificate programs. This research is meant to serve the~~

~~overarching aim of increasing the skills and training of Michiganders impacted by the COVID-19 pandemic. Talent 2025 shall provide information on request to the house and senate appropriations subcommittees on community colleges, the house and senate fiscal agencies, and the state budget director on the use of these funds until the project is completed.~~

~~(9) From the appropriations described in subsection (1), subject to section 216a, there is appropriated \$10,000,000.00, from the coronavirus state fiscal recovery funds under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2, for fiscal year 2022-2023 only, to the Michigan Community College Association, for the community college academic catch-up program.~~

~~(11) From the appropriations described in subsection (1), subject to section 216b, the amount appropriated for the Michigan ADN to BSN completion grant program is \$56,000,000.00, appropriated from the coronavirus state fiscal recovery funds under the American rescue plan act of 2021, title IX, subtitle M of Public Law 117-2.~~

(7) From the appropriations described in subsection (1), the amount appropriated for Michigan workforce development projects is \$2,000,000.00, appropriated from the state school aid fund. These funds must be utilized by the higher education coordinating council described in section 241d to provide grants to community colleges for curriculum development for certificate programs in the following areas:

- (a) Electric vehicle battery installation and repair.**
- (b) Utility line tree trimming.**
- (c) Electric vehicle charger installation.**
- (d) Nursing.**
- (e) Pharmacy technician.**

(8) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), \$2,500,000.00 is appropriated from the state school aid fund for critical incident mapping. These funds must be distributed to community colleges proportionately to the amounts in subsection (2) for operations.

Sec. 202a. As used in this article:

~~(a) "ADN" means an associate of science degree in nursing, an associate of applied science in nursing, or a similar 2-year degree in nursing.~~

~~(b) "BSN" means a bachelor of science degree in nursing.~~

(a) ~~(e)~~ "Center" means the center for educational performance and information created in section 94a.

(b) ~~(d)~~ "College level equivalent credit examination" means an examination that is administered by an independent testing service and that is used by colleges and universities generally to award postsecondary credit for achievement of a particular score, and includes, but is not limited to, advanced placement examinations, the DANTES Subject Standardized Test (DSST), and college-level examination program (CLEP) examinations.

(c) ~~(e)~~ "Participating college" means a community college that is a reporting unit of the retirement system and that reports employees to the retirement system for the state fiscal year.

(d) ~~(f)~~ "Retirement system" means the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

Sec. 206. (1) Except for the funds appropriated in section 201(4)(b), the funds appropriated in section 201 are appropriated for community colleges with fiscal years ending June 30, ~~2023~~ **2024** and must be paid out of the state treasury and distributed by the

1 state treasurer to the respective community colleges in 11 monthly
 2 installments on the sixteenth of each month, or the next succeeding
 3 business day, beginning with October 16, 2022. ~~2023~~. Each community
 4 college shall accrue its July and August 2023 ~~2024~~ payments to its
 5 institutional fiscal year ending June 30, 2023. ~~2024~~.

6 (2) The funds appropriated in section 201(4)(b) are
 7 appropriated for community colleges with fiscal years ending June
 8 30, 2023 and must be distributed to the respective community
 9 colleges in quarterly installments on the sixteenth of each
 10 November, February, May, and August. Each community college shall
 11 accrue its August 2023 payments to its institutional fiscal year
 12 ending June 30, 2023.

13 ~~(3) If the state budget director determines that a community~~
 14 ~~college failed to submit any of the following information in the~~
 15 ~~form and manner specified by the center, the state treasurer shall,~~
 16 ~~subject to subsection (4), withhold the monthly installments from~~
 17 ~~that community college until those data are submitted:~~

18 ~~(a) The Michigan community colleges verified data inventory~~
 19 ~~data for the preceding academic year to the center by the first~~
 20 ~~business day of November of each year as specified in section 217.~~

21 ~~(b) The college credit opportunity data set as specified in~~
 22 ~~section 209.~~

23 ~~(c) The longitudinal data set for the preceding academic year~~
 24 ~~to the center as specified in section 219.~~

25 ~~(d) The annual independent audit as specified in section 222.~~

26 ~~(e) Tuition and mandatory fees information for the current~~
 27 ~~academic year as specified in section 225.~~

28 ~~(f) The number and type of associate degrees and other~~
 29 ~~certificates awarded during the previous academic year as specified~~

1 ~~in section 226.~~

2 ~~(4) The state budget director shall notify the chairs of the~~
3 ~~house and senate appropriations subcommittees on community colleges~~
4 ~~at least 10 days before withholding funds from any community~~
5 ~~college under subsection (3).~~

6 Sec. 207a. The following apply to the allocation of the fiscal
7 year ~~2022-2023-2023-2024~~ appropriations described in section
8 201(4):

9 (a) A community college that receives money under section
10 201(4) shall use that money solely for the purpose of offsetting a
11 portion of the retirement contributions owed by the college for
12 that fiscal year.

13 (b) The amount allocated to each participating community
14 college under section 201(4) (a) must be based on each college's
15 percentage of the total covered payroll for all community colleges
16 that are participating colleges in the immediately preceding fiscal
17 year.

18 (c) The amount allocated to each participating community
19 college under section 201(4) (b) must be based on each college's
20 reported quarterly payroll for members for the current fiscal year.

21 Sec. 207b. All of the following apply to the allocation of the
22 fiscal year ~~2022-2023-2023-2024~~ appropriations described in section
23 201(5) for payments to community colleges that are participating
24 entities of the retirement system:

25 (a) The amount of a payment under section 201(5) must be the
26 difference between the unfunded actuarial accrued liability
27 contribution rate as calculated under section 41 of the public
28 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,
29 as calculated without taking into account the maximum employer rate

1 of 20.96% included in section 41 of the public school employees
2 retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum
3 employer rate of 20.96% under section 41 of the public school
4 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

5 (b) The amount allocated to each community college under
6 section 201(5) must be based on each community college's percentage
7 of the total covered payroll for all community colleges that are
8 participating colleges in the immediately preceding fiscal year. A
9 community college that receives funds under this subdivision shall
10 use the funds solely for the purpose of retirement contributions
11 under section 201(5).

12 (c) Each participating college that receives funds under
13 section 201(5) shall forward an amount equal to the amount
14 allocated under subdivision (b) to the retirement system in a form
15 and manner determined by the retirement system.

16 Sec. 207c. All of the following apply to the allocation of the
17 appropriations described in section 201(6) to community colleges
18 described in section 12(3) of the Michigan renaissance zone act,
19 1996 PA 376, MCL 125.2692:

20 (a) The amount allocated to each community college under
21 section 201(6) for fiscal year ~~2022-2023~~**2023-2024** must be based on
22 that community college's proportion of total revenue lost by
23 community colleges as a result of the exemption of property taxes
24 levied in ~~2022-2023~~ under the Michigan renaissance zone act, 1996
25 PA 376, MCL 125.2681 to 125.2696.

26 (b) The appropriations described in section 201(6) must be
27 made to each eligible community college within 60 days after the
28 department of treasury certifies to the state budget director that
29 it has received all necessary information to properly determine the

1 amounts payable to each eligible community college under section 12
2 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

3 **Sec. 216c. Funds appropriated in section 201(2) for ITEM 1-**
4 **time supplement are intended to be used for necessary improvements**
5 **and deferred maintenance of community college buildings,**
6 **facilities, and other physical infrastructure; necessary**
7 **improvements and deferred maintenance of information technology,**
8 **other technology infrastructure, and other equipment; and other**
9 **purposes related to infrastructure, technology, equipment, and**
10 **maintenance. A community college may also use these funds to**
11 **construct, renovate, or purchase student housing. These funds are**
12 **not intended to be used for any other purpose than what is**
13 **specified in this section. These funds are distributed to each**
14 **community college according to their respective share of total**
15 **unduplicated student head count as reported to the Michigan**
16 **community college data inventory for the fiscal year ending**
17 **September 30, 2022. Payments to community colleges under this**
18 **section must be distributed in one lump sum to each institution**
19 **with the October 16, 2023 payment described in section 206(1).**

20 **Sec. 217a. (1) Each community college that receives an**
21 **appropriation in section 201 shall submit all of the following**
22 **information in the form and manner specified by the center:**

23 **(a) The Michigan community colleges verified data inventory**
24 **data for the preceding academic year to the center by the first**
25 **business day of November of each year as specified in section 217.**

26 **(b) Tuition and mandatory fees information as specified in**
27 **section 217b.**

28 **(c) The longitudinal data set to the center as specified in**
29 **section 219.**

1 (d) The number and type of associate degrees and other
2 certificates awarded as specified in section 219.

3 (e) The annual independent audit as specified in section 222.

4 (2) If the state budget director determines that a community
5 college failed to submit any of the information described in
6 subsection (1) in the form and manner specified by the center, the
7 state treasurer may withhold the monthly installments described in
8 section 206 from that community college until those data are
9 submitted. If a community college does not submit any of the
10 information described in subsection (1) by the end of the fiscal
11 year, the community college forfeits any withheld amount. The state
12 budget director shall notify the chairs of the house and senate
13 appropriations subcommittees on community colleges at least 10 days
14 before withholding funds from any community college.

15 (3) It is intended that accountability reporting for community
16 colleges will be streamlined through the center. The state budget
17 director and the center shall work to combine the reporting
18 requirements outlined in this subsection with the existing Michigan
19 community colleges verified data inventory collection cycle. All of
20 the following must be reported to the house and senate fiscal
21 agencies and the state budget director:

22 (a) Each community college's certification of its compliance
23 with the requirements described in subsections (4) and (5).

24 (b) The reporting and certification requirements of
25 subsections (6) and (7) and section 217b.

26 (4) No later than the first business day of November of each
27 year, each community college that receives an appropriation in
28 section 201 shall make all of the information described in
29 subdivisions (a) to (f) available through a link on its website

1 homepage, subject to subdivision (g), as follows:

2 (a) The annual operating budget and subsequent budget
3 revisions.

4 (b) A link to the most recent "Michigan Community College Data
5 Inventory Report".

6 (c) General fund revenue and expenditure projections for the
7 current fiscal year and the next fiscal year.

8 (d) A listing of all debt service obligations, detailed by
9 project, anticipated payment of each project, and total outstanding
10 debt for the current fiscal year.

11 (e) Links to all of the following for the community college:

12 (i) The current collective bargaining agreement for each
13 bargaining unit.

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

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

21 (iv) A copy of the board of trustees resolution regarding
22 compliance with best practices for the local strategic value
23 component described in section 230(2).

24 (f) A map that includes the boundaries of the community
25 college district.

26 (g) For statewide consistency and public visibility, community
27 colleges shall use the icon badge provided by the department of
28 technology, management, and budget consistent with the icon badge
29 developed by the department of education for K-12 school districts.

1 It must appear on the front of each community college's homepage.
2 The size of the icon may be reduced to 150 x 150 pixels.

3 (5) No later than the first business day of November of each
4 year, each community college that receives an appropriation in
5 section 201 shall develop, maintain, and update a "campus safety
6 information and resources" link, prominently displayed on the
7 homepage of its website, that links to a section of the community
8 college's website containing, at a minimum, all of the following
9 information:

10 (a) Emergency contact numbers for police, fire, health, and
11 other services.

12 (b) Hours, locations, telephone numbers, and email contacts
13 for campus public safety offices and title IX offices.

14 (c) A list of safety and security services provided by the
15 community college, including transportation, escort services,
16 building surveillance, anonymous tip lines, and other available
17 security services.

18 (d) The community college's policies applicable to minors on
19 community college property.

20 (e) A directory of resources available at the community
21 college or in the surrounding community for students or employees
22 who are survivors of sexual assault or sexual abuse.

23 (f) An electronic copy of "A Resource Handbook for Campus
24 Sexual Assault Survivors, Friends and Family", published in 2018.

25 (g) Campus security policies and crime statistics pursuant to
26 the student right-to-know and campus security act, Public Law 101-
27 542, 104 Stat 2381. Information must include all material prepared
28 pursuant to the public information reporting requirements under the
29 crime awareness and campus security act of 1990, title II of the

1 student right-to-know and campus security act, Public Law 101-542,
2 104 Stat 2381.

3 (6) No later than the first business day of November of each
4 year, each community college that receives an appropriation in
5 section 201 shall report to the house and senate appropriations
6 subcommittees on community colleges, the house and senate fiscal
7 agencies, and the state budget director its annual title IX report,
8 also known as the student sexual misconduct report, issued by the
9 title IX coordinator, as required under the federal campus SAVE act
10 of 2013, Public Law 113-4, section 304, 127 Stat 54, 89-92 (2013).

11 (7) No later than the first business day of November of each
12 year, each community college that receives an appropriation in
13 section 201 shall certify that the community college complies with
14 federal regulations under title IX, as required by the United
15 States Department of Education, including, but not limited to, the
16 following:

17 (a) Use of medical experts that do not have an actual or
18 apparent conflict of interest.

19 (b) Issuance of title IX reports to complainants and
20 respondents that are not divergent.

21 (c) Notification of resources to each individual who reports
22 having experienced sexual assault by a member of the community
23 college.

24 Sec. 217b. (1) Each community college that receives an
25 appropriation in section 201 shall report to the center by the last
26 business day of August of each year the tuition and mandatory fees
27 paid by a full-time in-district student and a full-time out-of-
28 district student as established by the community college governing
29 board for the current academic year. This report should also

1 include the annual cost of tuition and fees based on a full-time
2 course load of 30 credits. This report must also specify the amount
3 that tuition and fees have increased for the community college from
4 the prior academic year. Each community college shall also report
5 any revisions to the reported current academic year tuition and
6 mandatory fees adopted by the community college governing board to
7 the center within 15 days after being adopted. The center shall
8 provide this information and any revisions to the house and senate
9 fiscal agencies and the state budget director.

10 (2) Each community college that receives an appropriation in
11 section 201 shall certify to the state budget director by the last
12 business day of August that its board will not adopt an increase in
13 tuition and fee rates for in-district students for the 2023-2024
14 academic year that is greater than 4.5% or \$205.00, whichever is
15 greater. As used in this subsection:

16 (a) "Fee" means any board-authorized fee that will be paid by
17 more than 1/2 of all in-district students at least once during
18 their enrollment at a community college. A community college
19 increasing a fee that applies to a specific subset of students or
20 courses shall provide sufficient information to prove that the
21 increase applied to that subset will not cause the increase in the
22 average amount of board-authorized total tuition and fees paid by
23 in-district students in the 2023-2024 academic year to exceed the
24 limit established in this section.

25 (b) "Tuition and fee rate" means the average of full-time
26 rates paid by a majority of students in each class, based on an
27 unweighted average of the rates authorized by the community college
28 board and actually charged to students, deducting any uniformly
29 rebated or refunded amounts, for the 2 semesters with the highest

1 levels of full-time equated in-district enrollment during the
2 academic year.

3 (3) Community colleges that exceed the tuition and fee rate
4 cap described in subsection (2) are not eligible to receive
5 payments under section 201 for performance funding for fiscal year
6 2023-2024.

7 (4) Notwithstanding any other provision of this act, the
8 legislature may at any time adjust appropriations for a community
9 college that adopts an increase in tuition and fee rates for in-
10 district students that exceeds the rate cap established in
11 subsection (2).

12 Sec. 219. (1) By October 15 of each year, each community
13 college shall provide its longitudinal data system data set for the
14 preceding academic year to the center for inclusion in the
15 statewide P-20 education longitudinal data system described in
16 section 94a.

17 (2) Each community college shall report to the center by
18 October 15 of each year the number and type of associate degrees
19 and other certificates awarded by the community college during the
20 previous academic year for inclusion in the statewide P-20
21 longitudinal data system.

22 (3) A community college receiving an appropriation in section
23 201 shall place a prominent link to the website created under
24 section 260 on its website homepage.

25 (4) Using the data provided by the community colleges as
26 required under this section, the center shall use the P-20
27 longitudinal data system to inform interested Michigan high schools
28 and the public of the aggregate academic status of its students for
29 the previous academic year. The center shall work with the Michigan

Community College Association and in cooperation with the Michigan Association of Secondary School Principals. Community colleges shall cooperate with the center to maintain a systematic approach for accomplishing this work.

Sec. 229a. Included in the fiscal year ~~2022-2023~~**2023-2024** appropriations for the department of technology, management, and budget are appropriations totaling ~~\$32,981,600.00~~**\$33,081,600.00** to provide funding for the state share of costs for previously constructed capital projects for community colleges. Those appropriations for state building authority rent represent additional state general fund support for community colleges, and the following is an estimate of the amount of that support to each community college:

- (a) Alpena Community College, ~~\$902,600.00~~**\$866,800.00**.
- (b) Bay de Noc Community College, ~~\$520,600.00~~**\$522,100.00**.
- (c) Delta College, ~~\$2,732,600.00~~**\$2,724,100.00**.
- (d) Glen Oaks Community College, ~~\$194,600.00~~**\$406,500.00**.
- (e) Gogebic Community College, ~~\$56,600.00~~**\$56,800.00**.
- (f) Grand Rapids Community College,
~~\$1,097,700.00~~**\$1,101,000.00**.
- (g) Henry Ford College, ~~\$1,174,500.00~~**\$1,178,300.00**.
- (h) Jackson College, ~~\$2,187,400.00~~**\$2,192,900.00**.
- (i) Kalamazoo Valley Community College,
~~\$1,963,000.00~~**\$1,968,800.00**.
- (j) Kellogg Community College, ~~\$686,300.00~~**\$688,400.00**.
- (k) Kirtland Community College, ~~\$227,400.00~~**\$228,100.00**.
- (l) Lake Michigan College, ~~\$976,400.00~~**\$979,300.00**.
- (m) Lansing Community College, ~~\$1,153,300.00~~**\$1,156,800.00**.
- (n) Macomb Community College, ~~\$1,966,900.00~~**\$1,972,800.00**.

(o) Mid Michigan Community College,
~~\$1,632,400.00.~~ **\$1,637,300.00.**

(p) Monroe County Community College,
~~\$1,556,600.00.~~ **\$1,561,300.00.**

(q) Montcalm Community College, ~~\$450,800.00.~~ **\$452,200.00.**

(r) C.S. Mott Community College, ~~\$2,125,700.00.~~ **\$2,132,100.00.**

(s) Muskegon Community College, ~~\$992,600.00.~~ **\$995,600.00.**

(t) North Central Michigan College, ~~\$692,400.00.~~ **\$654,900.00.**

(u) Northwestern Michigan College,
~~\$1,806,300.00.~~ **\$1,811,700.00.**

(v) Oakland Community College, \$0.00.

(w) Schoolcraft College, ~~\$2,371,300.00.~~ **\$2,262,900.00.**

(x) Southwestern Michigan College, ~~\$831,400.00.~~ **\$833,900.00.**

(y) St. Clair County Community College,
~~\$725,800.00.~~ **\$727,900.00.**

(z) Washtenaw Community College, ~~\$1,734,600.00.~~ **\$1,739,800.00.**

(aa) Wayne County Community College,
~~\$1,477,900.00.~~ **\$1,482,300.00.**

(bb) West Shore Community College, ~~\$743,900.00.~~ **\$746,000.00.**

Sec. 230. (1) Subject to subsection (4), money included in the appropriations for community college operations under section 201(2) for performance funding is distributed based on the following formula:

(a) Allocated proportionate to fiscal year ~~2021-2022~~ **2022-2023** base appropriations, 30%.

(b) Based on a weighted student contact hour formula as provided for in the 2016 recommendations of the performance indicators task force, 30%.

(c) Based on the performance improvement as provided for in

1 the 2016 recommendations of the performance indicators task force
2 and based on data provided by the center, 10%.

3 (d) Based on the performance completion number as provided for
4 in the 2016 recommendations of the performance indicators task
5 force, 10%.

6 (e) Based on the performance completion rate as provided for
7 in the 2016 recommendations of the performance indicators task
8 force and based on data provided by the center, 10%.

9 (f) Based on administrative costs, 5%.

10 (g) Based on the local strategic value component, as developed
11 in cooperation with the Michigan Community College Association and
12 described in subsection (2), 5%.

13 (2) Money included in the appropriations for community college
14 operations under section 201(2) for local strategic value is
15 allocated only to each community college that certifies to the
16 state budget director, through a board of trustees resolution on or
17 before October 15, ~~2022~~, **2023**, that the college has met 4 out of 5
18 best practices listed in each category described in subsection (3).
19 The resolution must provide specifics as to how the community
20 college meets each best practice measure within each category. One-
21 third of funding available under the strategic value component is
22 allocated to each category described in subsection (3). Amounts
23 distributed under local strategic value must be on a proportionate
24 basis to each college's fiscal year ~~2021-2022~~ **2022-2023** operations
25 funding. Payments to community colleges that qualify for local
26 strategic value funding must be distributed with the November
27 installment payment described in section 206.

28 (3) For purposes of subsection (2), the following categories
29 of best practices reflect functional activities of community

1 colleges that have strategic value to the local communities and
2 regional economies:

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

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

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

9 (iii) The community college supports entrepreneurship through a
10 small business assistance center or other training or consulting
11 activities targeted toward small businesses.

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

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

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

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

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

26 (iii) The community college provides, supports, or participates
27 in programming to promote successful transitions to college for
28 traditional age students, including grant programs such as talent
29 search, upward bound, or other activities to promote college

1 readiness in area high schools and community centers.

2 (iv) The community college provides, supports, or participates
3 in programming to promote successful transitions to college for new
4 or reentering adult students, such as adult basic education, a high
5 school equivalency test preparation program and testing, or
6 recruiting, advising, or orientation activities specific to adults.
7 As used in this subparagraph, "high school equivalency test
8 preparation program" means that term as defined in section 4.

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

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

14 (i) The community college provides continuing education
15 programming for leisure, wellness, personal enrichment, or
16 professional development.

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

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

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

29 (v) The community college promotes, sponsors, or hosts

1 community service activities for students, staff, or community
2 members.

3 (4) Payments for performance funding under section 201(2) must
4 be made to a community college only if that community college
5 actively participates in the Michigan Transfer Network sponsored by
6 the Michigan Association of Collegiate Registrars and Admissions
7 Officers and submits timely updates, including updated course
8 equivalencies at least every 6 months, to the Michigan transfer
9 network. The state budget director shall determine if a community
10 college has not satisfied this requirement. The state budget
11 director may withhold payments for performance funding until a
12 community college is in compliance with this subsection.

13 ~~(5) Payments under section 201 for performance funding for~~
14 ~~fiscal year 2022-2023 must be made only to a public community~~
15 ~~college that certifies to the state budget director by the last~~
16 ~~business day of August that its board will not adopt an increase in~~
17 ~~tuition and fee rates for in-district students for the 2022-2023~~
18 ~~academic year that is greater than 5.0% or \$226.00, whichever is~~
19 ~~greater. As used in this subsection:~~

20 ~~(a) "Fee" means any board-authorized fee that will be paid by~~
21 ~~more than 1/2 of all in-district students at least once during~~
22 ~~their enrollment at a community college. A community college~~
23 ~~increasing a fee that applies to a specific subset of students or~~
24 ~~courses shall provide sufficient information to prove that the~~
25 ~~increase applied to that subset will not cause the increase in the~~
26 ~~average amount of board-authorized total tuition and fees paid by~~
27 ~~in-district students in the 2022-2023 academic year to exceed the~~
28 ~~limit established in this section.~~

29 ~~(b) "Tuition and fee rate" means the average of full-time~~

1 ~~rates paid by a majority of students in each class, based on an~~
2 ~~unweighted average of the rates authorized by the community college~~
3 ~~board and actually charged to students, deducting any uniformly~~
4 ~~rebated or refunded amounts, for the 2 semesters with the highest~~
5 ~~levels of full-time equated in-district enrollment during the~~
6 ~~academic year.~~

7 ~~(6) Community colleges that exceed the tuition and fee rate~~
8 ~~cap described in subsection (5) must not receive a planning or~~
9 ~~construction authorization for a state-funded capital outlay~~
10 ~~project in fiscal year 2022-2023 or 2023-2024.~~

11 ~~(7) Notwithstanding any other provision of this act, the~~
12 ~~legislature may at any time adjust appropriations for a community~~
13 ~~college that adopts an increase in tuition and fee rates for in-~~
14 ~~district students that exceeds the rate cap established in~~
15 ~~subsection (5).~~

16 ~~(8) A task force must be formed by September 15, 2022 to~~
17 ~~review, evaluate, discuss, and make recommendations regarding~~
18 ~~community college operations funding, with a focus on addressing~~
19 ~~disparities and ensuring that funding levels are equitable across~~
20 ~~tuition, state support, and local tax revenue. All of the following~~
21 ~~apply to this task force:~~

22 ~~(a) The task force must consist of the following members:~~

23 ~~(i) The chairs and minority vice chairs of the house and senate~~
24 ~~appropriations subcommittees on higher education and community~~
25 ~~colleges.~~

26 ~~(ii) The state budget director or designee.~~

27 ~~(iii) The director of the Michigan Community Colleges~~
28 ~~Association.~~

29 ~~(iv) Three members from Michigan public community colleges,~~

~~designated by the Michigan Community College Association, that represent various-sized colleges and geographical distribution.~~

~~(b) The task force may engage legislative staff, the house and senate fiscal agencies, the state budget office, the department of treasury, former state officials, and other stakeholders with relevant technical expertise to support its work.~~

~~(c) The task force shall review whether the current performance metrics used for the performance funding formula are the most appropriate and reliable performance indicators available and determine the most efficient methodology for connecting state funding to those indicators. The task force shall also review, examine, and suggest methodology concerning equitable and appropriate funding levels to community colleges.~~

~~(d) The task force shall publish a report containing its findings and recommendations by December 15, 2022.~~

Enacting section 1. In accordance with section 30 of article IX of the state constitution of 1963, total state spending from state sources for community colleges for fiscal year 2023-2024 under article II of the state school aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830, as amended by this amendatory act, is estimated at \$562,771,800.00 and the amount of that state spending from state sources to be paid to local units of government for fiscal year 2023-2024 is estimated at \$562,771,800.00.

Enacting section 2. Sections 209, 209a, 210h, 215, 216, 216a, 216b, 224, 225, 226, 226a, 226b, 226d, 226g, 227, and 227a of the state school aid act of 1979, 1979 PA 94, MCL 388.1809, 388.1809a, 388.1810h, 388.1815, 388.1816, 388.1816a, 388.1816b, 388.1824, 388.1825, 388.1826, 388.1826a, 388.1826b, 388.1826d, 388.1826g, 388.1827, and 388.1827a, are repealed.

1 Enacting section 3. This amendatory act takes effect October
2 1, 2023.