SENATE BILL NO. 873

March 18, 2026, Introduced by Senator MCCANN and referred to Committee of the Whole.

A bill to amend 1979 PA 94, entitled

"The state school aid act of 1979,"

by amending sections 201 and 206 (MCL 388.1801 and 388.1806), as amended by 2025 PA 15.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 201. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for community colleges for the fiscal year ending September 30, ~~2026,~~ **2027,** from the funds indicated in this section. The following is a summary of the appropriations in this section: ~~and section 201f:~~

(a) The gross appropriation is ~~$493,032,100.00.~~ **$100.00.** After deducting total interdepartmental grants and intradepartmental transfers in the amount of $0.00, the adjusted gross appropriation is ~~$493,032,100.00.~~**$100.00.**

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

(*i*) Total federal revenues, $0.00.

(*ii*) Total local revenues, $0.00.

(*iii*) Total private revenues, $0.00.

(*iv*) Total other state restricted revenues, ~~$493,032,100.00.~~**$100.00.**

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

(2) Subject to subsection (3), the amount appropriated for community college operations is ~~$363,570,600.00, allocated as follows:~~**$100.00.**

~~(a) The appropriation for Alpena Community College is $6,416,800.00, $6,403,300.00 for operations, $0.00 for performance funding, and $13,500.00 for costs incurred under the North American Indian tuition waiver.~~

~~(b) The appropriation for Bay de Noc Community College is $6,390,000.00, $6,298,000.00 for operations, $0.00 for performance funding, and $92,000.00 for costs incurred under the North American Indian tuition waiver.~~

~~(c) The appropriation for Delta College is $16,934,200.00, $16,882,400.00 for operations, $0.00 for performance funding, and $51,800.00 for costs incurred under the North American Indian tuition waiver.~~

~~(d) The appropriation for Glen Oaks Community College is $2,987,000.00, $2,984,100.00 for operations, $0.00 for performance~~

~~funding, and $2,900.00 for costs incurred under the North American Indian tuition waiver.~~

~~(e) The appropriation for Gogebic Community College is $5,439,100.00, $5,399,000.00 for operations, $0.00 for performance funding, and $40,100.00 for costs incurred under the North American Indian tuition waiver.~~

~~(f) The appropriation for Grand Rapids Community College is $21,337,300.00, $21,184,200.00 for operations, $0.00 for performance funding, and $153,100.00 for costs incurred under the North American Indian tuition waiver.~~

~~(g) The appropriation for Henry Ford College is $25,305,200.00, $25,300,700.00 for operations, $0.00 for performance funding, and $4,500.00 for costs incurred under the North American Indian tuition waiver.~~

~~(h) The appropriation for Jackson College is $14,059,700.00, $14,032,600.00 for operations, $0.00 for performance funding, and $27,100.00 for costs incurred under the North American Indian tuition waiver.~~

~~(i) The appropriation for Kalamazoo Valley Community College is $14,751,300.00, $14,704,400.00 for operations, $0.00 for performance funding, and $46,900.00 for costs incurred under the North American Indian tuition waiver.~~

~~(j) The appropriation for Kellogg Community College is $11,453,400.00, $11,426,700.00 for operations, $0.00 for performance funding, and $26,700.00 for costs incurred under the North American Indian tuition waiver.~~

~~(k) The appropriation for Kirtland Community College is $3,881,400.00, $3,835,100.00 for operations, $0.00 for performance funding, and $46,300.00 for costs incurred under the North American~~

~~Indian tuition waiver.~~

~~(l) The appropriation for Lake Michigan College is $6,427,600.00, $6,408,200.00 for operations, $0.00 for performance funding, and $19,400.00 for costs incurred under the North American Indian tuition waiver.~~

~~(m) The appropriation for Lansing Community College is $36,216,500.00, $36,134,400.00 for operations, $0.00 for performance funding, and $82,100.00 for costs incurred under the North American Indian tuition waiver.~~

~~(n) The appropriation for Macomb Community College is $38,251,500.00, $38,160,600.00 for operations, $0.00 for performance funding, and $90,900.00 for costs incurred under the North American Indian tuition waiver.~~

~~(o) The appropriation for Mid Michigan Community College is $5,919,500.00, $5,837,000.00 for operations, $0.00 for performance funding, and $82,500.00 for costs incurred under the North American Indian tuition waiver.~~

~~(p) The appropriation for Monroe County Community College is $5,368,900.00, $5,368,500.00 for operations, $0.00 for performance funding, and $400.00 for costs incurred under the North American Indian tuition waiver.~~

~~(q) The appropriation for Montcalm Community College is $4,035,000.00, $4,033,300.00 for operations, $0.00 for performance funding, and $1,700.00 for costs incurred under the North American Indian tuition waiver.~~

~~(r) The appropriation for C.S. Mott Community College is $18,028,100.00, $18,017,800.00 for operations, $0.00 for performance funding, and $10,300.00 for costs incurred under the North American Indian tuition waiver.~~

~~(s) The appropriation for Muskegon Community College is $10,403,400.00, $10,359,900.00 for operations, $0.00 for performance funding, and $43,500.00 for costs incurred under the North American Indian tuition waiver.~~

~~(t) The appropriation for North Central Michigan College is $4,110,100.00, $3,947,700.00 for operations, $0.00 for performance funding, and $162,400.00 for costs incurred under the North American Indian tuition waiver.~~

~~(u) The appropriation for Northwestern Michigan College is $10,874,500.00, $10,619,800.00 for operations, $0.00 for performance funding, and $254,700.00 for costs incurred under the North American Indian tuition waiver.~~

~~(v) The appropriation for Oakland Community College is $25,168,400.00, $25,130,000.00 for operations, $0.00 for performance funding, and $38,400.00 for costs incurred under the North American Indian tuition waiver.~~

~~(w) The appropriation for Schoolcraft College is $14,997,300.00, $14,972,000.00 for operations, $0.00 for performance funding, and $25,300.00 for costs incurred under the North American Indian tuition waiver.~~

~~(x) The appropriation for Southwestern Michigan College is $7,805,700.00, $7,786,600.00 for operations, $0.00 for performance funding, and $19,100.00 for costs incurred under the North American Indian tuition waiver.~~

~~(y) The appropriation for St. Clair County Community College is $8,355,300.00, $8,342,000.00 for operations, $0.00 for performance funding, and $13,300.00 for costs incurred under the North American Indian tuition waiver.~~

~~(z) The appropriation for Washtenaw Community College is~~

~~$16,276,300.00, $16,257,300.00 for operations, $0.00 for performance funding, and $19,000.00 for costs incurred under the North American Indian tuition waiver.~~

~~(aa) The appropriation for Wayne County Community College is $19,462,800.00, $19,460,300.00 for operations, $0.00 for performance funding, and $2,500.00 for costs incurred under the North American Indian tuition waiver.~~

~~(bb) The appropriation for West Shore Community College is $2,914,300.00, $2,896,700.00 for operations, $0.00 for performance funding, and $17,600.00 for costs incurred under the North American Indian tuition waiver.~~

(3) The amount appropriated in subsection (2) for community college operations is ~~$363,570,600.00~~ **$100.00** 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 2025-2026 to offset certain fiscal year 2025-2026 retirement contributions is $7,189,000.00, appropriated from the state school aid fund.~~

~~(b) For fiscal year 2025-2026, there is allocated an amount not to exceed $19,600,000.00 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 $89,500,000.00, appropriated from the state school aid fund.~~

~~(6) From the appropriations described in subsection (1), subject to section 207c, the amount appropriated for renaissance zone tax reimbursements is $2,200,000.00, appropriated from the state school aid fund. Each community college receiving funds in this subsection shall accrue these payments to its institutional fiscal year ending June 30, 2026.~~

Sec. 206. ~~(1) Except for the funds appropriated in section 201(4)(b), the~~ **The** funds appropriated in section 201 are appropriated for community colleges with fiscal years ending June 30, ~~2026~~ **2027** and must be paid out of the state treasury and distributed by the state treasurer to the respective community colleges in 11 monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, ~~2025.~~ **2026.** Each community college shall accrue its July and August ~~2026~~ **2027** payments to its institutional fiscal year ending June 30, ~~2026.~~**2027.**

~~(2) The funds appropriated in section 201(4)(b) are appropriated for community colleges with fiscal years ending June 30, 2026 and must be distributed to the respective community colleges in quarterly installments on the sixteenth of each November, February, May, and August. Each community college shall accrue its August 2026 payments to its institutional fiscal year ending June 30, 2026.~~