

Legislative Analysis



REMOVE SUNSET FROM HIGHER EDUCATION AUTHORIZATION AND DISTANCE EDUCATION RECIPROCAL EXCHANGE ACT

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Analysis available at
<http://www.legislature.mi.gov>

House Bill 5147 as reported from committee

Sponsor: Rep. Carrie Rheingans

Committee: Higher Education

Complete to 5-9-24

SUMMARY:

House Bill 5147 would repeal section 7 of the Higher Education Authorization and Distance Education Reciprocal Exchange Act. This would remove the act's current sunset (expiration date) of September 30, 2029, which was instituted by 2023 PA 127.¹

By removing this sunset, the bill would have the effect of no longer requiring the legislature to periodically reauthorize the act by extending the date when the act would be repealed.

MCL 390.1697 (repealed)

BACKGROUND:

As a condition of membership in the National Council for State Authorization Reciprocity Agreements (NC-SARA), states are required to have authorizing legislation that allows their colleges and universities to participate. As a condition of participation, the colleges and universities in the 49 member states pay a singular fee to SARA and then go through a regional compact (for Michigan, that is the Midwest Higher Education Compact) to become authorized to administer distance learning programs in cooperating states. If a state stops participating in SARA, then their colleges and universities would need to pay state-by-state fees.

The removal of the sunset provision from Michigan's authorizing legislation would mean that colleges and universities in the state would no longer have to periodically petition the legislature to extend that sunset in order to avoid incurring additional costs for conducting distance learning programs.

FISCAL IMPACT:

House Bill 5147 would have a minimal fiscal impact on the state. The Department of Labor and Economic Opportunity would continue to collect application and authorization fees from participating colleges and universities that cover the administrative expenses in overseeing the reciprocal program agreement. The sunset removal would allow this

¹ <http://legislature.mi.gov/doc.aspx?2023-HB-4982>

structure to remain in place for as long as colleges and universities were interested in participating.

POSITIONS:

A representative of the Michigan Association of State Universities testified in support of the bill. (1-24-24)

The following entities indicated support for the bill (1-24-24):

- Department of Labor and Economic Opportunity
- Central Michigan University
- Michigan Community College Association
- Michigan Independent Colleges and Universities

Legislative Analyst: Josh Roesner
Fiscal Analyst: Perry Zielak

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