

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 963

A bill to make appropriations for community colleges and certain state purposes related to education for the fiscal year ending September 30, 2001; to provide for the expenditure of those appropriations; to establish or continue certain funds, programs, and categories; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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PART 1

2

LINE-ITEM APPROPRIATIONS

3

Sec. 101. Subject to the conditions set forth in this act, the

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amounts listed in this part are appropriated for community colleges and

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certain other state purposes relating to education for the fiscal year

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ending September 30, 2001, from the funds indicated in this part. The

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following is a summary of the appropriations in this part:

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For Fiscal Year Ending
September 30, 2001

1 COMMUNITY COLLEGES

2	GROSS APPROPRIATION.....	\$	323,303,589
3	Total interdepartmental grants and intradepartmental		
4	transfers.....	\$	0
5	ADJUSTED GROSS APPROPRIATION.....	\$	323,303,589
6	Total federal revenues.....		0
7	Total local revenues.....		0
8	Total private revenues.....		0
9	Total local and private revenues.....		0
10	Total other state restricted revenues.....		10,000,000
11	State general fund/general purpose.....	\$	313,303,589
12	Sec. 102. OPERATIONS		
13	Alpena Community College.....	\$	5,200,793
14	Bay de Noc Community College.....		5,002,351
15	Delta College.....		14,528,615
16	Glen Oaks Community College.....		2,417,625
17	Gogebic Community College.....		4,293,930
18	Grand Rapids Community College.....		18,359,866
19	Henry Ford Community College.....		22,165,587
20	Jackson Community College.....		12,373,553
21	Kalamazoo Valley Community College.....		12,469,639
22	Kellogg Community College.....		9,821,045
23	Kirtland Community College.....		3,009,442
24	Lake Michigan College.....		5,288,277
25	Lansing Community College.....		31,508,113
26	Macomb Community College.....		33,812,300

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For Fiscal Year Ending
September 30, 2001

1	Mid Michigan Community College.....	4,472,646
2	Monroe County Community College.....	4,350,352
3	Montcalm Community College.....	3,172,295
4	Mott Community College.....	15,966,972
5	Muskegon Community College.....	9,094,404
6	North Central Michigan College.....	3,082,588
7	Northwestern Michigan College.....	9,251,443
8	Oakland Community College.....	21,369,620
9	St. Clair County Community College.....	7,137,789
10	Schoolcraft College.....	12,481,992
11	Southwestern Michigan College.....	6,630,608
12	Washtenaw Community College.....	12,560,726
13	Wayne County Community College.....	16,970,907
14	West Shore Community College.....	<u>2,334,878</u>
15	GROSS APPROPRIATION.....	\$ 309,128,355
16	Appropriated from:	
17	State general fund/general purpose.....	\$ 309,128,355
18	Sec. 103. GRANTS	
19	At-risk student success program.....	\$ 3,692,103
20	Renaissance zone tax reimbursement funding and TIFA	
21	property tax revenue losses.....	<u>483,131</u>
22	GROSS APPROPRIATION.....	\$ 4,175,234
23	Appropriated from:	
24	State general fund/general purpose.....	\$ 0
25	Sec. 104. FINANCIAL AID	
26	Postsecondary access student scholarship program.....	\$ <u>10,000,000</u>

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For Fiscal Year Ending
September 30, 2001

1	GROSS APPROPRIATION.....	\$	10,000,000
2	Appropriated from:		
3	Michigan tobacco settlement trust fund.....		10,000,000
4	State general fund/general purpose.....	\$	0

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PART 2

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PROVISIONS CONCERNING APPROPRIATIONS

9 **GENERAL SECTIONS**

10 Sec. 201. Pursuant to section 30 of article IX of the state consti-
11 tution of 1963, total state spending from state resources under part 1
12 for fiscal year 2000-2001 is \$323,303,589.00 and state spending from
13 state resources to be paid to local units of government for fiscal year
14 2000-2001 is \$323,303,589.00.

15 Sec. 202. The appropriations authorized under this act are subject
16 to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

17 Sec. 208. The department shall continue to pilot the use of the
18 Internet to fulfill the reporting requirements of this act. This may
19 include transmission of reports via electronic mail to the recipients
20 identified for each reporting requirement or it may include placement of
21 reports on the Internet or legislative Intranet site. The senate and
22 house of representatives appropriations subcommittees and senate and
23 house fiscal agencies shall be notified in writing of the Internet or
24 Intranet site of any such report. Quarterly, the department shall pro-
25 vide a cumulative listing of the reports submitted during the most recent
26 3-month period along with the Internet or Intranet site of each report,

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1 and a list of those reports expected to be transmitted in the following
2 quarter.

3 Sec. 209. Funds appropriated in part 1 shall not be used for the
4 purchase of foreign goods or services, or both, if competitively priced
5 and of comparable quality American goods or services, or both, are
6 available.

7 Sec. 210. The director of each department receiving appropriations
8 in part 1 shall take all reasonable steps to ensure businesses in
9 deprived and depressed communities compete for and perform contracts to
10 provide services or supplies, or both. Each director shall strongly
11 encourage firms with which the department contracts to subcontract with
12 certified businesses in depressed and deprived communities for services,
13 supplies, or both.

14 Sec. 211. (1) The money appropriated in this act is appropriated
15 for community colleges with fiscal years ending June 30, 2001 and shall
16 be paid out of the state treasury and distributed by the state treasurer
17 to the respective community colleges in 11 monthly installments on the
18 sixteenth of each month, or the next succeeding business day, beginning
19 with October 16, 2000. Each community college shall accrue its July and
20 August 2001 payments to its institutional fiscal year ending June 30,
21 2001. However, if a community college fails to submit all verified
22 Michigan community colleges activities classification structure data for
23 school year 1999-2000 to the department of career development by November
24 1, 2000, the monthly installments shall be withheld from that community
25 college until those data are submitted. The department of career devel-
26 opment shall publish the activities classification structure data book
27 for Michigan community colleges on or before March 1, 2001 for use by the

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1 legislature during budget development for the fiscal year ending
2 September 30, 2002. The amount from the money appropriated in part 1
3 that is allocated under section 103 to address the special needs of
4 at-risk students shall be paid in full by the state treasurer by November
5 1, 2000. The amount distributed to a community college or department
6 shall not exceed the net state allocation authorized by this act.

7 (2) Except as otherwise provided by law, each of the amounts appro-
8 priated shall be used solely for the respective purposes stated in this
9 act. The money appropriated by this act may be used to match the cost of
10 any available programs under the Carl D. Perkins vocational and applied
11 technology education act, Public Law 88-210, 98 Stat. 2435, including
12 local administration.

13 Sec. 212. (1) The auditor general or an independent public account-
14 ing firm appointed by the auditor general shall audit data for the fiscal
15 year ending on June 30, 2000 as submitted to the department of career
16 development by 7 randomly selected community colleges. A community col-
17 lege shall maintain and provide those records necessary for the auditor
18 general or certified public accountant appointed by the auditor general
19 to determine the accuracy of the reported data. The audits shall be
20 based upon the definitions and requirements contained in the Manual for
21 Uniform Financial Reporting, Michigan Public Community Colleges, pub-
22 lished by the Michigan state board of education in 1981, and the
23 Activities Classification Structure Manual for Michigan Community
24 Colleges, 1996 revision of the final report of the activities classifica-
25 tion structure task force (July 1981), published by the department of
26 education. Before the submission of a final audit report, a community
27 college may appeal the findings of the preliminary report under an appeal

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1 process to be established by the auditor general. The auditor general
2 shall submit a report of the findings to the house and senate appropria-
3 tions committees, the department of career development, and the state
4 budget director before June 1, 2001.

5 (2) The auditor general or a certified public accountant appointed
6 by the auditor general shall conduct not less than 3 performance audits
7 of community colleges but may conduct more if the auditor general consid-
8 ers it necessary.

9 (3) Not more than 60 days after an audit report is released by the
10 office of the auditor general, the principal executive officer of the
11 community college that was audited shall submit to the house and senate
12 appropriations committees, the house and senate fiscal agencies, the
13 department of career development, the auditor general, and the department
14 of management and budget a plan to comply with audit recommendations.
15 The plan shall contain projected dates and resources required, if any, to
16 achieve compliance with the audit recommendations, or a documented expla-
17 nation of the college's noncompliance with the audit recommendations con-
18 cerning the matters on which the audited community college and office of
19 the auditor general disagree.

20 (4) A community college whose audited activities classification
21 structure data is significantly different than the data used to determine
22 state aid under this act shall return any overappropriated money as pro-
23 vided in this section. The department of career development shall com-
24 pare formula computations for the audited colleges using pre- and
25 post-audit data. If the state allocation is 2% or more than the
26 post-audit allocation amount, the college shall return the excess money.

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1 The returned money shall be redistributed to all 28 community colleges,
2 prorated on the base appropriations contained in part 1.

3 Sec. 213. The department of career development shall review the
4 taxonomy of the 7 community colleges selected for the audit under section
5 212 that is based on the Activities Classification Structure Manual for
6 Michigan Community Colleges, 1996 revision of the final report of the
7 activities classification structure task force (July 1981), published by
8 the department of education.

9 Sec. 214. (1) A community college shall retain certified class sum-
10 maries, class lists, registration documents, and student transcripts that
11 are consistent with the taxonomy of courses. For each enrollment period
12 during the fiscal year, these certified documents shall identify clearly
13 by course the number of in-district and out-of-district student credit
14 and contact hours. The class summaries and class lists shall be consis-
15 tent with each other and shall include the course prefix and numbers,
16 course title, course credit and contact hours, credit and contact hours
17 generated by each student, and activity classifications consistent with
18 the taxonomy. An auditable process shall be used by the community col-
19 lege to determine the unduplicated head count for in-district students,
20 out-of-district students, and prisoners for each enrollment period during
21 the fiscal year.

22 (2) Contracts between the community college and agencies that reim-
23 burse the community college for the costs of instruction shall be
24 retained for audit purposes.

25 Sec. 215. Each community college shall have an annual audit of all
26 income and expenditures performed by an independent auditor and shall
27 furnish the independent auditor's management letter and an annual audited

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1 accounting of all general and current funds income and expenditures
2 including audits of college foundations to the legislature, the senate
3 and house fiscal agencies, the auditor general, the department of career
4 development, and the state budget director before November 15, 2000. If
5 a community college fails to furnish the audit materials, the monthly
6 state aid installments shall be withheld from that college until the
7 information is submitted. All reporting shall conform to the require-
8 ments set forth in the Manual for Uniform Financial Reporting, Michigan
9 Public Community Colleges, published by the Michigan state board of edu-
10 cation in 1981.

11 Sec. 216. (1) A community college shall pay the employer's contri-
12 butions to the Michigan public school employees' retirement system cre-
13 ated by the public school employees retirement act of 1979, 1980 PA 300,
14 MCL 38.1301 to 38.1408, as a condition of receiving money appropriated
15 under this act. If amendments to the public school employees retirement
16 act of 1979, 1980 PA 300, MCL 38.1301 to 38.1408, that require
17 pre-funding of the health benefits portion of the Michigan public school
18 employees' retirement system are enacted and take effect, those amend-
19 ments apply to community colleges.

20 (2) A community college shall not pay an employer's contribution to
21 more than 1 retirement fund providing benefits for an employee.

22 Sec. 217. An appropriation contained in this act shall not be used
23 for the construction of buildings for, or operations of, a community col-
24 lege not expressly authorized in part 1. Money appropriated in part 1
25 shall not be used to pay for the construction or maintenance of a
26 self-liquidating project.

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1 Sec. 218. The department of career development shall ensure that a
2 statistical report for minorities and women employees for the most recent
3 school year as submitted to the federal government on the EEO-6 form be
4 included in the Michigan Community Colleges Enrollment Profile published
5 by the department of career development. Also included in this profile
6 shall be a statistical report for the most recent school year that
7 includes enrollment statistics for minorities and women from the current
8 year as submitted to the department of career development and from the
9 prior year as submitted to the department of education. The department
10 of career development shall distribute a copy of this report to the state
11 budget director and to members of the house and senate appropriations
12 subcommittees on community colleges and the house and senate fiscal agen-
13 cies no later than March 1, 2001.

14 Sec. 219. (1) The department of treasury shall annually collect and
15 compile data on the tax revenue losses to community colleges resulting
16 from tax increment financing authorities (TIFA) and tax abatements. The
17 department of treasury shall produce a report detailing the data. The
18 report shall be completed and presented to the house and senate appropri-
19 ations subcommittees on community colleges, the department of career
20 development, and the department of management and budget not later than
21 February 15, 2001. The report shall include, but is not limited to, the
22 following:

23 (a) Estimated revenue losses for each community college for the cal-
24 endar year 2000.

25 (b) Confirmed revenue losses for each community college for the cal-
26 endar years 1999, 1998, and 1997.

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1 (c) Other requirements requested by the house and senate
2 appropriations subcommittees on community colleges.

3 (2) From the general fund/general purpose appropriation in part 1
4 for renaissance zone and TIFA tax reimbursement funding, there is allo-
5 cated \$50,000.00 to reimburse community colleges that incur property tax
6 revenue losses after December 31, 1999 as a result of tax increment
7 financing. Reimbursements shall be made in amounts to each eligible
8 recipient no later than 60 days after the department of treasury certi-
9 fies to the state budget director that it has received all necessary
10 information to properly determine the amounts due each eligible recipient
11 under this section. Excess allocations lapse to the general fund.

12 Sec. 220. The auditor general shall audit the 1999, 1998, and 1997
13 calendar years tax revenue losses to community colleges resulting from
14 TIFAs and tax abatements. The auditor general shall submit the results
15 of this audit to the house and senate appropriations subcommittees on
16 community colleges and the senate and house fiscal agencies by February
17 15, 2001.

18 Sec. 221. (1) Each community college shall report the following to
19 the department of career development, no later than November 1, 2000:

20 (a) The number of North American Indian students enrolled each term
21 for the previous fiscal year, using guidelines and procedures developed
22 by the department of career development and the Michigan commission on
23 Indian affairs.

24 (b) The number of Indian tuition waivers granted each term, and the
25 monetary value of the waivers for the previous fiscal year.

26 (2) Colleges shall use the criteria cited in 1976 PA 174,
27 MCL 390.1251 to 390.1253, to determine eligibility for tuition waivers,

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1 and shall grant those waivers to individuals who meet the criteria and
2 request tuition waivers.

3 (3) The department of career development shall compile the informa-
4 tion received under subsection (1) and shall submit this compilation to
5 the house and senate appropriations subcommittees on community colleges,
6 the senate and house fiscal agencies, and the state budget director by
7 January 7, 2001.

8 Sec. 222. From the general fund/general purpose appropriation in
9 part 1 for renaissance zone and TIFA tax reimbursement funding, there is
10 allocated \$483,131.00 to make reimbursement to community colleges, as
11 provided by section 12 of the Michigan renaissance zone act, 1996 PA 376,
12 MCL 125.2692, for property taxes levied in 2000. Reimbursements shall be
13 made in amounts to each eligible recipient no later than 60 days after
14 the department of treasury certifies to the state budget director that it
15 has received all necessary information to properly determine the amounts
16 due each eligible recipient under section 12 of the Michigan renaissance
17 zone act, 1996 PA 376, MCL 125.2692. Excess allocations lapse to the
18 general fund.

19 Sec. 223. Upon request, a community college shall inform interested
20 Michigan high schools of the aggregate academic status of its students
21 for the fiscal year beginning October 1, 2000, in a manner prescribed by
22 the Michigan community college association and in cooperation with the
23 Michigan association of secondary school principals.

24 Sec. 224. (1) Recognizing the critical importance of education in
25 strengthening Michigan's workforce, the legislature encourages the
26 state's public community colleges to explore ways of increasing

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1 collaboration and cooperation with 4-year universities, particularly in
2 the areas related to training, instruction, and program articulation.

3 (2) Community colleges shall report by December 1, 2000 to the
4 department of career development on steps they have taken to increase
5 collaboration and cooperation with 4-year universities under
6 subsection (1).

7 (3) The department of career development shall compile the informa-
8 tion received under subsection (2) and shall submit this compilation to
9 the house and senate appropriations subcommittees on community colleges
10 and the senate and house fiscal agencies by January 7, 2001.

11 Sec. 225. The legislature intends that all citizens of this state
12 have geographic and programmatic access to quality comprehensive commu-
13 nity college services. The legislature and the Michigan community col-
14 lege association shall continue to review and analyze the recommendations
15 made by the co-terminus task force to assure geographic and programmatic
16 access to quality and comprehensive community college services. The leg-
17 islature recognizes that Ferris State University, Northern Michigan
18 University, and Lake Superior State University are each providing quality
19 comprehensive community college services for citizens of this state who
20 are not served by a community college district.

21 Sec. 226. Each community college shall report to the house and
22 senate fiscal agencies and the department of career development a modifi-
23 cation in credit or contact hour tuition or mandatory non-course-related
24 student fees not later than 30 days after the modification is established
25 by the college governing board.

26 Sec. 227. (1) Each community college shall report to the department
27 of career development the numbers and type of associate degrees and other

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1 certificates awarded during the previous fiscal year. The report shall
2 be made not later than November 15, 2000.

3 (2) The department of career development shall compile the informa-
4 tion received under subsection (1) and shall submit this compilation to
5 the house and senate appropriations subcommittees on community colleges,
6 the senate and house fiscal agencies, and the state budget director by
7 January 7, 2001.

8 Sec. 228. The legislature intends to achieve full funding of the
9 Gast-Mathieu fairness in funding formula.

10 Sec. 229. (1) A community college receiving funding under this act
11 and also subject to the student right-to-know and campus security act,
12 Public Law 101-542, 104 Stat. 2381, shall make a copy of all material
13 prepared in accordance with the public information reporting requirements
14 under the crime awareness and campus security act of 1990, title II of
15 the student right-to-know and campus security act, Public Law 101-542,
16 104 Stat. 2384, available in hard copy and electronic format accessible
17 through the Internet for school districts, parents, and students.

18 (2) The department of career development shall compile and make
19 information received under subsection (1) available in written and elec-
20 tronic format accessible through the Internet for school districts, par-
21 ents, and students.

22 Sec. 230. (1) A community college shall not expend money appropri-
23 ated under this act to provide health care coverage for community college
24 employees or their dependents for abortion services, other than for spon-
25 taneous abortion or to prevent the death of the woman upon whom the abor-
26 tion is performed. A community college shall not approve a collective
27 bargaining agreement or enter into any other employment contract that

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1 includes health care coverage for abortion services other than
2 spontaneous abortion or to prevent the death of the woman upon whom the
3 abortion is performed.

4 (2) If a community college expends money appropriated under this act
5 in violation of subsection (1), the community college shall repay to this
6 state an amount equal to the amount of money spent in violation of sub-
7 section (1).

8 Sec. 231. In light of sections 1, 3, and 4 of 1846 RS 83, MCL
9 551.1, 551.3, and 551.4, and section 1 of 1939 PA 168, MCL 551.271, the
10 legislature intends that a community college receiving funding under this
11 act shall not use part 1 money to extend employee benefits to the unmar-
12 ried partners of the community college's employees except for pre- and
13 post-natal costs.

14 Sec. 232. The department of career development shall receive and
15 retain copies of all reports and records funded from appropriations in
16 part 1. The department of career development shall follow federal and
17 state guidelines for short-term and long-term retention of these reports
18 and records.

19 Sec. 233. Community colleges that include prescription drugs and
20 medications as a covered health benefit for adults are encouraged to
21 ensure that payment for preventative contraceptives are included in the
22 insurance plan.

23 Sec. 234. The legislature intends that each community college do
24 all of the following:

25 (a) Undertake active measures to promote equal opportunities, elimi-
26 nate discrimination, and foster a diverse student body and administration

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1 among all people including, but not limited to, women, minorities,
2 seniors, veterans, and people with disabilities.

3 (b) Review, analyze, and eradicate activities that may tend to
4 discriminate.

5 Sec. 235. The legislature instructs the department of career devel-
6 opment to coordinate with the Michigan community college association and
7 various other organizations representing employees at community colleges
8 to discuss staffing patterns as they relate to part-time employees and
9 the effects on educational instruction. The department of career devel-
10 opment shall submit a report on this issue to the house and senate appro-
11 priations subcommittees on community colleges and the house and senate
12 fiscal agencies by March 1, 2001.

13 **STATE AID - OPERATIONS**

14 Sec. 301. Unless otherwise stated, all data items used in determin-
15 ing state aid in this act are as defined in the Manual for Uniform
16 Financial Reporting, Michigan Public Community Colleges, published by the
17 Michigan state board of education in 1981, which shall be the basis for
18 reporting data, and the Activities Classification Structure Manual for
19 Michigan Community Colleges, 1996 revision of the final report of the
20 activities classification structure task force (July 1981), published by
21 the department of education, which shall be used to document financial
22 needs of the community colleges.

23 Sec. 302. A community college shall not include in the enrollment
24 report any student credit hours or student contact hours for a student
25 incarcerated in a Michigan penal institution. Exclusion of these

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1 students is intended to avoid the payment of state aid under this act for
2 the same individuals for whom reimbursement is provided by the state cor-
3 rectional system.

4 Sec. 303. (1) Community colleges shall use a portion of the money
5 appropriated in part 1 for operations to implement and institute the
6 ideas and goals embodied by the partnerships for employment program or
7 another program with similar nature and intent as the ideas and goals
8 embodied in the partnership for employment program. For this program,
9 community colleges shall form identifiable links with local businesses or
10 local business alliances to ascertain the immediate and lasting employ-
11 ment needs of the community. In so doing, the colleges in conjunction
12 with the businesses shall create specific, direct certificate programs
13 that upon completion will lead to an increased likelihood of employment
14 by the sponsoring businesses.

15 (2) When creating programs under subsection (1), the community col-
16 leges shall consider all of the following:

17 (a) The likelihood of the project directly providing a discrete pop-
18 ulation of unemployed or underemployed workers with job skills that will
19 lead to increased likelihood of desired employment with the sponsoring
20 businesses.

21 (b) The use of appropriations to efficiently coordinate existing,
22 but largely unconnected, resources for worker training.

23 (c) The use of performance outcome measures to detail a correlation
24 between partnering with local businesses to provide specific training,
25 and the population attaining employment upon successful completion of
26 such training.

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1 (3) Each community college shall report to the department of career
2 development by no later than September 30, 2001 on all of the following:

3 (a) The number of certificated programs created under this section.

4 (b) The job placement rate for graduates with sponsoring businesses
5 under this section.

6 (c) The amount budgeted for the partnership for employment program.

7 (d) The amount expended and for what activities for the partnership
8 for employment program.

9 (e) The number of employers who have agreed to hire participants who
10 complete the partnership for employment program.

11 (4) The department of career development shall compile the informa-
12 tion received under subsection (3) and shall submit this compilation to
13 the senate and house appropriations subcommittees on community colleges,
14 the state budget director, and the senate and house fiscal agencies by
15 November 1, 2001.

16 **GRANTS**

17 Sec. 401. (1) The community college at-risk student success program
18 is continued. The funding shall be prorated among community colleges
19 based on the number of student contact hours for developmental and prepa-
20 ratory instruction reported by each community college to the department
21 of education for use in the Activities Classification Structure Manual
22 for Michigan Community Colleges, 1996 revision of the final report of the
23 activities classification structure task force (July 1981), published by
24 the department of education. Of the amount appropriated in part 1 for
25 the at-risk student success program, \$1,120,000.00 is allocated for base

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1 grants of \$40,000.00 each, to address the special needs of at-risk
2 students at community colleges or the acquisition or upgrade of technol-
3 ogy related equipment and software.

4 (2) Of the amount appropriated in part 1 for the at-risk student
5 success program, the balance of the appropriated money shall be distrib-
6 uted on a proration utilizing the sum of the most recent 3 years
7 developmental/preparatory contact hours divided by the sum of the 3-year
8 total contact hours at each college. Each community college's percentage
9 shall be divided by the sum of all the percentages systemwide to obtain
10 each community college's prorated grant amount.

11 (3) For the fiscal year ending September 30, 2001, the at-risk stu-
12 dent success program money is allocated as follows:

13	Alpena Community College.....	\$	121,725
14	Bay de Noc Community College.....		105,324
15	Delta College.....		110,504
16	Glen Oaks Community College.....		131,210
17	Gogebic Community College.....		78,617
18	Grand Rapids Community College.....		76,714
19	Henry Ford Community College.....		168,324
20	Jackson Community College.....		114,933
21	Kalamazoo Valley Community College.....		118,490
22	Kellogg Community College.....		157,285
23	Kirtland Community College.....		145,724
24	Lake Michigan College.....		194,902
25	Lansing Community College.....		134,738
26	Macomb Community College.....		90,272

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1	Mid Michigan Community College.....	123,549
2	Monroe Community College.....	102,673
3	Montcalm Community College.....	70,131
4	Mott Community College.....	105,617
5	Muskegon Community College.....	212,002
6	North Central Michigan College.....	178,833
7	Northwestern Michigan College.....	120,835
8	Oakland Community College.....	164,112
9	St. Clair Community College.....	77,130
10	Schoolcraft College.....	148,852
11	Southwestern Michigan College.....	186,227
12	Washtenaw Community College.....	148,858
13	Wayne County Community College.....	158,329
14	West Shore Community College.....	146,193

15 (4) As used in this act, "at-risk students" means students who meet
16 1 or more of the following criteria:

17 (a) Are initially placed in 1 or more developmental courses as a
18 result of standardized testing or as a result of failure to make satis-
19 factory academic progress.

20 (b) Are diagnosed as learning disabled.

21 (c) Require English as a second language (ESL) assistance.

22 (5) Grant funding under this section shall be utilized to address
23 the special needs of at-risk students or for equipment or upgrade of
24 information technology hardware or software. Activities related to serv-
25 ices provided to at-risk students include, but are not limited to, pre-
26 testing for academic ability, counseling contacts, and special programs.
27 Equipment or information technology hardware or software purchased under

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1 this section need not be associated with the operation of a program
2 designed to address the needs of at-risk students.

3 (6) Grant funding under this section shall not be used for indirect
4 costs including, but not limited to, rent, utilities, or, except as pro-
5 vided in this section, college administration.

6 (7) Each community college shall report to the department of career
7 development a summary of all accomplishments under, expenditures for, and
8 compliance with the intent of this program, including the number of
9 at-risk students served. The report is subject to audit as provided for
10 in section 204(1). The report shall be submitted not later than 90 days
11 after the end of the state's fiscal year. The department of career
12 development shall compile the information received under this subsection
13 and shall submit this compilation to the house and senate appropriations
14 subcommittees on community colleges, the senate and house fiscal agen-
15 cies, and the state budget director by 120 days after the end of the
16 state's fiscal year.

17 (8) Each community college receiving grant money under this section
18 shall, not more than 12 months after receipt of that money, certify to
19 the state treasurer, the state budget director, the house and senate
20 fiscal agencies, and the auditor general whether all the grant money is
21 expended or encumbered.

22 Sec. 402. The legislature intends that any executive or legislative
23 proposal or action, subsequent to the adoption of a recommendation for
24 appropriations for community colleges for the fiscal year ending
25 September 30, 2001, to increase appropriations to state-supported 4-year
26 universities in excess of the governor's original recommendation for the

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1 fiscal year ending September 30, 2001, will be accompanied by a similar
2 action or proposal for state-supported community colleges.

3 Sec. 403. The legislature intends that not less than 70% of the
4 economic development job training grant money be awarded to community
5 colleges or a consortium of community colleges and other eligible appli-
6 cants as provided in the budget that appropriated the economic develop-
7 ment job training grant money. Further, the legislature intends that at
8 least a portion of the total appropriation for economic development job
9 training grants be awarded to community colleges that offer certified
10 programs that are bureau of apprenticeship training certified. The
11 Michigan economic development corporation shall report by November 1 of
12 each year to the house and senate appropriations subcommittees on commu-
13 nity colleges and the senate and house fiscal agencies the names of the
14 community colleges awarded grant money under this section, the amount of
15 the grants awarded, and the percentage awarded to bureau of apprentice-
16 ship training certified programs.

17 Sec. 404. (1) The Michigan postsecondary access student scholarship
18 (PASS) program is established to pay the remaining tuition and fees, as
19 calculated under this section, for a student who is eligible under sub-
20 section (2), (3), or (4). The Michigan higher education assistance
21 authority (MHEAA) shall administer the PASS program, for which there is
22 \$10,000,000.00 appropriated in part 1, and the program shall comply with
23 the requirements of this section.

24 (2) A student is eligible to have the student's remaining tuition
25 and fees for 2 years of college enrollment paid by the PASS program if
26 the student meets all of the following:

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1 (a) The student must be a Michigan resident enrolled in a program
2 leading to an associate degree at a Michigan public community college;
3 Michigan public university, including, but not limited to, Ferris State
4 University, Northern Michigan University, and Lake Superior State
5 University; or Michigan nonprofit degree granting independent college or
6 university.

7 (b) The student must be enrolled at least half-time and must be less
8 than 22 years old at the time of enrollment.

9 (c) The student must have taken the Michigan education assessment
10 program test, and received qualifying results for the Michigan merit
11 award scholarship as determined by the Michigan merit award board, in
12 each of the following subject areas: reading, writing, mathematics, and
13 science.

14 (d) The student's family's adjusted gross income, as reported on the
15 free application for federal student aid form, must be equal to or less
16 than \$40,000.00.

17 (e) Other requirements established by the MHEEA.

18 (3) A student who takes the tests listed in subsection (2)(c) is
19 eligible to have the student's remaining tuition and fees for 1 year of
20 college enrollment paid by the PASS program if the student meets all of
21 the requirements under subsection (2) other than achieving qualifying
22 test results as required by subsection (2)(c). If such a student main-
23 tains satisfactory academic progress in that first year of college
24 enrollment and continues to meet the requirements of subsection (2) other
25 than subsection (2)(c), the student is eligible to have the student's
26 remaining tuition and fees for the second year of college enrollment paid
27 by the PASS program.

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1 (4) A student who is 22 years old or older is eligible to have a
2 maximum of \$500.00 of the student's remaining tuition and fees for the
3 second year of college enrollment paid by the PASS program if the student
4 meets all of the requirements under subsection (2) other than the differ-
5 ent age requirement of subsection (2)(e) and qualifying test results as
6 required by subsection (2)(c). A student may qualify under this section
7 whether or not the student took any of the tests listed in subsection (2)
8 while enrolled in high school.

9 (5) For a student enrolled at a Michigan community college, allow-
10 able tuition and fees are the in-district tuition and fees. For a stu-
11 dent who does not reside within a community college district, allowable
12 tuition and fees are the out-of-district tuition and fees for the commu-
13 nity college that the student is attending.

14 (6) For a student enrolled at a Michigan public university, includ-
15 ing, but not limited to, Ferris State University, Northern Michigan
16 University, and Lake Superior State University, allowable tuition and
17 fees are the lower level resident tuition and fees for that public
18 university.

19 (7) For a student enrolled at a Michigan independent, nonprofit
20 degree granting college or university, allowable tuition and fees are the
21 average lower level resident tuition and fees for all Michigan public
22 universities for the immediately preceding academic year as reported
23 before August 1 after that academic year.

24 (8) Before billing the PASS program for an eligible student's
25 remaining tuition and fees, the higher education institution that the
26 student is attending shall ensure that the student's remaining tuition
27 and fees are calculated as provided in this subsection. Before remitting

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1 an eligible student's remaining tuition and fees to the higher education
2 institution that the student is attending, the MHEAA shall ensure that
3 the student's remaining tuition and fees have been calculated as provided
4 in this subsection. An eligible student's remaining tuition and fees are
5 the dollar amount remaining after subtracting from the student's allow-
6 able tuition and fees, as prescribed in subsection (5), (6), or (7), all
7 of the following state and federal financial educational assistance for
8 which that student is eligible:

9 (a) Grants.

10 (b) Scholarships.

11 (c) Tax credits.

12 (9) The PASS program shall not pay tuition or fees for a student's
13 theology or divinity courses.

14 (10) The MHEAA shall develop an application and eligibility determi-
15 nation process that ensures that all of the requirements, prescribed
16 either by this section or otherwise, are met.

17 (11) The legislature intends to continue to evaluate and further
18 develop a comprehensive student financial assistance program.

19 (12) Students who are expected to receive a tuition incentive pro-
20 gram scholarship are not eligible for the PASS program as described in
21 this section.

22 (13) Immediately upon completing the guidelines under which the
23 MHEAA will administer the PASS program, the MHEAA shall forward the
24 guidelines to the house and senate appropriations subcommittees on commu-
25 nity colleges and the house and senate fiscal agencies.