

**SUBSTITUTE FOR
SENATE BILL NO. 753**

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 201, 205, 206, 207a, 207b, 207c, 216c, 217, 217b, 222, 223, 229, 229a, and 230 (MCL 388.1801, 388.1805, 388.1806, 388.1807a, 388.1807b, 388.1807c, 388.1816c, 388.1817, 388.1817b, 388.1822, 388.1823, 388.1829, 388.1829a, and 388.1830), section 201 as amended by 2023 PA 320, sections 205 and 217 as amended by 2020 PA 165, sections 206, 207a, 207b, 207c, 223, 229a, and 230 as amended by 2023 PA 103, sections 216c and 217b as added by 2023 PA 103, section 222 as amended by 2021 PA 86, section 229 as amended by 2022 PA 144, and by adding sections 216e, 217c, and 217d; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 201. (1) Subject to the conditions set forth in this
 2 article, the amounts listed in this section are appropriated for
 3 community colleges for the fiscal year ending September 30, ~~2024,~~
 4 **2025**, from the funds indicated in this section. The following is a
 5 summary of the appropriations in this section:

6 (a) The gross appropriation is ~~\$549,517,500.00.~~
 7 **\$470,341,700.00.** After deducting total interdepartmental grants and
 8 intradepartmental transfers in the amount of \$0.00, the adjusted
 9 gross appropriation is ~~\$549,517,500.00.~~**\$470,341,700.00.**

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

12 (i) Total federal revenues, \$0.00.

13 (ii) Total local revenues, \$0.00.

14 (iii) Total private revenues, \$0.00.

15 (iv) Total other state restricted revenues,
 16 ~~\$549,517,500.00.~~**\$469,141,600.00.**

17 (v) State general fund/general purpose money,
 18 ~~\$0.00.~~**\$1,200,100.00.**

19 (2) Subject to subsection (3), ~~the amount appropriated for~~
 20 community college operations is ~~\$357,961,900.00,~~**\$366,931,800.00,**
 21 allocated as follows:

22 (a) The appropriation for Alpena Community College is
 23 ~~\$6,327,100.00, \$6,026,800.00 for operations, \$273,800.00 for~~
 24 ~~performance funding, and \$26,500.00 for costs incurred under the~~
 25 ~~North American Indian tuition waiver.~~**\$6,493,500.00, \$6,300,600.00**
 26 **for operations, \$171,100.00 for performance funding, and \$21,800.00**
 27 **for costs incurred under the North American Indian tuition waiver.**

28 (b) The appropriation for Bay de Noc Community College is
 29 ~~\$6,299,200.00, \$5,877,000.00 for operations, \$308,300.00 for~~

1 ~~performance funding, and \$113,900.00 for costs incurred under the~~
 2 ~~North American Indian tuition waiver.~~ **\$6,473,200.00, \$6,185,300.00**
 3 **for operations, \$187,900.00 for performance funding, and**
 4 **\$100,000.00 for costs incurred under the North American Indian**
 5 **tuition waiver.**

6 (c) The appropriation for Delta College is ~~\$16,690,500.00,~~
 7 ~~\$15,888,200.00 for operations, \$754,100.00 for performance funding,~~
 8 ~~and \$48,200.00 for costs incurred under the North American Indian~~
 9 ~~tuition waiver.~~ **\$17,067,300.00, \$16,642,300.00 for operations,**
 10 **\$400,200.00 for performance funding, and \$24,800.00 for costs**
 11 **incurred under the North American Indian tuition waiver.**

12 (d) The appropriation for Glen Oaks Community College is
 13 ~~\$2,939,000.00, \$2,802,100.00 for operations, \$136,900.00 for~~
 14 ~~performance funding, and \$0.00 for costs incurred under the North~~
 15 ~~American Indian tuition waiver.~~ **\$3,015,700.00, \$2,939,000.00 for**
 16 **operations, \$74,900.00 for performance funding, and \$1,800.00 for**
 17 **costs incurred under the North American Indian tuition waiver.**

18 (e) The appropriation for Gogebic Community College is
 19 ~~\$5,367,600.00, \$5,103,300.00 for operations, \$226,400.00 for~~
 20 ~~performance funding, and \$37,900.00 for costs incurred under the~~
 21 ~~North American Indian tuition waiver.~~ **\$5,493,500.00, \$5,329,700.00**
 22 **for operations, \$115,400.00 for performance funding, and \$48,400.00**
 23 **for costs incurred under the North American Indian tuition waiver.**

24 (f) The appropriation for Grand Rapids Community College is
 25 ~~\$20,966,400.00, \$19,766,200.00 for operations, \$1,078,200.00 for~~
 26 ~~performance funding, and \$122,000.00 for costs incurred under the~~
 27 ~~North American Indian tuition waiver.~~ **\$21,521,800.00, \$20,844,400.00**
 28 **for operations, \$566,300.00 for performance funding, and**
 29 **\$111,100.00 for costs incurred under the North American Indian**

1 **tuition waiver.**

2 (g) The appropriation for Henry Ford College is
 3 ~~\$24,943,900.00, \$23,700,100.00 for operations, \$1,229,700.00 for~~
 4 ~~performance funding, and \$14,100.00 for costs incurred under the~~
 5 ~~North American Indian tuition waiver.~~**\$25,554,400.00, \$24,929,800.00**
 6 **for operations, \$618,200.00 for performance funding, and \$6,400.00**
 7 **for costs incurred under the North American Indian tuition waiver.**

8 (h) The appropriation for Jackson College is ~~\$13,887,400.00,~~
 9 ~~\$13,295,100.00 for operations, \$559,000.00 for performance funding,~~
 10 ~~and \$33,300.00 for costs incurred under the North American Indian~~
 11 ~~tuition waiver.~~**\$14,193,900.00, \$13,854,100.00 for operations,**
 12 **\$297,500.00 for performance funding, and \$42,300.00 for costs**
 13 **incurred under the North American Indian tuition waiver.**

14 (i) The appropriation for Kalamazoo Valley Community College
 15 is ~~\$14,539,400.00, \$13,776,100.00 for operations, \$705,800.00 for~~
 16 ~~performance funding, and \$57,500.00 for costs incurred under the~~
 17 ~~North American Indian tuition waiver.~~**\$14,889,900.00, \$14,481,900.00**
 18 **for operations, \$370,800.00 for performance funding, and \$37,200.00**
 19 **for costs incurred under the North American Indian tuition waiver.**

20 (j) The appropriation for Kellogg Community College is
 21 ~~\$11,290,200.00, \$10,754,400.00 for operations, \$514,800.00 for~~
 22 ~~performance funding, and \$21,000.00 for costs incurred under the~~
 23 ~~North American Indian tuition waiver.~~**\$11,567,100.00, \$11,269,200.00**
 24 **for operations, \$262,500.00 for performance funding, and \$35,400.00**
 25 **for costs incurred under the North American Indian tuition waiver.**

26 (k) The appropriation for Kirtland Community College is
 27 ~~\$3,792,900.00, \$3,577,900.00 for operations, \$195,200.00 for~~
 28 ~~performance funding, and \$19,800.00 for costs incurred under the~~
 29 ~~North American Indian tuition waiver.~~**\$3,902,300.00, \$3,773,100.00**

1 for operations, \$103,400.00 for performance funding, and \$25,800.00
 2 for costs incurred under the North American Indian tuition waiver.

3 (l) The appropriation for Lake Michigan College is
 4 ~~\$6,321,600.00, \$5,978,400.00 for operations, \$339,600.00 for~~
 5 ~~performance funding, and \$3,600.00 for costs incurred under the~~
 6 ~~North American Indian tuition waiver.~~ \$6,474,300.00, \$6,318,000.00
 7 for operations, \$150,300.00 for performance funding, and \$6,000.00
 8 for costs incurred under the North American Indian tuition waiver.

9 (m) The appropriation for Lansing Community College is
 10 ~~\$35,752,700.00, \$34,228,900.00 for operations, \$1,460,300.00 for~~
 11 ~~performance funding, and \$63,500.00 for costs incurred under the~~
 12 ~~North American Indian tuition waiver.~~ \$36,512,300.00, \$35,689,200.00
 13 for operations, \$741,900.00 for performance funding, and \$81,200.00
 14 for costs incurred under the North American Indian tuition waiver.

15 (n) The appropriation for Macomb Community College is
 16 ~~\$37,661,900.00, \$35,911,900.00 for operations, \$1,723,500.00 for~~
 17 ~~performance funding, and \$26,500.00 for costs incurred under the~~
 18 ~~North American Indian tuition waiver.~~ \$38,534,300.00, \$37,635,400.00
 19 for operations, \$875,200.00 for performance funding, and \$23,700.00
 20 for costs incurred under the North American Indian tuition waiver.

21 (o) The appropriation for Mid Michigan Community College is
 22 ~~\$5,798,500.00, \$5,458,100.00 for operations, \$284,800.00 for~~
 23 ~~performance funding, and \$55,600.00 for costs incurred under the~~
 24 ~~North American Indian tuition waiver.~~ \$5,975,200.00, \$5,742,900.00
 25 for operations, \$156,800.00 for performance funding, and \$75,500.00
 26 for costs incurred under the North American Indian tuition waiver.

27 (p) The appropriation for Monroe County Community College is
 28 ~~\$5,286,800.00, \$5,003,600.00 for operations, \$281,100.00 for~~
 29 ~~performance funding, and \$2,100.00 for costs incurred under the~~

1 ~~North American Indian tuition waiver.~~ **\$5,426,200.00, \$5,284,700.00**
 2 **for operations, \$139,700.00 for performance funding, and \$1,800.00**
 3 **for costs incurred under the North American Indian tuition waiver.**

4 (q) The appropriation for Montcalm Community College is
 5 ~~\$3,966,700.00, \$3,758,900.00 for operations, \$198,300.00 for~~
 6 ~~performance funding, and \$9,500.00 for costs incurred under the~~
 7 ~~North American Indian tuition waiver.~~ **\$4,086,000.00, \$3,957,200.00**
 8 **for operations, \$126,900.00 for performance funding, and \$1,900.00**
 9 **for costs incurred under the North American Indian tuition waiver.**

10 (r) The appropriation for C.S. Mott Community College is
 11 ~~\$17,823,200.00, \$17,098,300.00 for operations, \$693,400.00 for~~
 12 ~~performance funding, and \$31,500.00 for costs incurred under the~~
 13 ~~North American Indian tuition waiver.~~ **\$18,174,400.00, \$17,791,700.00**
 14 **for operations, \$376,900.00 for performance funding, and \$5,800.00**
 15 **for costs incurred under the North American Indian tuition waiver.**

16 (s) The appropriation for Muskegon Community College is
 17 ~~\$10,223,600.00, \$9,733,400.00 for operations, \$477,500.00 for~~
 18 ~~performance funding, and \$12,700.00 for costs incurred under the~~
 19 ~~North American Indian tuition waiver.~~ **\$10,480,600.00, \$10,210,900.00**
 20 **for operations, \$248,400.00 for performance funding, and \$21,300.00**
 21 **for costs incurred under the North American Indian tuition waiver.**

22 (t) The appropriation for North Central Michigan College is
 23 ~~\$4,011,000.00, \$3,615,900.00 for operations, \$252,900.00 for~~
 24 ~~performance funding, and \$142,200.00 for costs incurred under the~~
 25 ~~North American Indian tuition waiver.~~ **\$4,162,800.00, \$3,868,800.00**
 26 **for operations, \$131,500.00 for performance funding, and**
 27 **\$162,500.00 for costs incurred under the North American Indian**
 28 **tuition waiver.**

29 (u) The appropriation for Northwestern Michigan College is

1 ~~\$10,650,300.00, \$10,006,800.00 for operations, \$466,500.00 for~~
2 ~~performance funding, and \$177,000.00 for costs incurred under the~~
3 ~~North American Indian tuition waiver.~~**\$10,914,300.00, \$10,473,300.00**
4 **for operations, \$244,200.00 for performance funding, and**
5 **\$196,800.00 for costs incurred under the North American Indian**
6 **tuition waiver.**

7 (v) The appropriation for Oakland Community College is
8 ~~\$24,755,900.00, \$23,469,500.00 for operations, \$1,264,100.00 for~~
9 ~~performance funding, and \$22,300.00 for costs incurred under the~~
10 ~~North American Indian tuition waiver.~~**\$25,428,100.00, \$24,733,600.00**
11 **for operations, \$660,700.00 for performance funding, and \$33,800.00**
12 **for costs incurred under the North American Indian tuition waiver.**

13 (w) The appropriation for Schoolcraft College is
14 ~~\$14,742,500.00, \$13,939,500.00 for operations, \$772,300.00 for~~
15 ~~performance funding, and \$30,700.00 for costs incurred under the~~
16 ~~North American Indian tuition waiver.~~**\$15,166,400.00, \$14,711,800.00**
17 **for operations, \$433,600.00 for performance funding, and \$21,000.00**
18 **for costs incurred under the North American Indian tuition waiver.**

19 (x) The appropriation for Southwestern Michigan College is
20 ~~\$7,695,500.00, \$7,332,800.00 for operations, \$350,000.00 for~~
21 ~~performance funding, and \$12,700.00 for costs incurred under the~~
22 ~~North American Indian tuition waiver.~~**\$7,885,400.00, \$7,682,800.00**
23 **for operations, \$173,100.00 for performance funding, and \$29,500.00**
24 **for costs incurred under the North American Indian tuition waiver.**

25 (y) The appropriation for St. Clair County Community College
26 is ~~\$8,226,400.00, \$7,786,600.00 for operations, \$423,800.00 for~~
27 ~~performance funding, and \$16,000.00 for costs incurred under the~~
28 ~~North American Indian tuition waiver.~~**\$8,453,900.00, \$8,210,400.00**
29 **for operations, \$219,400.00 for performance funding, and \$24,100.00**

1 **for costs incurred under the North American Indian tuition waiver.**

2 (z) The appropriation for Washtenaw Community College is
 3 ~~\$15,938,200.00, \$14,851,300.00 for operations, \$1,074,200.00 for~~
 4 ~~performance funding, and \$12,700.00 for costs incurred under the~~
 5 ~~North American Indian tuition waiver.~~**\$16,503,200.00, \$15,925,500.00**
 6 **for operations, \$553,100.00 for performance funding, and \$24,600.00**
 7 **for costs incurred under the North American Indian tuition waiver.**

8 (aa) The appropriation for Wayne County Community College is
 9 ~~\$19,197,900.00, \$18,376,100.00 for operations, \$817,200.00 for~~
 10 ~~performance funding, and \$4,600.00 for costs incurred under the~~
 11 ~~North American Indian tuition waiver.~~**\$19,642,700.00, \$19,193,300.00**
 12 **for operations, \$445,000.00 for performance funding, and \$4,400.00**
 13 **for costs incurred under the North American Indian tuition waiver.**

14 (bb) The appropriation for West Shore Community College is
 15 ~~\$2,865,600.00, \$2,721,000.00 for operations, \$130,200.00 for~~
 16 ~~performance funding, and \$14,400.00 for costs incurred under the~~
 17 ~~North American Indian tuition waiver.~~**\$2,939,100.00, \$2,851,200.00**
 18 **for operations, \$75,900.00 for performance funding, and \$12,000.00**
 19 **for costs incurred under the North American Indian tuition waiver.**

20 (3) The amount appropriated in subsection (2) for community
 21 college operations is ~~\$357,961,900.00~~**\$366,931,800.00** and is
 22 appropriated from the state school aid fund.

23 (4) From the appropriations described in subsection (1), both
 24 of the following apply:

25 (a) Subject to section 207a, the amount appropriated for
 26 fiscal year ~~2023-2024~~**2024-2025** to offset certain fiscal year ~~2023-~~
 27 ~~2024~~**2024-2025** retirement contributions is \$7,189,000.00,
 28 appropriated from the state school aid fund.

29 (b) For fiscal year ~~2023-2024~~**, 2024-2025**, there is allocated

1 an amount not to exceed ~~\$23,000,000.00~~ **\$21,800,000.00** for payments
2 to participating community colleges, appropriated from the state
3 school aid fund. A community college that receives money under this
4 subdivision shall use that money solely for the purpose of
5 offsetting the normal cost contribution rate.

6 (5) From the appropriations described in subsection (1),
7 subject to section 207b, the amount appropriated for payments to
8 community colleges that are participating entities of the
9 retirement system is ~~\$105,800,000.00~~, **\$62,100,000.00**, appropriated
10 from the state school aid fund.

11 (6) From the appropriations described in subsection (1),
12 subject to section 207c, the amount appropriated for renaissance
13 zone tax reimbursements is \$2,200,000.00, appropriated from the
14 state school aid fund. Each community college receiving funds in
15 this subsection shall accrue these payments to its institutional
16 fiscal year ending June 30, ~~2024~~. **2025**.

17 ~~(7) For fiscal year 2023-2024 only, from the appropriations~~
18 ~~described in subsection (1), the amount appropriated for career and~~
19 ~~education navigators for adult learners is \$5,000,000.00,~~
20 ~~appropriated from the state school aid fund. Community colleges,~~
21 ~~partnering with 1 or more county governments, where practicable,~~
22 ~~may apply for grant funding through the Office of Sixty by 30 in~~
23 ~~the department of labor and economic opportunity to supplement or~~
24 ~~create navigation efforts of adult learners. The Office of Sixty by~~
25 ~~30 shall issue a report including, but not limited to, the number~~
26 ~~of grants awarded, a list of community colleges awarded grants and~~
27 ~~the amounts, and the amount of unexpended funds remaining at the~~
28 ~~end of the fiscal year. The report must be issued to the house and~~
29 ~~senate appropriations subcommittees on community colleges, the~~

1 ~~house and senate fiscal agencies, and the state budget director by~~
 2 ~~September 30, 2024.~~

3 ~~(8) For fiscal year 2023-2024 only, from the appropriations~~
 4 ~~described in subsection (1), the amount appropriated for the~~
 5 ~~Michigan Reconnect Entry Point Program is \$5,000,000.00,~~
 6 ~~appropriated from the state school aid fund. Community colleges,~~
 7 ~~partnering with 1 or more county governments, where practicable,~~
 8 ~~may apply for grant funding through the Office of Sixty by 30 in~~
 9 ~~the department of labor and economic opportunity to engage Michigan~~
 10 ~~reconnect grant applicants who have been approved for funding but~~
 11 ~~have not enrolled in a postsecondary or eligible Michigan reconnect~~
 12 ~~program and work to identify and resolve barriers preventing~~
 13 ~~enrollment. The Office of Sixty by 30 shall issue a report~~
 14 ~~including, but not limited to, the number of grants awarded, a list~~
 15 ~~of community colleges awarded grants and the amounts, a list of any~~
 16 ~~counties that partnered with a community college for a grant under~~
 17 ~~this section, and the amount of unexpended funds remaining at the~~
 18 ~~end of the fiscal year. The report must be issued to the house and~~
 19 ~~senate appropriations subcommittees on community colleges, the~~
 20 ~~house and senate fiscal agencies, and the state budget director by~~
 21 ~~September 30, 2024.~~

22 ~~(7) (9) For fiscal year 2023-2024~~ **2024-2025** ~~only, from the~~
 23 ~~appropriations described in subsection (1), subject to sections~~
 24 ~~216c and 216d, the amount appropriated for infrastructure,~~
 25 ~~technology, equipment, maintenance, housing, and safety is~~
 26 ~~\$32,836,600.00, \$100.00, appropriated from the state school aid~~
 27 ~~fund.~~ **general fund/general purpose money.**

28 ~~(10) For fiscal year 2023-2024 only, from the appropriations~~
 29 ~~described in subsection (1), \$5,000,000.00 is appropriated from the~~

1 ~~state school aid fund for critical incident mapping. These funds~~
2 ~~must be distributed to community colleges proportionately to the~~
3 ~~amounts in subsection (2) for operations.~~

4 ~~(11) From the appropriations described in subsection (1), the~~
5 ~~amount appropriated for Michigan workforce development projects is~~
6 ~~\$530,000.00, appropriated from the state school aid fund. These~~
7 ~~funds must be awarded to Kalamazoo Valley Community College, and~~
8 ~~must be used by that college in conjunction with the college's wind~~
9 ~~turbine program for curriculum development for programs in 1 or~~
10 ~~more of the following areas:~~

11 ~~(a) Electric vehicle battery installation and repair.~~

12 ~~(b) Electric vehicle charger installation for residential~~
13 ~~applications, commercial applications, or both.~~

14 ~~(c) Residential and community scale solar panel installation,~~
15 ~~maintenance, and repair.~~

16 ~~(12) For fiscal year 2023-2024 only, from the appropriations~~
17 ~~described in subsection (1), \$5,000,000.00 is appropriated from the~~
18 ~~state school aid fund to Washtenaw Community College for costs~~
19 ~~related to the college's involvement with a semiconductor research~~
20 ~~alliance.~~

21 **(8) For fiscal year 2024-2025 only, from the appropriations**
22 **described in subsection (1), subject to section 216e, \$8,920,800.00**
23 **is appropriated from the state school aid fund for institutional**
24 **best practices one-time incentive.**

25 **(9) For fiscal year 2024-2025 only, from the appropriations**
26 **described in subsection (1), \$850,000.00 is appropriated from state**
27 **general fund/general purpose money to the Michigan Community**
28 **Colleges Association for the local heroes program.**

29 **(10) For fiscal year 2024-2025 only, from the appropriations**

1 **described in subsection (1), \$350,000.00 is appropriated from state**
 2 **general fund/general purpose money to Kalamazoo Valley Community**
 3 **College for internet accessibility improvements.**

4 Sec. 205. To the extent possible, the principal executive
 5 officer of each community college that receives appropriations in
 6 section 201 shall take all reasonable steps to ensure ~~businesses in~~
 7 ~~deprived and depressed communities~~ **that geographically**
 8 **disadvantaged business enterprises** compete for and perform
 9 contracts to provide services or supplies, or both. Each principal
 10 executive officer shall strongly encourage businesses with which
 11 the community college contracts to subcontract with certified
 12 ~~businesses in depressed and deprived communities~~ **geographically**
 13 **disadvantaged business enterprises** for services or supplies, or
 14 both. **As used in this section, "geographically disadvantaged**
 15 **business enterprises" means that term as defined in Executive**
 16 **Directive No. 2019-08.**

17 Sec. 206. (1) Except for the funds appropriated in section
 18 201(4)(b), the funds appropriated in section 201 are appropriated
 19 for community colleges with fiscal years ending June 30, ~~2024-2025~~
 20 and must be paid out of the state treasury and distributed by the
 21 state treasurer to the respective community colleges in 11 monthly
 22 installments on the sixteenth of each month, or the next succeeding
 23 business day, beginning with October 16, ~~2023-2024~~. Each community
 24 college shall accrue its July and August ~~2024-2025~~ payments to its
 25 institutional fiscal year ending June 30, ~~2024-2025~~.

26 (2) The funds appropriated in section 201(4)(b) are
 27 appropriated for community colleges with fiscal years ending June
 28 30, ~~2024-2025~~ and must be distributed to the respective community
 29 colleges in quarterly installments on the sixteenth of each

1 November, February, May, and August. Each community college shall
 2 accrue its August ~~2024-2025~~ payments to its institutional fiscal
 3 year ending June 30, ~~2024-2025~~.

4 Sec. 207a. The following apply to the allocation of the fiscal
 5 year ~~2023-2024-2024-2025~~ appropriations described in section
 6 201(4):

7 (a) A community college that receives money under section
 8 201(4) shall use that money solely for the purpose of offsetting a
 9 portion of the retirement contributions owed by the college for
 10 that fiscal year.

11 (b) The amount allocated to each participating community
 12 college under section 201(4)(a) must be based on each college's
 13 percentage of the total covered payroll for all community colleges
 14 that are participating colleges in the immediately preceding fiscal
 15 year.

16 (c) The amount allocated to each participating community
 17 college under section 201(4)(b) must be based on each college's
 18 reported quarterly payroll for members for the current fiscal year.

19 Sec. 207b. All of the following apply to the allocation of the
 20 fiscal year ~~2023-2024-2024-2025~~ appropriations described in section
 21 201(5) for payments to community colleges that are participating
 22 entities of the retirement system:

23 (a) The amount of a payment under section 201(5) must be the
 24 difference between the unfunded actuarial accrued liability
 25 contribution rate as calculated under section 41 of the public
 26 school employees retirement act of 1979, 1980 PA 300, MCL 38.1341,
 27 as calculated without taking into account the maximum employer rate
 28 of 20.96% included in section 41 of the public school employees
 29 retirement act of 1979, 1980 PA 300, MCL 38.1341, and the maximum

1 employer rate of 20.96% under section 41 of the public school
2 employees retirement act of 1979, 1980 PA 300, MCL 38.1341.

3 (b) The amount allocated to each community college under
4 section 201(5) must be based on each community college's percentage
5 of the total covered payroll for all community colleges that are
6 participating colleges in the immediately preceding fiscal year. A
7 community college that receives funds under this subdivision shall
8 use the funds solely for the purpose of retirement contributions
9 under section 201(5).

10 (c) Each participating college that receives funds under
11 section 201(5) shall forward an amount equal to the amount
12 allocated under subdivision (b) to the retirement system in a form
13 and manner determined by the retirement system.

14 Sec. 207c. All of the following apply to the allocation of the
15 appropriations described in section 201(6) to community colleges
16 described in section 12(3) of the Michigan renaissance zone act,
17 1996 PA 376, MCL 125.2692:

18 (a) The amount allocated to each community college under
19 section 201(6) for fiscal year ~~2023-2024~~**2024-2025** must be based on
20 that community college's proportion of total revenue lost by
21 community colleges as a result of the exemption of property taxes
22 levied in ~~2023-2024~~ under the Michigan renaissance zone act, 1996
23 PA 376, MCL 125.2681 to 125.2696.

24 (b) The appropriations described in section 201(6) must be
25 made to each eligible community college within 60 days after the
26 department of treasury certifies to the state budget director that
27 it has received all necessary information to properly determine the
28 amounts payable to each eligible community college under section 12
29 of the Michigan renaissance zone act, 1996 PA 376, MCL 125.2692.

1 Sec. 216c. (1) Funds appropriated in section ~~201(9)~~**201(7)** for
 2 infrastructure, technology, equipment, maintenance, housing, and
 3 safety are intended to be used for necessary improvements and
 4 deferred maintenance of community college buildings, facilities,
 5 and other physical infrastructure; necessary improvements and
 6 deferred maintenance of information technology, other technology
 7 infrastructure, and other equipment; and other purposes related to
 8 infrastructure, technology, equipment, and maintenance. A community
 9 college may also use these funds to construct, renovate, or
 10 purchase student housing or to upgrade safety and security
 11 infrastructure. These funds are not intended to be used for any
 12 other purpose than what is specified in this section.

13 ~~(2) To receive funds under this section, a community college~~
 14 ~~must certify to the state budget director by January 1, 2024 that~~
 15 ~~it did not receive an appropriation for a planning or construction~~
 16 ~~authorization for a capital outlay project between January 1, 2023~~
 17 ~~and December 15, 2023.~~

18 ~~(3) Funds appropriated in section 201(9) are distributed to~~
 19 ~~each community college that certified it did not receive a capital~~
 20 ~~outlay appropriation under subsection (2).~~The payment for each
 21 college **under subsection (1)** must be calculated based on each
 22 college's respective share of total fiscal year equated students as
 23 reported to the Michigan community college data inventory for the
 24 fiscal year ending September 30, ~~2022~~**2023** for all community
 25 colleges that receive a payment under this section. Payments to
 26 community colleges under this section must be distributed in 1 lump
 27 sum to each institution with the ~~January~~**October** 16, 2024 payment
 28 described in section 206(1).

29 **Sec. 216e. (1) Funds appropriated in section 201(8) for**

1 institutional best practices one-time incentive must be distributed
2 to each community college that certifies to the state budget
3 director by December 1, 2024, all of the following:

4 (a) That the community college requires the following for all
5 degree- or certificate-seeking students:

6 (i) Participation in institutional orientation.

7 (ii) Participation in career and academic pathway exploration
8 support that includes assistance from the community college in
9 choosing an appropriate academic program.

10 (iii) Receipt of an academic course plan that would result in
11 the on-time completion of the student's chosen program within the
12 student's first semester of enrollment at the community college.

13 (b) That the community college requires all students to
14 receive an academic degree or certificate map that outlines
15 required course sequencing, program and institution requirements,
16 declared minor program academic requirements, and a recommended
17 timeline of which courses should be taken in which specific
18 semester or term in order to satisfy all program requirements to
19 allow the student to graduate on time.

20 (c) That the community college has a policy and process for
21 assessing prior learning and knowledge that aligns with a student's
22 academic program and other required coursework. The policy must
23 include the opportunity for a student to earn credit toward a
24 degree or certificate, must be available to all students at no cost
25 to the student, and must be easily accessible on the community
26 college's website and in admissions material.

27 (d) That the community college has adopted a co-requisite
28 model of academic support for gateway English and mathematics
29 courses in which a student concurrently enrolls in a developmental

1 education course and a gateway-level course in a subject area where
2 the student requires remediation. The college shall ensure that not
3 more than 10% of students assessed as being in need of
4 developmental or remedial learning participate in a non-co-
5 requisite developmental or remedial course.

6 (e) That the community college provides non-credit-bearing
7 developmental or remedial courses under subdivision (d) at no cost
8 to students.

9 (f) That the community college provides each degree- or
10 certificate-seeking student with a designated, trained academic
11 advisor to support student retention, persistence, and completion.
12 The community college shall require students to meet with their
13 academic advisor at least once per semester or term.

14 (2) The payment to each community college that certifies
15 compliance under subsection (1) is that community college's
16 performance funding amount under section 201(2) divided by the
17 total performance funding amounts appropriated under section 201(2)
18 for each community college that certified compliance under
19 subsection (1), multiplied by the amount appropriated under section
20 201(8).

21 (3) Payments to community colleges under this section must be
22 distributed in 1 lump sum to each institution with the January 16,
23 2025 payment described in section 206(1).

24 Sec. 217. (1) The center shall do all of the following:

25 (a) Establish, maintain, and coordinate the state community
26 college database commonly known as the "Michigan Community College
27 Data Inventory".

28 (b) Collect data concerning community colleges and community
29 college programs in this state, including data required by law.

1 (c) Establish procedures to ensure the validity and
2 reliability of the data and the collection process.

3 (d) Develop model data collection policies, including, but not
4 limited to, policies that ensure the privacy of any individual
5 student data. Privacy policies ~~shall~~**must** ensure that student
6 Social Security numbers are not released to the public for any
7 purpose.

8 (e) Provide data in a useful manner to allow state
9 policymakers and community college officials to make informed
10 policy decisions.

11 (f) Compile and publish electronically the demographic
12 enrollment profile.

13 (g) Compile and publish the community college performance
14 improvement and performance completion rate data to support the
15 performance funding formula metrics specified in section 230(1)(c)
16 and (e).

17 (2) There is created within the center the Michigan Community
18 College Data Inventory advisory committee. The committee shall
19 provide advice to the director of the center regarding the
20 management of the state community college database, including, but
21 not limited to:

22 (a) Determining what data are necessary to collect and
23 maintain to enable state and community college officials to make
24 informed policy decisions.

25 (b) Defining the roles of all stakeholders in the data
26 collection system.

27 (c) Recommending timelines for the implementation and ongoing
28 collection of data.

29 (d) Establishing and maintaining data definitions, data

1 transmission protocols, and system specifications and procedures
2 for the efficient and accurate transmission and collection of data.

3 (e) Establishing and maintaining a process for ensuring the
4 accuracy of the data.

5 (f) Establishing and maintaining policies related to data
6 collection, including, but not limited to, privacy policies related
7 to individual student data.

8 (g) Ensuring that the data are made available to state
9 policymakers and citizens of this state in the most useful format
10 possible.

11 (h) Addressing other matters as determined by the director of
12 the center or as required by law.

13 (3) The Michigan Community College Data Inventory advisory
14 committee created in subsection (2) ~~shall consist~~ **consists** of the
15 following members:

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

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

20 (c) One representative from the department of labor and
21 economic opportunity, appointed by the director of the department
22 of labor and economic opportunity.

23 (d) One representative from the center, appointed by the
24 director of the center.

25 (e) One representative from the state budget office, appointed
26 by the state budget director.

27 **(f) One representative from the department of lifelong**
28 **education, advancement, and potential, appointed by the director of**
29 **the department of lifelong education, advancement, and potential.**

1 **(g)** ~~(f)~~—One representative from the governor's policy office,
2 appointed by that office.

3 **(h)** ~~(g)~~—Four representatives of the Michigan Community College
4 Association, appointed by the president of the association, that
5 represent a diverse mix of college sizes.

6 Sec. 217b. (1) Each community college that receives an
7 appropriation in section 201 shall report to the center by the last
8 business day of August of each year the tuition and mandatory fees
9 paid by a full-time in-district student and a full-time out-of-
10 district student as established by the community college governing
11 board for the current academic year. This report should also
12 include the annual cost of tuition and fees based on a full-time
13 course load of 30 credits. This report must also specify the amount
14 that tuition and fees have increased for the community college from
15 the prior academic year. Each community college shall also report
16 any revisions to the reported current academic year tuition and
17 mandatory fees adopted by the community college governing board to
18 the center within 15 days of being adopted. The center shall
19 provide this information and any revisions to the house and senate
20 fiscal agencies and the state budget director.

21 (2) Each community college that receives an appropriation in
22 section 201 shall certify to the state budget director by the last
23 business day of August **of each year** that its board will not adopt
24 an increase in tuition and fee rates for in-district students for
25 the ~~2023-2024~~ **2024-2025** academic year that is greater than 4.5% or
26 ~~\$205.00,~~ **\$217.00**, whichever is greater. As used in this subsection:

27 (a) "Fee" means any board-authorized fee that will be paid by
28 more than 1/2 of all in-district students at least once during
29 their enrollment at a community college. A community college

1 increasing a fee that applies to a specific subset of students or
2 courses shall provide sufficient information to prove that the
3 increase applied to that subset will not cause the increase in the
4 average amount of board-authorized total tuition and fees paid by
5 in-district students in the ~~2023-2024~~**2024-2025** academic year to
6 exceed the limit established in this section.

7 (b) "Tuition and fee rate" means the average of full-time
8 rates paid by a majority of students in each class, based on an
9 unweighted average of the rates authorized by the community college
10 board and actually charged to students, deducting any uniformly
11 rebated or refunded amounts, for the 2 semesters with the highest
12 levels of full-time equated in-district enrollment during the
13 academic year.

14 (3) Community colleges that exceed the tuition and fee rate
15 cap described in subsection (2) are not eligible to receive
16 payments under section 201 for performance funding for fiscal year
17 ~~2023-2024~~**2024-2025**.

18 (4) Notwithstanding any other provision of this act, the
19 legislature may at any time adjust appropriations for a community
20 college that adopts an increase in tuition and fee rates for in-
21 district students that exceeds the rate cap established in
22 subsection (2).

23 **Sec. 217c. (1) Not later than December 1 of each year, each**
24 **community college or federally recognized tribal college that, in**
25 **the current or previous academic year, serves or has served as an**
26 **authorizing body shall submit a report to the house and senate**
27 **appropriations subcommittees on higher education, the house and**
28 **senate fiscal agencies, the state budget director, and the**
29 **department of education containing, at a minimum, all of the**

1 following information, as applicable:

2 (a) A list of all of the schools currently authorized, and the
3 following information for each school:

4 (i) The year in which the school was authorized.

5 (ii) The location of each school.

6 (iii) The owner of the property at which each school is located
7 and the physical buildings utilized by the school, as applicable.

8 (b) A list identifying any schools that were closed or lost
9 their authorization in the current or previous academic year.

10 (c) A description of any new contracts for the operation of a
11 public school academy that will operate as the successor to a
12 public school academy that is currently being operated under a
13 contract issued by another authorizing body that is currently
14 performing in the bottom 5% of schools.

15 (d) The academic performance of each school currently
16 authorized, including whether a school is identified by the
17 department of education as a partnership school. If a school is
18 identified as a partnership school under this subdivision, the
19 authorizing body must include a description of corrective actions
20 in the school's partnership agreement, the duration of the
21 partnership agreement, and an assessment of progress toward
22 improvement.

23 (e) The total enrollment of each school at the time of
24 submission, the grades served, and student turnover rate compared
25 to the previous academic year, as applicable.

26 (f) Aggregated student enrollment data for students with an
27 individualized education program as well as the total amount of
28 special education cost reimbursements received by each school
29 during the school's most recently completed fiscal year.

1 (g) The total number of fees, reimbursements, contributions,
2 or charges permitted under section 502(6) of the revised school
3 code, 1976 PA 451, MCL 380.502, that are assigned to each school
4 currently authorized in a single academic year.

5 (h) The names of the members of the board of directors of each
6 school currently authorized, the date that each member of each
7 board was appointed, and a description of the methodology used by
8 the authorizing body to select members for the boards of directors
9 for each school currently authorized by the authorizing body.

10 (i) The name of the applicant who applied and received
11 approval to organize each currently authorized school.

12 (j) The list of contracts and length of their terms, with
13 education service providers associated with each school currently
14 authorized pursuant to section 502 of the revised school code, 1976
15 PA 451, MCL 380.502, as applicable. The contracts described in this
16 subdivision include, but are not limited to, those described in
17 section 502(2) (d) of the revised school code, 1 1976 PA 451, MCL
18 380.502.

19 (k) Activities undertaken by each authorizing body to ensure
20 that the board of directors of each school complies with the open
21 meetings act, 1976 PA 267, MCL 15.261 to 15.275, the freedom of
22 information act, 1976 PA 442, MCL 15.231 to 15.246, and laws
23 prohibiting conflicts of interest.

24 (l) A description of the activities undertaken by the
25 authorizing body to meet the functions of an authorizing body under
26 section 502 of the revised school code, 1976 PA 451, MCL 380.502,
27 as applicable.

28 (m) A financial report of the authorizing body's use of fees,
29 reimbursements, contributions, or charges collected or retained

1 under section 502(6) of the revised school code, 1976 PA 451, MCL
2 380.502. This report must include all of the following, at a
3 minimum:

4 (i) The total amount of fees collected or retained under
5 section 502(6) of the revised school code, 1976 PA 451, MCL
6 380.502, by the authorizing body for the authorizing body's most
7 recent fiscal year.

8 (ii) The amount of funds reported under subparagraph (i) that
9 were spent on compensation for faculty and staff employed primarily
10 to meet the functions of an authorizing body. For the purpose of
11 this subparagraph, an employee is presumed to be primarily employed
12 to meet the functions of an authorizing body if that employee
13 spends more than 50% of the employee's time on those activities.

14 (iii) The number of positions, organized by job title,
15 associated with expenditures reported under subparagraph (ii).

16 (iv) The amount of funds reported under subparagraph (i) that
17 were spent on contractual services to meet the functions of an
18 authorizing body.

19 (v) The amount of funds reported under subparagraph (i) that
20 were spent on other overhead costs to meet the functions of an
21 authorizing body.

22 (vi) The amount of funds reported under subparagraph (i) that
23 were transferred to another operating unit within the community
24 college or federally recognized tribal college.

25 (vii) The amount of funds reported under subparagraph (i) that
26 were spent on activities other than functioning as an authorizing
27 body, including a list of those activities and the amount
28 associated with each activity.

29 (n) An executive summary section that provides relevant

1 summary data for reporting requirements under subdivisions (a) to
2 (m).

3 (2) A report submitted under this section must be in a format
4 that meets accessibility standards for viewing on the internet
5 under the Americans with disabilities act of 1990, Public Law 101-
6 336.

7 (3) The department of education shall compile and publish on
8 its website the reports required in this section no later than
9 January 15 of each year.

10 (4) In addition to the reporting requirements under this
11 section, each authorizing body that receives an appropriation under
12 section 201 shall adopt a facilities policy that would ensure that
13 any structures or other property vacated by a public school academy
14 that ceases operation not contribute to blight in the surrounding
15 neighborhood or community in which the school had previously
16 operated.

17 (5) As used in this section, "authorizing body" means that
18 term as defined in section 501 of the revised school code, 1976 PA
19 451, MCL 380.501.

20 Sec. 217d. Not later than December 1 of each year, each
21 community college that receives an appropriation in section 201
22 shall provide a report to the house and senate appropriations
23 subcommittees on higher education, the house and senate fiscal
24 agencies, and the state budget director providing an itemized cost
25 of attendance for full-time students attending that community
26 college for the current and previous 2 academic years.

27 Sec. 222. Each community college shall have an annual audit of
28 all income and expenditures performed by an independent auditor and
29 shall furnish the independent auditor's management letter and an

1 annual audited accounting of all general and current funds income
 2 and expenditures including audits of college foundations to the
 3 center before November 15 of each year. The center shall provide
 4 this information to members of the senate and house appropriations
 5 subcommittees on community colleges, the senate and house fiscal
 6 agencies, the auditor general, the department of labor and economic
 7 opportunity, **the department of lifelong education, advancement, and**
 8 **potential**, and the state budget director. If a community college
 9 fails to furnish the audit materials, the monthly state aid
 10 installments ~~shall~~**must** be withheld from that college until the
 11 information is submitted. All reporting ~~shall~~**must** conform to the
 12 requirements set forth in the "2001 Manual for Uniform Financial
 13 Reporting, Michigan Public Community Colleges". A community college
 14 shall make the information the community college is required to
 15 provide under this section available to the public on its website.

16 Sec. 223. (1) By January 15 of each year, the department of
 17 ~~civil rights~~**lifelong education, advancement, and potential** shall
 18 submit to the state budget director, the house and senate
 19 appropriations subcommittees on community colleges, and the house
 20 and senate fiscal agencies a report on North American Indian
 21 tuition waivers for the preceding academic year that includes, but
 22 is not limited to, all of the following information:

23 (a) The number of waiver applications received and the number
 24 of waiver applications approved.

25 (b) For each community college submitting information under
 26 subsection (2), all of the following:

27 (i) The number of North American Indian students enrolled each
 28 term for the previous academic year.

29 (ii) The number of North American Indian waivers granted each

1 term, including continuing education students, and the monetary
2 value of the waivers for the previous academic year.

3 (iii) The number of North American Indian students who receive a
4 granted waiver for the previous academic year.

5 (iv) The number of students attending under a North American
6 Indian tuition waiver who withdrew from the college each term
7 during the previous academic year. For purposes of this
8 subparagraph, a withdrawal occurs when a student who has been
9 awarded the waiver withdraws from the institution at any point
10 during the term, regardless of enrollment in subsequent terms.

11 (v) The number of students attending under a North American
12 Indian tuition waiver who successfully transfer to a 4-year public
13 or private university, or complete a degree or certificate program,
14 separated by degree or certificate level, and the graduation rate
15 for students attending under a North American Indian tuition waiver
16 who complete a degree or certificate within 150% of the normal time
17 to complete, separated by the level of the degree or certificate.

18 (2) By January 1 of each year, a community college that
19 receives an appropriation in section 201 or a tribal institution
20 that receives funding for the North American Indian tuition waiver
21 shall provide to the department of ~~civil rights~~ **lifelong education,**
22 **advancement, and potential** any information necessary for preparing
23 the report described in subsection (1), using guidelines and
24 procedures developed by the department of ~~civil rights~~ **lifelong**
25 **education, advancement, and potential.**

26 (3) The department of ~~civil rights~~ **lifelong education,**
27 **advancement, and potential** may consolidate the report required
28 under this section with the report required under section 268, but
29 a consolidated report must separately identify data for

1 universities and data for community colleges.

2 Sec. 229. (1) Each community college that receives an
3 appropriation in section 201 is expected to include in its
4 admission application process a specific question as to whether an
5 applicant for admission has ever served or is currently serving in
6 the United States Armed Forces or is the spouse or dependent of an
7 individual who has served or is currently serving in the United
8 States Armed Forces, in order to more quickly identify potential
9 educational assistance available to that applicant.

10 (2) It is expected that each community college that receives
11 an appropriation in section 201 will work with the house and senate
12 appropriations subcommittees on community colleges, the Michigan
13 Community College Association, and veterans groups to review the
14 issue of in-district tuition for veterans of this state when
15 determining tuition rates and fees.

16 (3) Each community college that receives an appropriation in
17 section 201 is expected to provide reasonable programming and
18 scheduling accommodations necessary to facilitate a student's
19 military, National Guard, or military reserves duties and training
20 obligations.

21 (4) Each community college that receives an appropriation in
22 section 201 is expected to provide college level equivalent credit
23 examination opportunities for veterans and active members of the
24 military, National Guard, or military reserves within the first
25 semester of enrollment.

26 (5) Each community college that receives an appropriation in
27 section 201 is expected to do all of the following in its admission
28 application process if it knows that an applicant for admission is
29 currently serving, or has ever served, as a member of the military,

1 the National Guard, or the military reserves:

2 (a) Inform the applicant that ~~he or she~~ **the applicant** may
 3 receive academic credit for college-level training and education ~~he~~
 4 ~~or she~~ **the applicant** received while serving in the military.

5 (b) Inform the applicant that ~~he or she~~ **the applicant** may
 6 submit a transcript of ~~his or her~~ **the applicant's** college-level
 7 military training and education to the community college.

8 (c) If the applicant submits a transcript described in
 9 subdivision (b), evaluate that transcript and notify the applicant
 10 of what transfer credits are available to the applicant from the
 11 community college for ~~his or her~~ **the applicant's** college-level
 12 military training and education.

13 (6) As used in this section:

14 (a) "Transcript" includes a joint services transcript prepared
 15 for the applicant under the American Council on Education registry
 16 of credit recommendations.

17 (b) "Veteran" means an honorably discharged veteran entitled
 18 to educational assistance under section 5003 of the post-911
 19 veterans educational assistance act of 2008, 38 USC 3301 to 3327.

20 Sec. 229a. Included in the fiscal year ~~2023-2024~~ **2024-2025**
 21 appropriations for the department of technology, management, and
 22 budget are appropriations totaling ~~\$33,081,600.00~~ **\$33,481,600.00** to
 23 provide funding for the state share of costs for previously
 24 constructed capital projects for community colleges. Those
 25 appropriations for state building authority rent represent
 26 additional state general fund support for community colleges, and
 27 the following is an estimate of the amount of that support to each
 28 community college:

29 (a) Alpena Community College, ~~\$886,800.00~~ **\$858,200.00**.

- 1 (b) Bay de Noc Community College, ~~\$522,100.00~~ **\$516,900.00**.
- 2 (c) Delta College, ~~\$2,724,100.00~~ **\$2,696,900.00**.
- 3 (d) Glen Oaks Community College, ~~\$406,500.00~~ **\$381,400.00**.
- 4 (e) Gogebic Community College, ~~\$56,800.00~~ **\$56,200.00**.
- 5 (f) Grand Rapids Community College,
6 ~~\$1,101,000.00~~ **\$1,090,000.00**.
- 7 (g) Henry Ford College, ~~\$1,178,300.00~~ **\$1,570,600.00**.
- 8 (h) Jackson College, ~~\$2,193,900.00~~ **\$2,051,500.00**.
- 9 (i) Kalamazoo Valley Community College,
10 ~~\$1,968,800.00~~ **\$1,949,100.00**.
- 11 (j) Kellogg Community College, ~~\$688,400.00~~ **\$681,500.00**.
- 12 (k) Kirtland Community College, ~~\$228,100.00~~ **\$225,800.00**.
- 13 (l) Lake Michigan College, ~~\$979,300.00~~ **\$969,600.00**.
- 14 (m) Lansing Community College, ~~\$1,156,800.00~~ **\$759,800.00**.
- 15 (n) Macomb Community College, ~~\$1,972,800.00~~ **\$2,847,000.00**.
- 16 (o) Mid Michigan Community College,
17 ~~\$1,637,300.00~~ **\$1,620,900.00**.
- 18 (p) Monroe County Community College,
19 ~~\$1,561,300.00~~ **\$1,545,700.00**.
- 20 (q) Montcalm Community College, ~~\$452,200.00~~ **\$447,600.00**.
- 21 (r) C.S. Mott Community College, ~~\$2,132,100.00~~ **\$2,110,700.00**.
- 22 (s) Muskegon Community College, ~~\$995,600.00~~ **\$985,600.00**.
- 23 (t) North Central Michigan College, ~~\$654,900.00~~ **\$648,400.00**.
- 24 (u) Northwestern Michigan College,
25 ~~\$1,811,700.00~~ **\$1,793,600.00**.
- 26 (v) Oakland Community College, \$0.00.
- 27 (w) Schoolcraft College, ~~\$2,262,900.00~~ **\$2,240,200.00**.
- 28 (x) Southwestern Michigan College, ~~\$833,900.00~~ **\$825,500.00**.
- 29 (y) St. Clair County Community College,

1 ~~\$727,900.00.~~ **\$720,600.00.**

2 (z) Washtenaw Community College, ~~\$1,739,800.00.~~ **\$1,682,300.00.**

3 (aa) Wayne County Community College,

4 ~~\$1,482,300.00.~~ **\$1,467,500.00.**

5 (bb) West Shore Community College, ~~\$746,000.00.~~ **\$738,500.00.**

6 Sec. 230. (1) Subject to subsection (4), money included in the
7 appropriations for community college operations under section
8 201(2) for performance funding is distributed based on the
9 following formula:

10 (a) Allocated proportionate to fiscal year ~~2022-2023~~ **2023-2024**
11 base appropriations, 30%.

12 (b) Based on a weighted student contact hour formula as
13 provided for in the 2016 recommendations of the performance
14 indicators task force, 30%.

15 (c) Based on the performance improvement as provided for in
16 the 2016 recommendations of the performance indicators task force
17 and based on data provided by the center, 10%.

18 (d) Based on the performance completion number as provided for
19 in the 2016 recommendations of the performance indicators task
20 force, 10%.

21 (e) Based on the performance completion rate as provided for
22 in the 2016 recommendations of the performance indicators task
23 force and based on data provided by the center, 10%.

24 (f) Based on administrative costs, 5%.

25 (g) Based on the local strategic value component, as developed
26 in cooperation with the Michigan Community College Association and
27 described in subsection (2), 5%.

28 (2) Money included in the appropriations for community college
29 operations under section 201(2) for local strategic value is

1 allocated only to each community college that certifies to the
2 state budget director, through a board of trustees resolution on or
3 before October 15, ~~2023~~, **2024**, that the college has met 4 out of 5
4 best practices listed in each category described in subsection (3).
5 The resolution must provide specifics as to how the community
6 college meets each best practice measure within each category. One-
7 third of funding available under the strategic value component is
8 allocated to each category described in subsection (3). Amounts
9 distributed under local strategic value must be on a proportionate
10 basis to each college's fiscal year ~~2022-2023~~ **2023-2024** operations
11 funding. Payments to community colleges that qualify for local
12 strategic value funding must be distributed with the November
13 installment payment described in section 206.

14 (3) For purposes of subsection (2), the following categories
15 of best practices reflect functional activities of community
16 colleges that have strategic value to the local communities and
17 regional economies:

18 (a) For Category A, economic development and business or
19 industry partnerships, the following:

20 (i) The community college has active partnerships with local
21 employers including hospitals and health care providers.

22 (ii) The community college provides customized on-site training
23 for area companies, employees, or both.

24 (iii) The community college supports entrepreneurship through a
25 small business assistance center or other training or consulting
26 activities targeted toward small businesses.

27 (iv) The community college supports technological advancement
28 through industry partnerships, incubation activities, or operation
29 of a Michigan technical education center or other advanced

1 technology center.

2 (v) The community college has active partnerships with local
3 or regional workforce and economic development agencies.

4 (b) For Category B, educational partnerships, the following:

5 (i) The community college has active partnerships with regional
6 high schools, intermediate school districts, and career-tech
7 centers to provide instruction through dual enrollment, concurrent
8 enrollment, direct credit, middle college, or academy programs.

9 (ii) The community college hosts, sponsors, or participates in
10 enrichment programs for area K-12 students, such as college days,
11 summer or after-school programming, or Science Olympiad.

12 (iii) The community college provides, supports, or participates
13 in programming to promote successful transitions to college for
14 traditional age students, including grant programs such as talent
15 search, upward bound, or other activities to promote college
16 readiness in area high schools and community centers.

17 (iv) The community college provides, supports, or participates
18 in programming to promote successful transitions to college for new
19 or reentering adult students, such as adult basic education, a high
20 school equivalency test preparation program and testing, or
21 recruiting, advising, or orientation activities specific to adults.
22 As used in this subparagraph, "high school equivalency test
23 preparation program" means that term as defined in section 4.

24 (v) The community college has active partnerships with
25 regional 4-year colleges and universities to promote successful
26 transfer, such as articulation, 2+2, or reverse transfer agreements
27 or operation of a university center.

28 (c) For Category C, community services, the following:

29 (i) The community college provides continuing education

1 programming for leisure, wellness, personal enrichment, or
2 professional development.

3 (ii) The community college operates or sponsors opportunities
4 for community members to engage in activities that promote leisure,
5 wellness, cultural or personal enrichment such as community sports
6 teams, theater or musical ensembles, or artist guilds.

7 (iii) The community college operates public facilities to
8 promote cultural, educational, or personal enrichment for community
9 members, such as libraries, computer labs, performing arts centers,
10 museums, art galleries, or television or radio stations.

11 (iv) The community college operates public facilities to
12 promote leisure or wellness activities for community members,
13 including gymnasiums, athletic fields, tennis courts, fitness
14 centers, hiking or biking trails, or natural areas.

15 (v) The community college promotes, sponsors, or hosts
16 community service activities for students, staff, or community
17 members.

18 (4) Payments for performance funding under section 201(2) must
19 be made to a community college only if that community college
20 actively participates in the Michigan Transfer Network sponsored by
21 the Michigan Association of Collegiate Registrars and Admissions
22 Officers and submits timely updates, including updated course
23 equivalencies at least every 6 months, to the Michigan Transfer
24 Network. The state budget director shall determine if a community
25 college has not satisfied this requirement. The state budget
26 director may withhold payments for performance funding until a
27 community college is in compliance with this subsection.

28 Enacting section 1. In accordance with section 30 of article
29 IX of the state constitution of 1963, total state spending from

1 state sources for community colleges for fiscal year 2024-2025
2 under article II of the state school aid act of 1979, 1979 PA 94,
3 MCL 388.1801 to 388.1830, as amended by this amendatory act, is
4 estimated at \$470,341,700.00 and the amount of that state spending
5 from state sources to be paid to local units of government for
6 fiscal year 2024-2025 is estimated at \$469,491,700.00.

7 Enacting section 2. Section 216d of the state school aid act
8 of 1979, 1979 PA 94, MCL 388.1816d, is repealed effective October
9 1, 2024.

10 Enacting section 3. This amendatory act takes effect October
11 1, 2024.