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COMMUNITY COLLEGE TO ANNEX WHOLE COUNTY

House Bill 5998 as passed by the House Second Analysis (10-16-00)

Sponsor: Rep. Patricia Birkholz
Committee: Appropriations

THE APPARENT PROBLEM:

Michigan's 28 community colleges are organized on a district basis. Each community college district covers a particular geographic area, although not all parts of the state are within a community college district. A district may be organized on a school district basis, an intermediate school district basis, or on a county basis. There is a separate chapter in the Community College Act of 1966 for each kind of community college. A community college district can expand by annexation with approval of the voters in the area being annexed if that area is not already within a district. If voters in the area being annexed approve, a district organized on an ISD basis can annex a contiguous local school district or a contiguous intermediate school district. Reportedly, officials in Allegan County would like Kalamazoo Valley Community College, an ISD-based institution, to serve its residents. However, for KVCC to annex the entire county would take separate elections in the several ISDs or local school districts within the county. Legislation has been proposed that would allow for annexation of an entire county by an ISD-based community college with one election for county voters to express their approval or disapproval.

THE CONTENT OF THE BILL:

The bill would amend Chapter 3 of the Community College Act of 1966 to permit the board of trustees of a community college composed of one or more intermediate school districts to annex any contiguous county not already included within a community college district (with voter approval). Currently, the act permits the annexation of a contiguous intermediate school district or a contiguous local school district.

If a contiguous county was annexed, county voters would elect two additional members to the board of trustees, elected at large on a nonpartisan basis for six-year terms. When the initial six-year terms expire, the two additional board positions would be abolished, and the board of trustees would return to seven members.

Upon approval of the board's resolution by the superintendent of public instruction, the resolution would be filed with the county clerk. If the resolution was filed 90 days or more, or 20 days or less, before the date of the next general election, then the county board of commissioners would have to call a special election within the county on the proposed annexation. If the resolution and approval were submitted less than 90 days but more than 20 days before a general election, the annexation propositions would be submitted to the voters at the general election. The county board of canvassers would canvass the final results of such an election.

MCL 389.54 et al.

FISCAL IMPLICATIONS:

The House Fiscal Agency notes that expanding a community college district could result in a reduction in out-of-district tuition revenues (because more students would be within the district), but that this loss would be offset by potential increases in property tax revenues and millage levies, as well as any new tuition and fee revenue from new students. The HFA notes that any revenues to the colleges would be netted against the cost of providing services in the expanded areas and out-of-district tuition revenues. As to the bill's impact on the state, the HFA points out that because state appropriations distributed by the community college funding formula are subject to a ceiling and a floor, changes in cost factors at colleges tend, over the short run, to result in the redistribution of state appropriations among the colleges rather than in an additional budget obligation for the state. The agency says there are 12 community colleges organized by ISD boundaries. (HFA memorandum dated 10-2-00)

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ARGUMENTS:**For:**

According to proponents of the bill, Allegan County is currently not served by a community college district. Efforts are underway to have Kalamazoo Valley Community College expand its district to cover the county to increase educational opportunities for residents and help area businesses with the need for skilled workers. Representatives of the county, school districts, and businesses have reportedly been discussing ways to bring postsecondary education to Allegan County, and KVCC has expressed an interest in developing a satellite campus there. Under current law KVCC, as an ISD-based school, can annex a contiguous intermediate school district or a contiguous local school district but not a contiguous county. Allegan County has within it a number of ISDs. This means, for KVCC to annex all of Allegan County would require a number of separate elections. The bill would allow for a single countywide election on the question of KVCC's annexation of Allegan County. It would also apply, of course, to the other ISD-based schools. The issue of participation in a community college district would still be up to local voters.

POSITIONS:

The Michigan Community College Association supports the bill. (10-16-00)

Analyst: C. Couch

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