

# HOUSE BILL NO. 5447

February 14, 2024, Introduced by Reps. Farhat, Aiyash, Arbit, Rheingans, Hood and Wilson and referred to the Committee on Local Government and Municipal Finance.

A bill to amend 1984 PA 431, entitled "The management and budget act," by amending sections 206a and 299 (MCL 18.1206a and 18.1299), section 206a as added by 1995 PA 89 and section 299 as amended by 2018 PA 389.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1           Sec. 206a. (1) A state agency shall do both of the following  
2 if ~~that~~**the** state agency lists racial or ethnic classifications in  
3 a writing **that is** developed or printed ~~90 or more days after the~~  
4 ~~effective date of this section, and if that~~**after September 18,**

1 **1995 and the** state agency requests that an individual select a  
 2 classification to designate ~~his or her~~ **the individual's** race or  
 3 ethnicity:

4 (a) Include in the writing the term "multiracial" as a  
 5 classification, and a definition of that term that substantially  
 6 provides that "multiracial" means having parents of different  
 7 races.

8 (b) Exclude from the writing the term "other" as a  
 9 classification.

10 (2) **In addition to the requirements set forth in subsection**  
 11 **(1), if a state agency lists racial or ethnic classifications in a**  
 12 **writing that is developed or printed after the effective date of**  
 13 **the amendatory act that added this subsection and the state agency**  
 14 **requests that an individual select a classification to designate**  
 15 **the individual's race or ethnicity, the state agency must include**  
 16 **in the writing the term "Middle Eastern or North African" as a**  
 17 **classification.**

18 (3) ~~(2)~~ If a federal agency requires a state agency to  
 19 transmit information obtained from an ~~individual pursuant to a~~  
 20 ~~writing described in individual's selection under~~ subsection (1) or  
 21 (2), but rejects the classification "multiracial" or "**Middle**  
 22 **Eastern or North African**", as applicable, the state agency ~~shall~~  
 23 **must** redesignate the individuals identified as ~~multiracial~~ **the**  
 24 **rejected classification** by allocating those individuals to racial  
 25 or ethnic classifications approved by the federal agency in the  
 26 same ratio that those classifications occur within the general  
 27 population of the group from which the information was solicited.

28 (4) ~~(3)~~ As used in this section, "writing" means that term as  
 29 defined in section 2 of the freedom of information act, ~~Act No. 442~~

1 ~~of the Public Acts of 1976, being section 15.232 of the Michigan~~  
 2 ~~Compiled Laws.~~ **1976 PA 442, MCL 15.232.**

3       Sec. 299. (1) The office of the state budget director shall do  
 4 all of the following:

5       (a) Establish, maintain, and coordinate the state higher  
 6 education database commonly known as the higher education  
 7 institutional data inventory or "HEIDI".

8       (b) Collect data concerning public universities and public  
 9 university programs in this state, including data **obtained from**  
 10 **race and ethnicity selections made under section 402a of the**  
 11 **Elliott-Larsen civil rights act, 1976 PA 453, MCL 37.2402a, and**  
 12 **data** required by law. ~~and include it~~

13       (c) **Include the data described in subdivision (b)** in the  
 14 database.

15       (d) ~~(e)~~ Establish procedures to ensure the validity and  
 16 reliability of the data and the collection process.

17       (e) ~~(d)~~ Develop model data collection policies, including, but  
 18 not limited to, policies that ensure the privacy of individual  
 19 student data. ~~Privacy~~ **The privacy** policies shall ~~must~~ ensure that  
 20 student ~~social security~~ **Social Security** numbers are not released to  
 21 the public for any purpose.

22       (f) ~~(e)~~ Provide data in a useful manner to allow state  
 23 policymakers and public university officials to make informed  
 24 policy decisions.

25       (g) ~~(f)~~ Assist public universities in complying with audits  
 26 under this section or federal law.

27       (h) ~~(g)~~ Perform other functions assigned by the state budget  
 28 director or required by law.

29       (2) There is created within the office of the state budget

1 director in the department the higher education institutional data  
2 inventory advisory committee. The committee shall ~~provide advice to~~  
3 **advise** the state budget director regarding the management of the  
4 state higher education database, including, but not limited to:

5 (a) ~~Determining~~ **Subject to subsection (1) (b) and (c),**

6 **determining** what data is necessary to collect and maintain.

7 (b) Defining the roles of all stakeholders in the data  
8 collection system.

9 (c) Recommending timelines for the implementation and ongoing  
10 collection of data.

11 (d) Establishing and maintaining data definitions, data  
12 transmission protocols, and system specifications and procedures  
13 for the efficient and accurate transmission and collection of data.

14 (e) Establishing and maintaining a process for ensuring the  
15 accuracy of the data.

16 (f) Establishing and maintaining policies related to data  
17 collection, including, but not limited to, privacy policies related  
18 to individual student data.

19 (g) Ensuring the data is made available to state policymakers  
20 and citizens of this state in the most useful format possible.

21 (h) Addressing other matters as determined by the state budget  
22 director or as required by law.

23 (3) The higher education institutional data inventory advisory  
24 committee created in subsection (2) ~~shall consist~~ **consists** of the  
25 following members:

26 (a) One representative from the house fiscal agency, appointed  
27 by the director of the house fiscal agency.

28 (b) One representative from the senate fiscal agency,  
29 appointed by the director of the senate fiscal agency.

1 (c) One representative from the office of the state budget  
2 director, appointed by the state budget director.

3 (d) Three representatives of the presidents council of state  
4 universities, appointed by the presidents council. The presidents  
5 council shall appoint 1 representative each from a master's  
6 university, a doctoral university, and a research university.

7 (4) The auditor general shall review higher education  
8 institutional data inventory enrollment data submitted by all  
9 public universities and shall perform audits of selected data  
10 submitted by public universities at least once every 4 years. The  
11 review and audits ~~shall~~**must** be based ~~upon~~**on** the definitions,  
12 requirements, and uniform reporting categories established by the  
13 state budget director in consultation with the higher education  
14 institutional data inventory advisory committee. The auditor  
15 general shall submit a report of findings to the house and senate  
16 appropriations committees and the state budget director by July 1  
17 of each year in which an audit is performed.

18 Enacting section 1. This amendatory act does not take effect  
19 unless Senate Bill No.\_\_\_\_ or House Bill No. 5448 (request no.  
20 03903'23) of the 102nd Legislature is enacted into law.