

**SUBSTITUTE FOR
HOUSE BILL NO. 4580**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 236, 236c, 236j, 239, 241, 241a, 241b, 241c,
244, 247, 248, 248a, 254, 256, 257, 259, 260, 269, 270, 270c, 275,
283, 284, 285, and 286 (MCL 388.1836, 388.1836c, 388.1836j,
388.1839, 388.1841, 388.1841a, 388.1841b, 388.1841c, 388.1844,
388.1847, 388.1848, 388.1848a, 388.1854, 388.1856, 388.1857,
388.1859, 388.1860, 388.1869, 388.1870, 388.1870c, 388.1875,
388.1883, 388.1884, 388.1885, and 388.1886), sections 236, 236c,
236j, 241, 241a, 241c, 244, 248, 248a, 254, 256, 259, 260, 269, and
270c as amended and sections 247 and 270 as added by 2024 PA 120,
sections 239 and 257 as amended by 2012 PA 201, section 241b as
added and sections 275 and 283 as amended by 2023 PA 103, section



284 as amended by 2017 PA 108, and sections 285 and 286 as amended by 2021 PA 86, and by adding sections 236b, 236k, 241f, 241g, 241h, 241i, 241j, 241k, and 241l; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 236. (1) Subject to the conditions set forth in this
2 article, the amounts listed in this section are appropriated for
3 higher education for the fiscal year ending September 30, ~~2025,~~
4 **2026**, from the funds indicated in this section. The following is a
5 summary of the appropriations in this section and sections ~~236d and~~
6 ~~236j~~ **and 236k**:

7 (a) The gross appropriation is ~~\$2,324,292,600.00.~~
8 **\$2,400,751,200.00**. After deducting total interdepartmental grants
9 and intradepartmental transfers in the amount of \$0.00, the
10 adjusted gross appropriation is
11 ~~\$2,324,292,600.00.~~ **\$2,400,751,200.00.**

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

14 (i) Total federal revenues, \$3,200,000.00.

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

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

17 (iv) Total other state restricted revenues,
18 ~~\$461,668,300.00.~~ **\$1,936,161,000.00.**

19 (v) State general fund/general purpose money,
20 ~~\$1,859,424,300.00.~~ **\$461,390,200.00.**

21 (c) The totals and subtotals reflected in subdivisions (a) and
22 (b) do not include amounts appropriated under subsection ~~(7)(f)~~
23 **(6)(d)** or ~~(8)(b)~~ **(7)(b) and (c)** to avoid duplicating totals of
24 amounts appropriated in this section and ~~section~~ **sections 236j and**
25 **236k.**



1 (2) Amounts appropriated for public universities are as
2 follows:

3 (a) The appropriation for Central Michigan University is
4 ~~\$96,833,700.00, \$93,819,600.00 for operations, \$1,407,300.00 for~~
5 ~~operations increase, and \$1,606,800.00 for costs incurred under the~~
6 ~~North American Indian tuition waiver.~~ **\$77,145,700.00, \$72,897,100.00**
7 **for campus investment funds, \$2,568,200.00 for MPSERS support**
8 **payment, and \$1,680,400.00 for costs incurred under the North**
9 **American Indian tuition waiver.**

10 (b) The appropriation for Eastern Michigan University is
11 ~~\$84,381,000.00, \$82,738,700.00 for operations, \$1,241,100.00 for~~
12 ~~operations increase, and \$401,200.00 for costs incurred under the~~
13 ~~North American Indian tuition waiver.~~ **\$60,676,500.00, \$57,998,700.00**
14 **for campus investment funds, \$2,264,900.00 for MPSERS support**
15 **payment, and \$412,900.00 for costs incurred under the North**
16 **American Indian tuition waiver.**

17 (c) The appropriation for Ferris State University is
18 ~~\$60,548,400.00, \$58,932,300.00 for operations, \$884,000.00 for~~
19 ~~operations increase, and \$732,100.00 for costs incurred under the~~
20 ~~North American Indian tuition waiver.~~ **\$40,842,400.00, \$38,430,900.00**
21 **for campus investment funds, \$1,613,200.00 for MPSERS support**
22 **payment, and \$798,300.00 for costs incurred under the North**
23 **American Indian tuition waiver.**

24 (d) The appropriation for Grand Valley State University is
25 ~~\$98,876,100.00, \$96,111,200.00 for operations, \$1,441,700.00 for~~
26 ~~operations increase, and \$1,323,200.00 for costs incurred under the~~
27 ~~North American Indian tuition waiver.~~ **\$41,626,200.00, \$40,407,100.00**
28 **for campus investment funds, \$0.00 for MPSERS support payment, and**
29 **\$1,219,100.00 for costs incurred under the North American Indian**



1 **tuition waiver.**

2 (e) The appropriation for Lake Superior State University is
 3 ~~\$15,838,800.00, \$14,251,800.00 for operations, \$213,800.00 for~~
 4 ~~operations increase, and \$1,373,200.00 for costs incurred under the~~
 5 ~~North American Indian tuition waiver.~~**\$13,703,000.00, \$11,865,800.00**
 6 **for campus investment funds, \$390,100.00 for MPSERS support**
 7 **payment, and \$1,447,100.00 for costs incurred under the North**
 8 **American Indian tuition waiver.**

9 (f) The appropriation for Michigan State University is
 10 ~~\$396,479,600.00, \$316,765,400.00 for operations, \$4,751,500.00 for~~
 11 ~~operations increase, \$2,143,100.00 for costs incurred under the~~
 12 ~~North American Indian tuition waiver, \$39,096,200.00 for MSU~~
 13 ~~AgBioResearch, and \$33,723,400.00 for MSU~~
 14 ~~Extension.~~**\$162,216,000.00, \$86,887,600.00 for campus investment**
 15 **funds, \$0.00 for MPSERS support payment, \$2,508,800.00 for costs**
 16 **incurred under the North American Indian tuition waiver,**
 17 **\$39,096,200.00 for MSU AgBioResearch, and \$33,723,400.00 for MSU**
 18 **Extension.**

19 (g) The appropriation for Michigan Technological University is
 20 ~~\$55,245,300.00, \$53,658,800.00 for operations, \$804,900.00 for~~
 21 ~~operations increase, and \$781,600.00 for costs incurred under the~~
 22 ~~North American Indian tuition waiver.~~**\$47,554,300.00, \$45,353,600.00**
 23 **for campus investment funds, \$1,468,800.00 for MPSERS support**
 24 **payment, and \$731,900.00 for costs incurred under the North**
 25 **American Indian tuition waiver.**

26 (h) The appropriation for Northern Michigan University is
 27 ~~\$54,263,000.00, \$52,069,300.00 for operations, \$781,000.00 for~~
 28 ~~operations increase, and \$1,412,700.00 for costs incurred under the~~
 29 ~~North American Indian tuition waiver.~~**\$45,471,100.00, \$42,628,000.00**



1 for campus investment funds, \$1,425,300.00 for MPSERS support
 2 payment, and \$1,417,800.00 for costs incurred under the North
 3 American Indian tuition waiver.

4 (i) The appropriation for Oakland University is
 5 ~~\$73,327,600.00, \$71,957,000.00 for operations, \$1,079,400.00 for~~
 6 ~~operations increase, and \$291,200.00 for costs incurred under the~~
 7 ~~North American Indian tuition waiver.~~ \$36,105,800.00, \$35,780,600.00
 8 for campus investment funds, \$0.00 for MPSERS support payment, and
 9 \$325,200.00 for costs incurred under the North American Indian
 10 tuition waiver.

11 (j) The appropriation for Saginaw Valley State University is
 12 ~~\$34,394,500.00, \$33,690,600.00 for operations, \$505,400.00 for~~
 13 ~~operations increase, and \$198,500.00 for costs incurred under the~~
 14 ~~North American Indian tuition waiver.~~ \$16,045,600.00, \$15,862,600.00
 15 for campus investment funds, \$0.00 for MPSERS support payment, and
 16 \$183,000.00 for costs incurred under the North American Indian
 17 tuition waiver.

18 (k) The appropriation for University of Michigan - Ann Arbor
 19 is ~~\$362,128,600.00, \$355,278,300.00 for operations, \$5,329,000.00~~
 20 ~~for operations increase, and \$1,521,300.00 for costs incurred under~~
 21 ~~the North American Indian tuition waiver.~~ \$30,646,200.00,
 22 \$28,745,600.00 for campus investment funds, \$0.00 for MPSERS
 23 support payment, and \$1,900,600.00 for costs incurred under the
 24 North American Indian tuition waiver.

25 (l) The appropriation for University of Michigan - Dearborn is
 26 ~~\$31,722,500.00, \$31,048,000.00 for operations, \$465,700.00 for~~
 27 ~~operations increase, and \$208,800.00 for costs incurred under the~~
 28 ~~North American Indian tuition waiver.~~ \$13,935,200.00, \$13,740,900.00
 29 for campus investment funds, \$0.00 for MPSERS support payment, and



1 **\$194,300.00 for costs incurred under the North American Indian**
 2 **tuition waiver.**

3 (m) The appropriation for University of Michigan - Flint is
 4 ~~\$26,695,600.00, \$26,013,500.00 for operations, \$390,200.00 for~~
 5 ~~operations increase, and \$291,900.00 for costs incurred under the~~
 6 ~~North American Indian tuition waiver.~~**\$14,291,000.00, \$13,810,100.00**
 7 **for campus investment funds, \$0.00 for MPSERS support payment, and**
 8 **\$480,900.00 for costs incurred under the North American Indian**
 9 **tuition waiver.**

10 (n) The appropriation for Wayne State University is
 11 ~~\$227,735,900.00, \$223,950,900.00 for operations, \$3,359,300.00 for~~
 12 ~~operations increase, and \$425,700.00 for costs incurred under the~~
 13 ~~North American Indian tuition waiver.~~**\$218,132,300.00,**
 14 **\$217,655,200.00 for campus investment funds, \$0.00 for MPSERS**
 15 **support payment, and \$477,100.00 for costs incurred under the North**
 16 **American Indian tuition waiver.**

17 (o) The appropriation for Western Michigan University is
 18 ~~\$121,845,400.00, \$119,440,200.00 for operations, \$1,791,600.00 for~~
 19 ~~operations increase, and \$613,600.00 for costs incurred under the~~
 20 ~~North American Indian tuition waiver.~~**\$110,087,100.00,**
 21 **\$106,060,200.00 for campus investment funds, \$3,269,500.00 for**
 22 **MPSERS support payment, and \$757,400.00 for costs incurred under**
 23 **the North American Indian tuition waiver.**

24 (3) The amount appropriated in subsection (2) for public
 25 universities is ~~\$1,740,316,000.00, \$928,478,400.00,~~ appropriated
 26 from the following:

27 (a) State school aid fund, ~~\$443,168,300.00.~~**\$414,062,000.00 of**
 28 **ongoing funding and \$400,000,000.00 of 1-time funding.**

29 (b) State general fund/general purpose money,



1 ~~\$1,297,147,700.00.~~ **\$114,416,400.00.**

2 (4) The amount appropriated for Michigan public school
3 employees' retirement system reimbursement is \$0.00.

4 (5) The amount appropriated for state and regional programs is
5 ~~\$316,800.00,~~ **\$116,800.00**, appropriated from general fund/general
6 purpose money and allocated ~~as follows:~~

7 ~~(a) Higher education database modernization and conversion,~~
8 ~~\$200,000.00.~~

9 ~~(b) to the~~ **Midwestern Higher Education Compact.** ~~, \$116,800.00.~~

10 ~~(6) The amount appropriated for the Martin Luther King, Jr. -~~
11 ~~Cesar Chavez - Rosa Parks program is \$2,691,500.00, appropriated~~
12 ~~from general fund/general purpose money and allocated as follows:~~

13 ~~(a) Select student support services, \$1,956,100.00.~~

14 ~~(b) Michigan college/university partnership program,~~
15 ~~\$586,800.00.~~

16 ~~(c) Morris Hood, Jr. educator development program,~~
17 ~~\$148,600.00.~~

18 **(6)** ~~(7)~~ Subject to subsection ~~(8),~~ **(7)**, the amount
19 appropriated for grants and financial aid is ~~\$542,453,600.00,~~
20 **\$1,464,556,000.00**, allocated as follows:

21 ~~(a) State competitive scholarships, \$19,930,900.00.~~

22 ~~(b) Tuition grants, \$41,522,700.00.~~

23 **(a)** ~~(e)~~ Tuition incentive program,
24 ~~\$93,800,000.00.~~ **\$122,300,000.00.**

25 **(b)** ~~(d)~~ Children of veterans and officer's survivor tuition
26 grant programs, \$2,000,000.00.

27 **(c)** ~~(e)~~ Project GEAR-UP, \$3,200,000.00.

28 **(d)** ~~(f)~~ Michigan achievement scholarships, ~~\$330,000,000.00.~~
29 **\$1,285,056,000.00.** From this amount, up to \$10,000,000.00 may be



1 used to award skills scholarships under section 248a.

2 (e) ~~(g)~~ Michigan reconnect, \$52,000,000.00.

3 (7) ~~(8)~~ The money appropriated in subsection ~~(7)~~ **(6)** for
4 grants and financial aid is appropriated from the following:

5 (a) Federal revenues under the United States Department of
6 Education, Office of Elementary and Secondary Education, GEAR-UP
7 program, \$3,200,000.00.

8 (b) Postsecondary scholarship fund,
9 ~~\$330,000,000.00.~~ **\$1,114,499,000.00.**

10 (c) **Postsecondary scholarship private institution fund,**
11 **\$170,557,000.00.**

12 (d) ~~(e)~~ State general fund/general purpose money,
13 ~~\$209,253,600.00.~~ **\$124,300,000.00.**

14 (e) ~~(d)~~ At the close of the fiscal year, **money from the state**
15 **school aid fund and from** state general fund/general purpose money
16 appropriated in subsection ~~(7)~~ **(6)** for grants and scholarships that
17 is unspent must be deposited into the postsecondary scholarship
18 fund created in section 236j.

19 (8) ~~(9)~~ For fiscal year ~~2024-2025-2025-2026~~ only, in addition
20 to the allocation under subsection (4), from the appropriations
21 described in subsection (1), there is allocated an amount not to
22 exceed ~~\$8,500,000.00~~ **\$7,600,000.00** for payments to participating
23 public universities, appropriated from the state school aid fund. A
24 public university that receives money under this subsection shall
25 use that money solely for the purpose of offsetting the normal cost
26 contribution rate. As used in this subsection, "participating
27 public universities" means public universities that are a reporting
28 unit of the Michigan public school employees' retirement system
29 under the public school employees retirement act of 1979, 1980 PA



1 300, MCL 38.1301 to 38.1437, and that pay contributions to the
2 Michigan public school employees' retirement system for the state
3 fiscal year.

4 ~~(10) For fiscal year 2024-2025 only, from the appropriation~~
5 ~~described in subsection (1), \$1,000,000.00 is appropriated from the~~
6 ~~state general fund/general purpose money for Michigan Transfer~~
7 ~~Pathways. The department of lifelong education, advancement, and~~
8 ~~potential shall use funds appropriated under this subsection to~~
9 ~~work with the Michigan Transfer Network, community colleges, public~~
10 ~~universities, and other institutions of higher education in this~~
11 ~~state to facilitate the transfer of students and acceptance of~~
12 ~~credits among these institutions. The department may hire limited~~
13 ~~time FTEs or external consultants with the funds. The funds~~
14 ~~allocated under this subsection for fiscal year 2024-2025 are a~~
15 ~~work project appropriation, and any unexpended funds remaining at~~
16 ~~the end of fiscal year 2024-2025 are carried forward into fiscal~~
17 ~~year 2025-2026, and any unexpended funds remaining at the end of~~
18 ~~fiscal year 2025-2026 are carried forward into fiscal year 2026-~~
19 ~~2027. The purpose of the work project is to support transfer~~
20 ~~pathways at postsecondary institutions in this state. The estimated~~
21 ~~completion date of the work project is September 30, 2027.~~

22 ~~(11) For fiscal year 2024-2025 only, from the appropriation~~
23 ~~described in subsection (1), \$980,000.00 is appropriated from the~~
24 ~~state general fund/general purpose money for the FAFSA completion~~
25 ~~incentive. The department of lifelong education, advancement, and~~
26 ~~potential shall use funds appropriated under this subsection to run~~
27 ~~a promotional activity to promote completing the Free Application~~
28 ~~for Federal Student Aid (FAFSA) for the first time consistent with~~
29 ~~the promotional activity exception provided for in section 372(2)~~



1 ~~of the Michigan penal code, 1931 PA 328, MCL 750.372. The~~
 2 ~~promotional activity must offer prize funds that are available to a~~
 3 ~~number, chosen by the department, of randomly selected Michigan~~
 4 ~~residents who satisfactorily demonstrate to the department that~~
 5 ~~they have completed the FAFSA for the first time.~~

6 ~~(12) For fiscal year 2024-2025 only, from the appropriation~~
 7 ~~described in subsection (1), \$750,000.00 is appropriated from state~~
 8 ~~general fund/general purpose money to Western Michigan University~~
 9 ~~to support the Project Clean program.~~

10 ~~(13) For fiscal year 2024-2025 only, from the appropriation~~
 11 ~~described in subsection (1), \$70,000.00 is appropriated from state~~
 12 ~~general fund/general purpose money to a city with a population~~
 13 ~~between 70,000 and 80,000 in a county with a population between~~
 14 ~~225,000 and 275,000 according to the most recent federal decennial~~
 15 ~~census for investments to improve safety on the campus of a public~~
 16 ~~university based in that city.~~

17 ~~(14) For fiscal year 2024-2025 only, subject to section 236r,~~
 18 ~~from the appropriation described in subsection (1), \$200,000.00 is~~
 19 ~~appropriated from state general fund/general purpose money for an~~
 20 ~~education performance study.~~

21 ~~(15) All of the following apply for fiscal year 2024-2025~~
 22 ~~only:~~

23 ~~(a) In addition to the allocations under subsections (4) and~~
 24 ~~(9), there is allocated an amount not to exceed \$10,000,000.00 for~~
 25 ~~payments to participating public universities, appropriated from~~
 26 ~~the state school aid fund. A public university that receives money~~
 27 ~~under this subsection shall use that money solely for the purpose~~
 28 ~~of payments toward the pension and other postemployment benefit~~
 29 ~~unfunded actuarial accrued liabilities associated with members and~~

1 ~~pension recipients of those participating public universities.~~

2 ~~(b) The amount allocated in subdivision (a) must be allocated~~
 3 ~~to each participating public university based on each participating~~
 4 ~~public university's percentage of the total combined payrolls of~~
 5 ~~the universities' employees who are members of the retirement~~
 6 ~~system and who were hired before January 1, 1996 and the~~
 7 ~~universities' employees who would have been members of the~~
 8 ~~retirement system on or after January 1, 1996, but for the~~
 9 ~~enactment of 1995 PA 272 for all public universities that are~~
 10 ~~participating public universities for the immediately preceding~~
 11 ~~state fiscal year.~~

12 ~~(c) Participating public universities receiving funds under~~
 13 ~~this subsection shall forward an amount equal to the amount~~
 14 ~~allocated under subdivision (a) to the retirement system in a form,~~
 15 ~~manner, and time frame determined by the retirement system.~~

16 ~~(d) Amounts allocated in subdivision (a) must be paid to~~
 17 ~~participating public universities in 1 lump sum installment no~~
 18 ~~later than October 31, 2024.~~

19 ~~(e) As used in this subsection, "participating public~~
 20 ~~universities" means public universities that are reporting units of~~
 21 ~~the Michigan public school employees' retirement system under the~~
 22 ~~public school employees retirement act of 1979, 1980 PA 300, MCL~~
 23 ~~38.1301 to 38.1437, and that pay contributions to the Michigan~~
 24 ~~public school employees' retirement system for the state fiscal~~
 25 ~~year.~~

26 **Sec. 236b. (1) Money appropriated in section 236(2) for campus**
 27 **investment funds is intended to be used for necessary improvements**
 28 **and deferred maintenance of public university buildings,**
 29 **facilities, and other physical infrastructure; necessary**



1 improvements and deferred maintenance of information technology,
 2 other technology infrastructure, and other equipment; and other
 3 purposes related to infrastructure, technology, equipment, and
 4 maintenance. A public university may also use these funds to
 5 upgrade safety and security infrastructure and reduce existing
 6 capital debt. These funds are not intended to be used for any other
 7 purpose than what is specified in this section.

8 (2) The payment for each public university under subsection
 9 (1) must be calculated as follows:

10 (a) Multiply each university's fiscal year 2023-2024 resident
 11 fiscal year equated students (FYES) measure by \$4,389.00.

12 (b) A university with an endowment larger than
 13 \$1,000,000,000.00 but smaller than \$5,000,000,000.00 must have its
 14 amount determined under subdivision (a) reduced by 50%, the excess
 15 to be redistributed to the remaining universities. A university
 16 with an endowment equal to or larger than \$5,000,000,000.00 but
 17 smaller than \$10,000,000,000.00 must have its amount determined
 18 under subdivision (a) reduced by 65%, the excess to be
 19 redistributed to the remaining universities. A university with an
 20 endowment equal to or larger than \$10,000,000,000.00 must have its
 21 amount determined under subdivision (a) reduced by 75%, the excess
 22 to be redistributed to the remaining universities.

23 (c) The sum of the amounts distributed to a public university
 24 under subdivisions (a) and (b) is capped at 131% of its combined
 25 funding from campus investment funds, MPERS support payment, North
 26 American Indian Tuition Waiver reimbursement, and estimated
 27 Michigan achievement scholarship payment under section 236j(7), any
 28 excess to be redistributed using an iterative process.

29 Sec. 236c. In addition to the funds appropriated for fiscal



1 year ~~2024-2025-2025-2026~~ in section 236, appropriations to the
 2 department of technology, management, and budget in the act
 3 providing general appropriations for fiscal year ~~2024-2025-2025-~~
 4 **2026** for state building authority rent, totaling an estimated
 5 ~~\$140,195,300.00,~~ **\$142,153,900.00**, provide funding for the state
 6 share of costs for previously constructed capital projects for
 7 state universities. These appropriations for state building
 8 authority rent represent additional state general fund support
 9 provided to public universities, and the following is an estimate
 10 of the amount of that support to each public university:

- 11 (a) Central Michigan University,
 12 ~~\$12,927,300.00.~~ **\$12,914,000.00.**
- 13 (b) Eastern Michigan University, ~~\$6,028,200.00.~~ **\$6,022,000.00.**
- 14 (c) Ferris State University, ~~\$9,555,800.00.~~ **\$9,546,000.00.**
- 15 (d) Grand Valley State University, ~~\$8,622,800.00.~~ **\$8,614,00.00.**
- 16 (e) Lake Superior State University,
 17 ~~\$2,231,300.00.~~ **\$2,229,000.00.**
- 18 (f) Michigan State University, ~~\$16,615,000.00.~~ **\$16,598,000.00.**
- 19 (g) Michigan Technological University,
 20 ~~\$5,787,900.00.~~ **\$5,521,000.00.**
- 21 (h) Northern Michigan University, ~~\$8,917,700.00.~~ **\$9,735,900.00.**
- 22 (i) Oakland University, ~~\$11,256,500.00.~~ **\$11,245,000.00.**
- 23 (j) Saginaw Valley State University,
 24 ~~\$7,828,000.00.~~ **\$7,820,000.00.**
- 25 (k) University of Michigan - Ann Arbor,
 26 ~~\$12,280,600.00.~~ **\$14,068,000.00.**
- 27 (l) University of Michigan - Dearborn,
 28 ~~\$10,736,000.00.~~ **\$10,725,000.00.**
- 29 (m) University of Michigan - Flint,



1 ~~\$6,063,200.00.~~ **\$6,057,000.00.**

2 (n) Wayne State University, ~~\$10,082,300.00.~~ **\$10,072,000.00.**

3 (o) Western Michigan University,

4 ~~\$11,262,700.00.~~ **\$10,987,000.00.**

5 Sec. 236j. (1) The postsecondary scholarship fund is created
6 in the department of treasury for the purpose of providing
7 scholarship awards to eligible students who attend eligible
8 postsecondary educational institutions in this state, as provided
9 in subsection (5).

10 (2) The state treasurer may receive money or other assets from
11 any source for deposit into the postsecondary scholarship fund. The
12 state treasurer shall direct the investment of the postsecondary
13 scholarship fund. The state treasurer shall credit to the
14 postsecondary scholarship fund interest and earnings from
15 postsecondary scholarship fund investments.

16 (3) Money in the postsecondary scholarship fund at the close
17 of the fiscal year must remain in the postsecondary scholarship
18 fund and not lapse to the general fund.

19 (4) The department of treasury shall be the administrator of
20 the postsecondary scholarship fund for auditing purposes.

21 (5) Money must be expended from the postsecondary scholarship
22 fund only for the purpose of providing Michigan achievement
23 scholarship awards to eligible students who attend eligible
24 postsecondary educational institutions in this state and for other
25 purposes described in this section. ~~Not more than \$10,000,000.00~~
26 ~~may be used by the department of lifelong education, advancement,~~
27 ~~and potential annually for the purposes of outreach and marketing~~
28 ~~programs as specified in section 248.~~ **From the funds appropriated in**
29 **section 236(6) for the Michigan achievement scholarship, the**



1 department of lifelong education, advancement, and potential may
 2 use up to \$3,000,000.00 annually for the purposes of outreach
 3 programs to raise awareness of the Michigan achievement scholarship
 4 and other state scholarship programs receiving allocations in
 5 section 236(6). The department of lifelong education, advancement,
 6 and potential shall ensure that state scholarships are well
 7 publicized and that high school students are provided information
 8 on the availability of financial aid. The department of lifelong
 9 education, advancement, and potential may receive and expend funds
 10 received from outside sources for scholarships, marketing, or other
 11 purposes related to scholarships offered by this state. The
 12 department of lifelong education, advancement, and potential shall
 13 provide the necessary funding and staff to fully operate the
 14 programs.

15 (6) For the fiscal year ending September 30, 2025,
 16 ~~\$300,000,000.00 of ongoing funding and \$30,000,000.00 of 1-time~~
 17 ~~funding~~ 2026, **\$1,114,499,000.00 of 1-time funding** is deposited into
 18 the postsecondary scholarship fund from the state general
 19 fund/general purpose money. **school aid fund.**

20 ~~(7) It is the intent of the legislature that the postsecondary~~
 21 ~~scholarship fund serves as the primary funding source of the~~
 22 ~~Michigan achievement scholarship. To ensure the Michigan~~
 23 ~~achievement scholarship provides ongoing supports for students, it~~
 24 ~~is the intent of the legislature to increase annual deposits into~~
 25 ~~the postsecondary scholarship fund until the fully implemented~~
 26 ~~costs of the Michigan achievement scholarship are deposited~~
 27 ~~annually into the postsecondary scholarship fund.~~

28 ~~(7) (8) In addition to the appropriations in section 236, if~~
 29 ~~the amount of general fund allocated in section 236(7) is not~~



1 ~~sufficient to fully fund the awards under section 236(7), there is~~
 2 ~~appropriated from the postsecondary scholarship fund the amount~~
 3 ~~necessary to fully fund those awards. The state budget director~~
 4 ~~shall provide written notification to the house and senate~~
 5 ~~appropriations subcommittee on higher education and the house and~~
 6 ~~senate fiscal agencies prior to any additional appropriation~~
 7 ~~described in this subsection.~~**Estimated individual Michigan**
 8 **achievement scholarship awards for public universities must not**
 9 **exceed \$828,135,000.00, are based on resident undergraduate fiscal**
 10 **year equated students (FYES) for fiscal year 2023-2024 receiving an**
 11 **award amount of \$5,500.00, and are estimated as follows:**

- 12 (a) Central Michigan University, \$50,935,500.00.
- 13 (b) Eastern Michigan University, \$50,946,500.00.
- 14 (c) Ferris State University, \$39,248,000.00.
- 15 (d) Grand Valley State University, \$89,160,500.00.
- 16 (e) Lake Superior State University, \$7,232,500.00.
- 17 (f) Michigan State University, \$175,780,000.00.
- 18 (g) Michigan Technological University, \$25,520,000.00.
- 19 (h) Northern Michigan University, \$26,295,500.00.
- 20 (i) Oakland University, \$60,896,000.00.
- 21 (j) Saginaw Valley State University, \$29,452,500.00.
- 22 (k) University of Michigan - Ann Arbor, \$95,969,500.00.
- 23 (l) University of Michigan - Dearborn, \$28,028,000.00.
- 24 (m) University of Michigan - Flint, \$21,021,000.00.
- 25 (n) Wayne State University, \$76,554,500.00.
- 26 (o) Western Michigan University, \$51,095,000.00.
- 27 (8) Michigan achievement scholarship awards to community
 28 colleges must not exceed \$276,364,000.00 and are based on fiscal
 29 year equated students (FYES) for fiscal year 2023-2024 receiving an

1 award amount of \$2,750.00.

2 Sec. 236k. (1) The postsecondary scholarship private
3 institution fund is created in the department of treasury for the
4 purpose of providing scholarship awards to eligible students who
5 attend eligible independent nonprofit colleges and universities in
6 this state, as provided in subsection (5).

7 (2) The state treasurer may receive money or other assets from
8 any source for deposit into the postsecondary scholarship private
9 institution fund. The state treasurer shall direct the investment
10 of the postsecondary scholarship private institution fund. The
11 state treasurer shall credit to the postsecondary scholarship
12 private institution fund interest and earnings from postsecondary
13 scholarship private institution fund investments.

14 (3) Money in the postsecondary scholarship private institution
15 fund at the close of the fiscal year must remain in the
16 postsecondary scholarship private institution fund and not lapse to
17 the general fund.

18 (4) The department of treasury is the administrator of the
19 postsecondary scholarship private institution fund for auditing
20 purposes.

21 (5) Money must be expended from the postsecondary scholarship
22 private institution fund only for the purpose of providing Michigan
23 achievement scholarship awards to eligible students who attend
24 eligible independent nonprofit colleges and universities in this
25 state and for other purposes described in this section.

26 (6) For the fiscal year ending September 30, 2026,
27 \$170,557,000.00 of 1-time funding is deposited into the
28 postsecondary scholarship private institution fund from the state
29 general fund/general purpose money.



1 **(7) Michigan achievement scholarship awards to students**
 2 **attending independent nonprofit colleges or universities must not**
 3 **exceed \$170,557,000.00 and are based on resident undergraduate**
 4 **fiscal year equated students (FYES) for fiscal year 2023-2024**
 5 **receiving an award amount of \$5,500.00.**

6 Sec. 239. A public university shall not use funds appropriated
 7 in section 236 for the purchase of foreign goods or services, or
 8 both, if competitively priced and of comparable quality American
 9 goods and services, or both, are available. Preference ~~shall~~**must**
 10 be given to goods or services, or both, manufactured or provided by
 11 Michigan businesses if they are competitively priced and of
 12 comparable value. ~~In addition, preference shall be given to goods~~
 13 ~~or services, or both, that are manufactured or provided by Michigan~~
 14 ~~businesses owned and operated by veterans if they are competitively~~
 15 ~~priced and of comparable quality.~~

16 Sec. 241. Subject to sections 241a, 241b, 241c, ~~241e,~~**241f,**
 17 **241g, 241h, 241i, 241k, 241l,** and 244, the funds appropriated in
 18 ~~sections~~**section** 236 and ~~236d~~ to public universities must be paid
 19 out of the state treasury and distributed by the state treasurer to
 20 the respective institutions in 11 equal monthly installments on the
 21 sixteenth of each month, or the next succeeding business day,
 22 beginning with October 16, ~~2024.~~**2025.** Except for Wayne State
 23 University, each institution shall accrue its July and August ~~2025~~
 24 **2026** payments to its institutional fiscal year ending June 30,
 25 ~~2025.~~**2026.**

26 Sec. 241a. (1) All public universities shall submit higher
 27 education institutional data inventory (HEIDI) data and associated
 28 financial aid program information requested by and in a manner
 29 prescribed by the state budget director. For public universities



1 with fiscal years ending June 30, these data must be submitted to
2 the state budget director by October 15 of each fiscal year. Public
3 universities with a fiscal year ending September 30 shall submit
4 preliminary HEIDI data by November 15 and final data by December
5 15.

6 (2) It is intended that accountability reporting for public
7 universities will be streamlined through HEIDI. The state budget
8 director and the center will work to combine the reporting
9 requirements outlined in this subsection with the existing HEIDI
10 collection cycle. All of the following must be reported to the
11 house and senate fiscal agencies and the state budget director:

12 (a) Each public university's certification of its compliance
13 with the requirements described in subsections (4) and (5).

14 (b) The reporting requirements described in sections 241b and
15 241c.

16 (3) If a public university fails to submit HEIDI data and
17 associated financial aid program information in accordance with the
18 required reporting schedule, the state treasurer may withhold the
19 monthly installments **of campus investment funds** under section ~~241~~
20 **236(2)** to the public university until those data are submitted. If
21 a public university does not comply with all of the requirements
22 described in subsections (4) and (5) by the end of the fiscal year,
23 the public university forfeits the amount withheld. The state
24 budget director shall notify the chairs of the house and senate
25 appropriations subcommittees on higher education at least 10 days
26 before withholding funds from any public university. **The state**
27 **budget director shall determine if a public university complies**
28 **with the requirements of this section. If the state budget director**
29 **finds that a public university has not complied with the**

1 requirements in subsection (4) (k), (l), (m), or (n), the state budget
 2 director is authorized to withhold 5% of the monthly installments
 3 for campus investment funds provided to that public university
 4 under section 241 until the state budget director finds that the
 5 public university has complied with the requirements.

6 (4) No later than October 15 each year, a public university
 7 shall maintain a public transparency website available through a
 8 link on its website homepage. The website must include all of the
 9 following concerning the public university:

10 (a) The annual operating budget and subsequent budget
 11 revisions.

12 (b) A summary of current expenditures for the most recent
 13 fiscal year for which they are available, expressed as pie charts
 14 ~~in the following 2 categories:~~**organized as follows:**

15 (i) A chart of personnel expenditures, broken into the
 16 following subcategories:

17 (A) Earnings and wages.

18 (B) Employee benefit costs, including, but not limited to,
 19 medical, dental, vision, life, disability, and long-term care
 20 benefits.

21 (C) Retirement benefit costs.

22 (D) All other personnel costs.

23 (ii) A chart of all current expenditures the public university
 24 reported as part of its higher education institutional data
 25 inventory data under subsection (1), broken into the same
 26 subcategories in which it reported those data.

27 **(iii) The subcategories in subparagraphs (i) and (ii) must also**
 28 **be broken into the following classifications:**

29 **(A) Teachers. As used in this sub-subparagraph, "teachers"**

1 means employees directly administering or teaching credit hours to
2 students, in person or remotely.

3 (B) Facilities personnel. As used in this sub-subparagraph,
4 "facilities personnel" means employees whose core function is to
5 upgrade, clean, or repair capital assets, or who operate as a
6 campus law enforcement officer or in a security position.

7 (C) Administration personnel. As used in this sub-
8 subparagraph, "administration personnel" means employees who are
9 not teachers or facilities personnel, as those terms are defined in
10 sub-subparagraphs (A) or (B).

11 (c) Links to all of the following for the public university:

12 (i) The current collective bargaining agreement for each
13 bargaining unit.

14 (ii) Each health care benefits plan, including, but not limited
15 to, medical, dental, vision, disability, long-term care, or any
16 other type of benefits that would constitute health care services,
17 offered to any bargaining unit or employee of the public
18 university.

19 (iii) Audits and financial reports for the most recent fiscal
20 year for which they are available.

21 (d) General fund revenue and expenditure projections for the
22 current fiscal year and the next fiscal year.

23 (e) A listing of all debt service obligations, detailed by
24 project, anticipated fiscal year payment for each project, and
25 total outstanding debt for the current fiscal year.

26 (f) The institution's policy regarding the transferability of
27 core college courses between community colleges and the public
28 university.

29 (g) A listing of all community colleges that have entered into

1 reverse transfer agreements with the public university.

2 (h) A dashboard or report card demonstrating the public
3 university's performance in several "best practice" measures. The
4 dashboard or report card must include at least all of the following
5 for the 3 most recent academic years for which the data are
6 available:

7 (i) Enrollment.

8 (ii) Student retention rate.

9 (iii) ~~Six-year~~ **Four-, five-, and six-year** graduation rates.

10 (iv) Number of Pell grant recipients and graduating Pell grant
11 recipients.

12 (v) Geographic origination of students, categorized as in-
13 state, out-of-state, and international.

14 (vi) Faculty to student ratios and total public university
15 employee to student ratios.

16 (vii) Teaching load by faculty classification.

17 (viii) Graduation outcome rates, including employment and
18 continuing education, **broken down by graduates who remain in this**
19 **state versus those who leave this state.**

20 (i) An icon badge that provides statewide consistency and
21 public visibility. For this purpose, public universities shall use
22 the icon badge provided by the department of technology,
23 management, and budget consistent with the icon badge developed by
24 the department of education for K-12 school districts. It must
25 appear on the front of each public university's homepage. The size
26 of the icon may be reduced to 150 x 150 pixels. The font size and
27 style for this reporting must be consistent with other documents on
28 each public university's website.

29 (j) A collection and report of the number and percentage of

1 all enrolled students who complete the Free Application for Federal
2 Student Aid, broken out by undergraduate and graduate/professional
3 classifications, reported to the center and posted on its website
4 under the budget transparency icon badge.

5 **(k) The name of the current president, the names of the city
6 and state where the president currently resides, and the
7 president's annual salary.**

8 **(l) A list of the number of out-of-state students, broken down
9 by state origin.**

10 **(m) A list of the number of international students, broken
11 down by citizenship of the country of origin.**

12 **(n) A certification that all enrolled students are in the
13 United States as lawful residents. The certification must make
14 specific reference to the students' visa status and the number of
15 credit hours needed to maintain lawful status. If any enrolled
16 student is not a lawful resident, the institution shall provide
17 that student's information to the director of the department of
18 lifelong education, advancement, and potential.**

19 (5) No later than October 15 each year, a public university
20 shall develop, maintain, and update a "campus safety information
21 and resources" link, prominently displayed on the homepage of its
22 website, to a section of its website containing, at a minimum, all
23 of the following information:

24 (a) Emergency contact numbers for police, fire, health, and
25 other services.

26 (b) Hours, locations, telephone numbers, and email contacts
27 for campus public safety offices and title IX offices.

28 (c) A list of safety and security services provided by the
29 public university, including transportation, escort services,



1 building surveillance, anonymous tip lines, and other available
2 security services.

3 (d) The public university's policies applicable to minors on
4 university property.

5 (e) A directory of resources available at the public
6 university or surrounding community for students or employees who
7 are survivors of sexual assault or sexual abuse.

8 (f) An electronic copy of "A Resource Handbook for Campus
9 Sexual Assault Survivors, Friends and Family", published in 2018.

10 (g) Campus security policies and crime statistics pursuant to
11 the student right-to-know and campus security act, Public Law 101-
12 542, 104 Stat 2381. Information must include all material prepared
13 pursuant to the public information reporting requirements under the
14 crime awareness and campus security act of 1990, title II of the
15 student right-to-know and campus security act, Public Law 101-542,
16 104 Stat 2381.

17 Sec. 241b. (1) No later than October 15 each year, each public
18 university that receives an appropriation in section 236 shall
19 report its annual security report, also known as the Clery Act
20 Report, as required under 20 USC 1092(f). Each public university
21 shall include a title IX summary report that includes all of the
22 following information:

23 (a) The amounts and descriptions of all fees incurred in title
24 IX-related civil and criminal litigation.

25 (b) The number of title IX complaints.

26 (c) The average length of time for investigation and
27 resolution of title IX complaints.

28 (d) The aggregate number of title IX cases, investigations,
29 and complaints for each of the categories described in



1 subparagraphs (i) to (v), subject to subparagraph (vi), as follows:

2 (i) Cases investigated for less than 15 days.

3 (ii) Cases investigated for at least 15 days and less than 30
4 days.

5 (iii) Cases investigated for at least 30 days and less than 60
6 days.

7 (iv) Cases investigated for at least 60 days and less than 90
8 days.

9 (v) Cases investigated for 90 days or more.

10 (vi) If, for any category of cases under subparagraphs (i) to
11 (v), there is an aggregate of fewer than 5 cases investigated, the
12 public university shall not report the aggregate number of cases
13 and instead shall report that fewer than 5 cases were investigated.

14 (e) The number of title IX appeals and the resolutions of
15 those appeals.

16 (f) The number of title IX-related complaints filed by the
17 public university with law enforcement agencies.

18 (2) No later than October 15 each year, each public university
19 that receives an appropriation in section 236 shall certify all of
20 the following:

21 (a) The public university complies with federal regulations
22 under title IX, as required by the United States Department of
23 Education, including, but not limited to, the following:

24 (i) Use of medical experts that do not have an actual or
25 apparent conflict of interest.

26 (ii) Issuance of title IX reports to complainants and
27 respondents that are not divergent.

28 (iii) Notification of resources to each individual who reports
29 having experienced sexual assault by a public university member.



1 (iv) Consistent annual training for title IX staff and law
2 enforcement.

3 (b) The public university provides both of the following:

4 (i) An in-person sexual misconduct prevention presentation or
5 course for all freshman and incoming transfer students, which must
6 include contact information for the title IX office of the public
7 university. **For a student who does not have any in-person credit**
8 **hours on campus, the institution may provide the presentation or**
9 **course electronically.**

10 (ii) An online or electronic sexual misconduct prevention
11 presentation or course for all students not considered freshmen or
12 incoming transfer students.

13 (c) The public university had a third party review its title
14 IX compliance office and related policies and procedures by the end
15 of the 2018-2019 academic year. A copy of the third-party review
16 must be transmitted to the state budget director, the house and
17 senate appropriations subcommittees on higher education, and the
18 house and senate fiscal agencies. Each public university shall have
19 a third-party review once every 4 years and a copy of the third-
20 party review must be transmitted to the state budget director, the
21 house and senate appropriations subcommittees on higher education,
22 and the house and senate fiscal agencies.

23 (d) The public university requires that the governing board
24 and the president or chancellor of the public university receive
25 quarterly reports from their title IX coordinator or title IX
26 office. The report must contain aggregated data of the number of
27 sexual misconduct reports that the office received for the academic
28 year, the types of reports received, including reports received
29 against employees, and a summary of the general outcomes of the



1 reports and investigations. A member of the governing board may
 2 request to review a title IX investigation report involving a
 3 complaint against an employee, and the public university shall
 4 provide the report in a manner it considers appropriate. The public
 5 university shall protect the complainant's anonymity, and the
 6 report must not contain specific identifying information.

7 (e) If allegations against an employee are made in more than 1
 8 title IX complaint that resulted in the public university finding
 9 that no misconduct occurred, the public university requires that
 10 the title IX officer promptly notify the president or chancellor
 11 and a member of the public university's governing board in writing
 12 and take all appropriate steps to ensure that the matter is being
 13 investigated thoroughly, including hiring an outside investigator
 14 for future cases involving that employee. A third-party title IX
 15 investigation under this subdivision does not prohibit the public
 16 university from simultaneously conducting its own title IX
 17 investigation through its own title IX coordinator.

18 (f) The public university's president or chancellor and a
 19 member of its governing board has reviewed all title IX reports
 20 involving the alleged sexual misconduct of an employee of the
 21 public university.

22 **(g) The public university complies with the United States**
 23 **Department of Education's title IX rules concerning due process in**
 24 **sexual misconduct cases.**

25 (3) As used in this section, "sexual misconduct" includes, but
 26 is not limited to, intimate partner violence, nonconsensual sexual
 27 conduct, sexual assault, sexual exploitation, sexual harassment,
 28 and stalking.

29 Sec. 241c. (1) No later than the last business day of August



1 each year, each public university that receives an appropriation in
 2 section 236 shall submit the amount of tuition and fees actually
 3 charged to a full-time resident undergraduate student for academic
 4 year 2024-2025 as part of the public university's higher education
 5 institutional data inventory (HEIDI) data. A public university
 6 shall report any revisions for any semester of the reported
 7 academic year to HEIDI within 15 days of being adopted.

8 (2) Payments under section 236 for ~~operations increase and~~
 9 ~~under section 236d~~ **campus investment funds** must be made only to a
 10 public university that certifies to the state budget director by
 11 the last business day of August each year that its board did not
 12 adopt an increase in tuition and fee rates for resident
 13 undergraduate students after September 1, ~~2023~~ **2024** for the ~~2023-~~
 14 ~~2024-~~ **2024-2025** academic year and that its board will not adopt an
 15 increase in tuition and fee rates for resident undergraduate
 16 students for the ~~2024-2025~~ **2025-2026** academic year that is greater
 17 than ~~4.5%~~ **3.0%** or ~~\$703.00,~~ **\$489.00**, whichever is greater. ~~For the~~
 18 ~~academic year 2025-2026, the tuition and fee restraint rate for~~
 19 ~~resident undergraduate students is an increase of not greater than~~
 20 ~~4.5% or \$735.00, whichever is greater. It is the intent of the~~
 21 ~~legislature that in the next fiscal year, the tuition and fee~~
 22 ~~restraint rate will be adjusted only for the subsequent academic~~
 23 ~~year.~~ As used in this subsection:

24 (a) "Fee" means any board-authorized fee that will be paid by
 25 more than 1/2 of all resident undergraduate students at least once
 26 during their enrollment at a public university, as described in the
 27 higher education institutional data inventory (HEIDI) user manual.
 28 A public university increasing a fee that applies to a specific
 29 subset of students or courses shall provide sufficient information

1 to prove that the increase applied to that subset will not cause
2 the increase in the average amount of board-authorized total
3 tuition and fees paid by resident undergraduate students in the
4 ~~2024-2025~~**2025-2026** academic year to exceed the limit established
5 in this subsection.

6 (b) "Tuition and fee rate" means the average of full-time
7 rates paid by a majority of students in each undergraduate class,
8 based on an unweighted average of the rates authorized by the
9 public university board and actually charged to students, deducting
10 any uniformly rebated or refunded amounts, for the 2 semesters with
11 the highest levels of full-time equated resident undergraduate
12 enrollment during the academic year, as described in the higher
13 education institutional data inventory (HEIDI) user manual.

14 (3) Each public university must certify to the state budget
15 director by the last business day of August each year that it
16 complies with all of the following requirements:

17 (a) The public university participates in reverse transfer
18 agreements described in section 286 with at least 3 community
19 colleges in this state.

20 (b) The public university does not and will not apply any of
21 the following criteria when determining whether credits earned
22 outside the public university by a student count toward a degree or
23 certificate program offered by the public university:

24 (i) Whether the credits were earned in a dual enrollment
25 program that counted the credits toward high school graduation
26 requirements.

27 (ii) Whether the credits were earned in a course that was
28 delivered in a high school classroom, community college classroom
29 or campus, or another location.

1 (iii) Whether the credits were earned in a course that was
2 delivered online, in person, or hybrid.

3 (iv) Whether other students enrolled in the course in which the
4 credits were earned were enrolled in high school or counted the
5 course toward high school graduation requirements.

6 (c) The public university actively participates in and submits
7 timely updates to the Michigan Transfer Network created as part of
8 the Michigan Association of Collegiate Registrars and Admissions
9 Officers transfer agreement.

10 (d) **The public university publicly publishes transfer policies**
11 **and resources for students on the institution's website in an**
12 **easily accessible manner and in admissions materials.**

13 (e) **The public university provides publicly available**
14 **information on the Michigan Transfer Network, applicable transfer**
15 **pathways, and financial aid available to transfer students, at no**
16 **cost to the student.**

17 (4) The state budget director shall implement uniform
18 reporting requirements to ensure that a public university receiving
19 a payment under section 236 for ~~operations increase and under~~
20 ~~section 236d~~ **campus investment funds** has satisfied the tuition
21 restraint requirements of this section. The state budget director
22 has the sole authority to determine if a public university has met
23 the requirements of this section. Information reported by a public
24 university to the state budget director under this subsection must
25 also be reported to the house and senate appropriations
26 subcommittees on higher education and the house and senate fiscal
27 agencies.

28 **Sec. 241f. A public university that receives an appropriation**
29 **in section 236 shall not violate *Students for Fair Admissions, Inc.***



1 *v. President & Fellows of Harvard College*, 600 U.S. 181 (2023). The
 2 holding on the merits of the case by the federal district court in
 3 *Students for Fair Admissions, Inc. v. President & Fellows of*
 4 *Harvard College*, 397 F. Supp. 3d 126 (D. Mass. 2019), is the sole
 5 determining factor as to whether or not this section is violated. A
 6 public university that violates this section forfeits 25% of its
 7 capital investment funds under section 236. Funds forfeited under
 8 this section must be redistributed as follows:

9 (a) 10% to the auditor general for the sole purpose of
 10 investigating further allegations of similar or identical
 11 violations of this section.

12 (b) 25% to the other public universities that receive an
 13 appropriation in section 236.

14 (c) 65% to the state school aid fund.

15 Sec. 241g. (1) It is the intent of the legislature to ensure
 16 that all residents of this state are treated equally regardless of
 17 their immutable characteristics. Diversity, equity, and inclusion
 18 initiatives violate this principle. Therefore, money appropriated
 19 to public universities under this article must not be spent to
 20 promote diversity, equity, or inclusion. As money is fungible, the
 21 source of an expenditure on diversity, equity, or inclusion is
 22 irrelevant for the purposes of this section. A sum of money spent
 23 on diversity, equity, or inclusion by a public university results
 24 in a forfeiture of an equal sum from funds appropriated to that
 25 public university, not to exceed the total amount appropriated to
 26 that public university under this article. The auditor general is
 27 authorized to investigate allegations of violations of this
 28 section. Funds forfeited under this section must be redistributed
 29 as follows:

1 (a) 10% to the auditor general for the sole purpose of
2 investigating further allegations of similar or identical
3 violations of this section.

4 (b) 25% to the other public universities that receive an
5 appropriation in section 236.

6 (c) 65% to the state school aid fund.

7 (2) The state budget director shall make the determination if
8 a public university violates this section.

9 Sec. 241h. It is the intent of the legislature that taxpayer
10 funds appropriated under this article are to be used to educate
11 public university students and continue maintenance of public
12 university buildings and other assets. The goal of the legislature
13 is that taxpayer funds not be used excessively for administration
14 staff who do not teach or protect public assets. Therefore, a
15 public university that receives an appropriation under this act
16 shall not spend more than 10% of its total salaries to staff who do
17 not educate students for credit hours or provide maintenance
18 functions, such as cleaning the buildings, fixing the buildings,
19 tending landscaping, or maintaining the peace as law enforcement
20 officers authorized in accordance with the Michigan commission on
21 law enforcement standards act, 1965 PA 203, MCL 28.601 to 28.615.
22 As money is fungible, the source of an expenditure on staff
23 salaries is irrelevant for the purposes of this section. A sum of
24 money spent in excess of the 10% cap described in this section by a
25 public university results in a forfeiture of an amount equal to 50%
26 of that sum from funds appropriated to that public university, not
27 to exceed the total amount appropriated to that public university
28 under this article. The auditor general may investigate allegations
29 of violations of this section. Funds forfeited under this section



1 must revert, to the extent permitted by law, to the general fund or
2 the state school aid fund.

3 Sec. 241i. (1) The board of a public university that
4 participates in intercollegiate athletic activities shall designate
5 intercollegiate athletic teams and sports based on the sex of the
6 participants, with separate teams for participants of the female
7 sex within female sports divisions, separate teams for participants
8 of the male sex within male sports divisions, and, if applicable,
9 co-ed teams for participants of the female and male sexes within
10 co-ed sports divisions. A public university shall not knowingly
11 allow individuals of the male sex to participate on athletic teams
12 or in athletic competitions designated for only participants of the
13 female sex. This section must not be construed to restrict the
14 eligibility of any student to participate on any intercollegiate
15 athletic teams or in intercollegiate athletic activities that are
16 designated as male or co-ed. As used in this section:

17 (a) "Female" means an individual of the sex characterized by a
18 reproductive system with the biological function of producing eggs
19 (ova).

20 (b) "Male" means an individual of the sex characterized by a
21 reproductive system with the biological function of producing
22 sperm.

23 (c) "Sex" means an individual's immutable biological
24 classification as male or female.

25 (2) If the state budget director finds that a public
26 university has not complied with this section, the state budget
27 director is authorized to withhold 5% of the monthly installments
28 for campus investment funds provided to that public university
29 under section 241 until the state budget director finds that the



1 public university has complied with this section.

2 Sec. 241j. Each public university that receives an
3 appropriation in section 236 shall post a list of all employees who
4 work remotely, including the employee's title and salary and
5 classification as described in section 241a(4), to the
6 institution's website.

7 Sec. 241k. (1) Each public university that receives an
8 appropriation in section 236 shall publish to the institution's
9 website the average starting salary and the average amount of
10 student loan debt for new graduates, broken down by major or
11 classification of instructional program code, for the most recent
12 academic year.

13 (2) If the state budget director finds that a public
14 university has not complied with this section, the state budget
15 director is authorized to withhold 5% of the monthly installments
16 for campus investment funds provided to that public university
17 under section 241 until the state budget director finds that the
18 public university has complied with this section.

19 Sec. 241l. (1) A public university that receives an
20 appropriation in section 236 shall not have any common area spaces
21 that are restricted by sex or race, except for bathrooms, locker
22 rooms, single-gender on-campus housing, or other similar
23 traditionally sex-segregated facilities. Institutions must not have
24 any public ceremonies or gatherings that are restricted by sex or
25 race.

26 (2) If the state budget director finds that a public
27 university has not complied with this section, the state budget
28 director is authorized to withhold 5% of the monthly installments
29 for campus investment funds provided to that public university

1 **under section 241 until the state budget director finds that the**
2 **public university has complied with this section.**

3 Sec. 244. By October 15 of each year, a public university
4 receiving funds in section 236 shall provide its longitudinal data
5 system data set for the preceding academic year to the center for
6 inclusion in the statewide P-20 longitudinal data system described
7 in section 94a. If the state budget director finds that a
8 university has not complied with this section, the state budget
9 director is authorized to withhold the monthly installments **for**
10 **campus investment funds** provided to that university under section
11 241 until the state budget director finds that the university has
12 complied with this section.

13 Sec. 247. ~~(1)~~—The funds appropriated in section 236 for
14 Michigan reconnect must be distributed and administered by the
15 department of lifelong education, advancement, and potential
16 pursuant to the Michigan reconnect grant act, 2020 PA 84, MCL
17 390.1701 to 390.1709, the Michigan reconnect grant recipient act,
18 2020 PA 68, MCL 390.1711 to 390.1723, and the department's
19 administrative procedures for Michigan reconnect.

20 ~~(2) For fiscal year 2024-2025 only, after administering~~
21 ~~Michigan reconnect pursuant to subsection (1), the department may~~
22 ~~use any remaining funds appropriated in section 236 for Michigan~~
23 ~~reconnect for outreach, enrollment support, administration of the~~
24 ~~program, and grants to institutions of higher education or~~
25 ~~nonprofit organizations to provide support to reconnect eligible~~
26 ~~students to increase degree or credential completion.~~

27 Sec. 248. (1) The funds appropriated in section 236 for
28 Michigan achievement scholarships must be distributed as provided
29 in this section and section 248a, pursuant to the administrative

1 procedures for Michigan achievement scholarships of the department.

2 (2) As used in this section:

3 (a) "Cost of attendance" means expenses for a student's
 4 tuition, mandatory fees, and contact hours for the student's actual
 5 program of study; books, supplies, and equipment required for
 6 courses of instruction; housing and food costs; transportation
 7 expenses; federal student loan fees; miscellaneous expenses,
 8 including a reasonable amount for the documented cost of a personal
 9 computer, allowance for child care, or allowance for other
 10 dependent care; costs related to a disability; costs of obtaining a
 11 license, certification, or first professional credential; and
 12 reasonable costs for study abroad programs.

13 (b) "Department" means the department of lifelong education,
 14 advancement, and potential.

15 (c) "Eligible institution" means a public university that
 16 receives an appropriation in section 236, a community college that
 17 receives an appropriation in section 201, a federally recognized
 18 tribal college in this state, or an independent nonprofit college
 19 or university in this state as described in section 1 of 1966 PA
 20 313, MCL 390.991.

21 (d) **"Full-time undergraduate student" means a student who is**
 22 **enrolled for at least 15 credit hours an academic semester or at**
 23 **least 30 credit hours an academic year.**

24 (e) ~~(d)~~—"Gift aid" includes federal Pell grants under 20 USC
 25 1070a, tuition incentive program benefits under section 256, ~~state~~
 26 ~~tuition grants under section 252,~~ awards received for minimum
 27 payments awarded in subsection (4), ~~higher education~~ **tuition and**
 28 **fee** expenses paid under the Michigan promise zone authority act,
 29 2008 PA 549, MCL 390.1661 to 390.1679, and all other federal,



1 state, local, or institutional aid in the form of grants,
 2 scholarships, or discounts applied toward tuition and mandatory
 3 fees. Gift aid does not include student loans, work-study awards,
 4 qualified withdrawals made from education savings accounts to pay
 5 higher education expenses pursuant to the Michigan education
 6 savings program act, 2000 PA 161, MCL 390.1471 to 390.1486, **housing**
 7 **and other expenses, other than tuition and fee expenses, paid under**
 8 **the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661**
 9 **to 390.1679**, or higher education expenses paid under the Michigan
 10 education trust program pursuant to the Michigan education trust
 11 act, 1986 PA 316, MCL 390.1421 to 390.1442.

12 (f) ~~(e)~~—"High school equivalency certificate" means that term
 13 as defined in section 4.

14 (g) ~~(f)~~—"Last-dollar payment amount" means 1 of the following:

15 (i) For a student attending a community college or federally
 16 recognized tribal college, an amount equal to the student's
 17 tuition, mandatory fees, and contact hours for the student's actual
 18 program of study, minus all gift aid received by the student.

19 (ii) For a student attending a public university or an
 20 independent nonprofit college or university, or for a student
 21 enrolled in a baccalaureate degree program described in section 121
 22 of the community college act of 1966, 1966 PA 331, MCL 389.121, an
 23 amount equal to the student's individual cost of attendance, minus
 24 all gift aid received by the student.

25 (h) ~~(g)~~—"Minimum payment" means a payment for any eligible
 26 cost within the student's individual cost of attendance. The
 27 minimum payment must be awarded as a separate payment not included
 28 in the student's need-based financial aid. The minimum payment must
 29 not be reduced.

1 ~~(h) "SAI eligible student" means a student who has completed~~
 2 ~~the Free Application for Federal Student Aid and meets at least 1~~
 3 ~~of the following:~~

4 ~~(i) For awards made during academic year 2023-2024, has an~~
 5 ~~expected family contribution of \$25,000.00 or less. An individual~~
 6 ~~is considered to have met the requirements of subsection (4) if the~~
 7 ~~individual received the Michigan achievement scholarship in~~
 8 ~~academic year 2023-2024, was determined to have an expected family~~
 9 ~~contribution of \$25,000.00 or less in academic year 2023-2024, and~~
 10 ~~has completed the Free Application for Federal Student Aid for the~~
 11 ~~subsequent award cycles.~~

12 ~~(ii) For awards made during academic year 2024-2025 or a~~
 13 ~~subsequent academic year, has completed the Free Application for~~
 14 ~~Federal Student Aid and has a student aid index number of 1 of the~~
 15 ~~following, as applicable:~~

16 ~~(A) For a student indicating on the student's Free Application~~
 17 ~~for Federal Student Aid that the student is the only member of the~~
 18 ~~student's household or the student's parents' household attending a~~
 19 ~~postsecondary institution during that academic year, \$30,000.00 or~~
 20 ~~less.~~

21 ~~(B) For a student indicating on the student's Free Application~~
 22 ~~for Federal Student Aid that the student is not the only member of~~
 23 ~~the student's household or the student's parents' household~~
 24 ~~attending a postsecondary institution during that academic year,~~
 25 ~~the greater of the number described in sub-subparagraph (A) or~~
 26 ~~guidance determined by the department. For the purposes of this~~
 27 ~~sub-subparagraph, the department, in collaboration with the state~~
 28 ~~budget office and the house and senate fiscal agencies, may~~
 29 ~~calculate a student aid index number or may issue administrative~~

1 ~~guidance for the student aid index eligibility of students with~~
 2 ~~more than 1 member of the student's household or the student's~~
 3 ~~parents' household attending a postsecondary institution during~~
 4 ~~that academic year. It is intended that the utilization of a~~
 5 ~~student aid index instead of expected family contribution does not~~
 6 ~~adversely impact the eligibility of students with multiple members~~
 7 ~~of the student's household or student's parents' household~~
 8 ~~attending postsecondary institutions. It is further intended that~~
 9 ~~the legislature and executive branch work collaboratively to use~~
 10 ~~Michigan achievement scholarship uptake and other relevant data to~~
 11 ~~establish a more permanent measure of financial need for the~~
 12 ~~Michigan achievement scholarship for subsequent academic years.~~

13 (3) An individual must meet all of the following criteria each
 14 year to be eligible for a Michigan achievement scholarship awarded
 15 under this section:

16 (a) Maintain residency in this state, as determined for
 17 purposes of the Free Application for Federal Student Aid.

18 (b) Have graduated from high school in this state with a
 19 diploma or certificate of completion or achieved a high school
 20 equivalency certificate, ~~in 2023 or after.~~ **or maintained residency**
 21 **in this state while attending an out-of-state high school and**
 22 **graduated with a diploma or certificate of completion or achieved a**
 23 **high school equivalency certificate.**

24 (c) Be a full-time undergraduate student at an eligible
 25 institution, ~~as defined by that eligible institution, and be a~~
 26 ~~first-time enrollee in an eligible institution during the 2023-2024~~
 27 ~~academic year, or a subsequent academic year, within 15 months~~
 28 ~~after high school graduation or attainment of a high school~~
 29 ~~equivalency certificate or have received a Michigan achievement~~



1 scholarship in a previous academic year. For the purposes of this
 2 subdivision, participation in a dual enrollment, early college, or
 3 other similar program while attending high school does not
 4 disqualify a student from being considered a first-time enrollee.

5 (d) Maintain satisfactory academic progress, as defined by the
 6 eligible institution in which the student is enrolled.

7 (e) Not be in default on a federal student loan.

8 (f) Apply for all available gift aid for each academic year in
 9 which the individual applies for a Michigan achievement
 10 scholarship.

11 ~~(g) For a student who is enrolled at an eligible institution~~
 12 ~~that is a public university or an independent nonprofit college or~~
 13 ~~university, or who is enrolled in a baccalaureate degree program~~
 14 ~~described in section 121 of the community college act of 1966, 1966~~
 15 ~~PA 331, MCL 389.121, at an eligible institution, be an SAI eligible~~
 16 ~~student.~~ **Not have previously earned a baccalaureate degree.**

17 (4) The amount awarded to an eligible student at an eligible
 18 institution must equal 1 of the following, as applicable:

19 (a) The amount awarded to an eligible student who is enrolled
 20 at an eligible institution that is a community college or federally
 21 recognized tribal college where the student is eligible for that
 22 institution's in-district **or out-of-district** tuition rate must be
 23 equal to the sum of the last-dollar payment amount **or \$2,750.00,**
 24 **whichever is less.** ~~The amount awarded to an eligible student who is~~
 25 ~~eligible for a federal Pell grant under 20 USC 1070a must include~~
 26 ~~an additional amount of \$1,000.00.~~ **It is the intent of the**
 27 **legislature that the Michigan achievement scholarship offset**
 28 **institutional charges and reduce reliance on student debt. Any**
 29 **student loan must be awarded after the Michigan achievement**



1 **scholarship is applied.**

2 ~~(b) The amount awarded to an eligible student who is enrolled~~
 3 ~~at an eligible institution that is a community college or federally~~
 4 ~~recognized tribal college where the student is not eligible for~~
 5 ~~that institution's in-district tuition rate must be the lesser of~~
 6 ~~the last-dollar payment amount, or the in-district tuition rate.~~
 7 ~~The amount awarded to an eligible student who is eligible for a~~
 8 ~~federal Pell grant under 20 USC 1070a must include an additional~~
 9 ~~amount of \$1,000.00.~~

10 **(b)** ~~(e)~~ The amount awarded to an eligible student who is
 11 enrolled at an eligible institution that is a public university or
 12 is enrolled in a baccalaureate degree program described in section
 13 121 of the community college act of 1966, 1966 PA 331, MCL 389.121,
 14 at an eligible institution must equal the sum of following:

15 (i) A minimum payment of \$2,500.00.

16 (ii) The lesser of \$3,000.00 or the student's last-dollar
 17 payment amount. **It is the intent of the legislature that the**
 18 **Michigan achievement scholarship offset institutional charges and**
 19 **reduce reliance on student debt. Any student loan must be awarded**
 20 **after the Michigan achievement scholarship is applied.**

21 **(c)** ~~(d)~~ The amount awarded to an eligible student at an
 22 eligible institution that is an independent nonprofit college or
 23 university must equal the sum of the following:

24 (i) A minimum payment of \$2,500.00.

25 (ii) The lesser of \$3,000.00 or the student's last-dollar
 26 payment amount. **It is the intent of the legislature that the**
 27 **Michigan achievement scholarship offset institutional charges and**
 28 **reduce reliance on student debt. Any student loan must be awarded**
 29 **after the Michigan achievement scholarship is applied.**



1 (d) ~~(e)~~ Money awarded under this subsection for a Michigan
2 achievement scholarship must be paid to the eligible institution
3 for credit to the student's account.

4 (5) Subject to section 248a(3)(f)(i), an eligible student may
5 receive a Michigan achievement scholarship award under this section
6 or section 248a for a maximum of ~~5-4~~ academic years, not more than
7 ~~3-2~~ of which may be for attending eligible institutions that are
8 community colleges or federally recognized tribal colleges unless
9 the student is enrolled in a baccalaureate degree program described
10 in section 121 of the community college act of 1966, 1966 PA 331,
11 MCL 389.121. A student may not receive an award under this section
12 and section 248a(3)(f)(i) during the same academic year.

13 (6) The department shall work closely with participating
14 institutions to provide the highest level of participation and
15 ensure that all requirements of the program are met.

16 (7) From the funds appropriated in section ~~236(7)~~ **236(6)** for
17 the Michigan achievement scholarships, the department may not use
18 more than ~~\$10,000,000.00~~ **\$3,000,000.00** for the purposes of outreach
19 programs to raise awareness of the Michigan achievement scholarship
20 described in this section and section 248a and shall ensure that
21 Michigan achievement scholarships are well publicized and that high
22 school students are provided information on the program. The
23 department may receive and expend funds received from outside
24 sources for scholarships, marketing, or other purposes related to
25 the Michigan achievement scholarship. The department shall provide
26 the necessary funding and staff to fully operate the program.

27 ~~(8) The department shall convene a workgroup to consider and~~
28 ~~advise the department on implementing policies for administering~~
29 ~~the Michigan achievement scholarship. The workgroup shall include~~

1 ~~participation from the Michigan Association of State Universities~~
 2 ~~and its institutional members, the Michigan College Access Network,~~
 3 ~~the Michigan Community College Association and its institutional~~
 4 ~~members, the Michigan Independent Colleges and Universities and its~~
 5 ~~institutional members, and any other interested stakeholders and~~
 6 ~~offices as determined by the department. The workgroup shall make~~
 7 ~~recommendations on packaging order, packaging structure,~~
 8 ~~definitions of terms not otherwise defined in statute, and other~~
 9 ~~administrative regulatory requirements as necessary to implement~~
 10 ~~the Michigan achievement scholarship.~~

11 **(8)** ~~(9)~~—The following reporting obligations apply to the
 12 Michigan achievement scholarship program:

13 (a) By February 15 of each year, the department shall provide
 14 a written report, organized by eligible institution, to the house
 15 and senate appropriations subcommittees on higher education, the
 16 house and senate fiscal agencies, and the state budget director
 17 that includes the following information for the previous academic
 18 year:

19 (i) The number of students who qualified for a Michigan
 20 achievement scholarship.

21 (ii) The number of students who received a Michigan achievement
 22 scholarship.

23 (iii) The average number of credits earned by students who
 24 received a Michigan achievement scholarship.

25 (iv) The number of Michigan achievement scholarships that were
 26 canceled due to failure to maintain satisfactory academic progress
 27 as described in subsection (3) (d).

28 (v) The number of Michigan achievement scholarships that were
 29 canceled due to a student ceasing attendance at an eligible

1 institution. The number must not include any known transfers to
2 another eligible institution.

3 (vi) The number of Michigan achievement scholarships that were
4 canceled due to a student's failure to maintain full-time status.

5 (vii) The average Michigan achievement scholarship award per
6 student, delineated by sector, including community colleges, tribal
7 colleges, public universities, independent colleges and
8 universities, and training institutions. As used in this
9 subparagraph, "training institutions" means training institutions
10 accepted to participate in the Michigan achievement scholarship
11 program under section 248a.

12 (b) Each eligible institution whose students receive awards
13 under this section shall cooperate with the department in a timely
14 manner to facilitate the creation of the report under subdivision
15 (a).

16 (9) ~~(10)~~ By April 1 of each year, each eligible institution
17 shall submit a report to the department, the state budget office,
18 and the house and senate fiscal agencies providing information as
19 to the average amount of institutional grant aid awarded to full-
20 time first-time undergraduate students for the immediately
21 preceding 2 institution fiscal years. If the average amount of
22 institutional grant aid awarded to full-time first-time
23 undergraduate students in fiscal year ~~2023-2024~~ **2024-2025** is less
24 than the average amount of institutional grant aid awarded to full-
25 time first-time undergraduate students in fiscal year ~~2022-2023,~~
26 **2023-2024**, the institution must include in the report a description
27 of any changes to the institutional financial aid during the 2
28 immediately preceding fiscal years. An institution's report of the
29 average amount of institutional grant aid awarded to full-time



1 first-time undergraduate students pursuant to this subsection must
2 be consistent with data most recently reported to the Integrated
3 Postsecondary Education Data System.

4 **(10)** ~~(11)~~—For each fiscal year, an eligible institution must
5 maintain and report its compliance with the following tuition
6 restraint requirements, as applicable:

7 (a) For an eligible institution that is a community college,
8 the tuition restraint described in section 217b.

9 (b) For an eligible institution that is a public university or
10 independent nonprofit college or university, the tuition restraint
11 described in section 241c.

12 **(11)** ~~(12)~~—The state budget director shall implement reporting
13 requirements to ensure that an eligible institution has satisfied
14 the tuition restraint requirements of this section. The state
15 budget director has the sole authority to determine if an eligible
16 institution has met the requirements of this section.

17 **(12)** ~~(13)~~—If an eligible institution exceeds the applicable
18 tuition restraint level for 2 consecutive years, the state budget
19 director may consider the institution ineligible for funding under
20 this section in the subsequent academic year.

21 **(13)** ~~(14)~~—If an institution is considered ineligible for
22 funding under this section, the state budget director must
23 reevaluate the status of the ineligible institution after 1
24 academic year.

25 **(14)** ~~(15)~~—It is the intent of the legislature that an eligible
26 institution will not make reductive changes to scholarship or
27 financial aid programs offered by that eligible institution that
28 have the goal or net effect of shifting the cost burden of those
29 programs to the program described in this section.

1 Sec. 248a. (1) The funds appropriated in section 236 for
2 Michigan achievement scholarships must be distributed as provided
3 in this section and section 248, pursuant to the administrative
4 procedures for Michigan achievement scholarship private training
5 program of the department.

6 (2) As used in this section:

7 (a) "Department" means the department of lifelong education,
8 advancement, and potential.

9 (b) "High school equivalency certificate" means that term as
10 defined in section 4.

11 (c) "Qualified occupational training program" means that term
12 as defined in section 13 of the Michigan reconnect grant recipient
13 act, 2020 PA 68, MCL 390.1713, or a program that provides not less
14 than 150 clock hours of instructional time over a period of not
15 less than 8 weeks in career-oriented skilled trades instruction in
16 maritime trades, at an independent nonprofit institution
17 incorporated in this state that is nationally accredited and
18 approved for federal financial aid.

19 (3) The department shall do all of the following:

20 (a) Develop and implement a process by which those seeking to
21 participate in the Michigan achievement scholarship private
22 training program as training institutions offering qualified
23 occupational training programs must apply to the department.

24 (b) Approve as a qualified occupational training program a
25 program for which an application is submitted under subdivision (a)
26 that meets all of the criteria to qualify as a qualified
27 occupational training program, and post these criteria to the
28 department's website.

29 (c) Ensure that an applicant under subdivision (a) is first



1 included on this state's eligible training provider list before
2 each of the applicant's programs receives separate approval from
3 the department as being a qualified occupational training program.

4 (d) Require that training institutions accepted to participate
5 in the Michigan achievement scholarship private training program
6 comply with data requests from the department as a condition of
7 continued participation. For purposes of this subdivision, the
8 department shall require institutions operating apprenticeship
9 programs subject to this section to provide data that tracks
10 relevant work experience required to verify a student's status as
11 an apprentice.

12 (e) Maintain on its website a list of all qualified
13 occupational training program options available to potential skills
14 scholarship recipients.

15 (f) Award skills scholarships, subject to all of the
16 following:

17 (i) A skills scholarship is a grant not to exceed ~~\$2,000.00~~
18 **\$5,500.00** per year to contribute to tuition costs for a qualified
19 occupational training program at a training institution, both of
20 which are approved under this section, for a training program
21 participant who meets the requirements of subparagraph (ii). A
22 skills scholarship must not exceed the full amount of the tuition
23 charged for the training program. A program participant may receive
24 a skills scholarship under this section for a maximum of 2 academic
25 years.

26 (ii) To receive the skills scholarship described in
27 subparagraph (i), a qualified occupational training program
28 participant must meet all of the following:

29 (A) Be a resident of this state for at least the immediately

1 preceding year.

2 (B) Have graduated from a high school in this state with a
3 diploma or certificate of completion or achieved a high school
4 equivalency certificate. ~~in 2023 or after.~~

5 (C) Not have previously earned an associate or baccalaureate
6 degree.

7 (D) Not have previously earned a degree, certificate, or other
8 credential using a skills scholarship awarded under this section.

9 (E) Timely complete a Michigan achievement scholarship private
10 training program skills scholarship application in a form and
11 manner determined by the department.

12 (iii) The department may award skills scholarships under this
13 section only until money appropriated to the Michigan achievement
14 scholarship private training program has been fully committed.

15 (g) Inform each recipient of a skills scholarship that the
16 recipient will remain eligible for the Michigan achievement
17 scholarship under section 248 for a maximum of ~~5~~4 years, less any
18 years of eligibility used for a skills scholarship awarded under
19 this section, to pursue an associate degree, baccalaureate degree,
20 or occupational certificate upon completion of a certification
21 course of study in a qualified occupational training program.

22 ~~(4) Except as otherwise provided in subsection (5), the~~
23 ~~department shall promulgate rules to implement subsection (3) (a),~~
24 ~~(b), and (d) only, pursuant to the administrative procedures act of~~
25 ~~1969, 1969 PA 306, MCL 24.201 to 24.328, subject to all of the~~
26 ~~following:~~

27 ~~(a) Under subsection (3) (a), the department is limited to~~
28 ~~developing the form for the application described in subsection~~
29 ~~(3) (a) and prescribing the time and manner of its completion.~~



1 ~~(b) Under subsection (3) (b), the department is limited to~~
 2 ~~applying the eligibility criteria described in subsection (3) (b)~~
 3 ~~and shall not apply any other eligibility criteria.~~

4 ~~(c) Under subsection (3) (d), the department is limited to~~
 5 ~~requiring compliance with data requests as described in subsection~~
 6 ~~(3) (d).~~

7 **(4)** ~~(5)~~—To facilitate implementation of the Michigan
 8 achievement scholarship private training program prior to final
 9 rules being adopted, the department may develop and administer the
 10 program in accordance with its proposed rules or other policy or
 11 directive of the department established pursuant to this section.

12 **(5)** ~~(6)~~—It is the intent of the legislature that a training
 13 institution will not make changes to scholarship or financial aid
 14 programs offered by that training institution that have the goal or
 15 net effect of shifting the cost burden of those programs to the
 16 program described in this section.

17 Sec. 254. The sums appropriated in section 236 for the ~~state~~
 18 ~~competitive scholarship, tuition incentive, tuition grant, Michigan~~
 19 ~~reconnect, and Michigan achievement scholarship programs must be~~
 20 ~~paid out of the state treasury and must be distributed to the~~
 21 ~~respective institutions under a quarterly payment system as~~
 22 follows:

23 ~~(a) For the state competitive scholarship and tuition grant~~
 24 ~~programs, 50% must be paid at the beginning of the state's first~~
 25 ~~fiscal quarter, 30% during the state's second fiscal quarter, 10%~~
 26 ~~during the state's third fiscal quarter, and 10% during the state's~~
 27 ~~fourth fiscal quarter.~~

28 **(a)** ~~(b) For the tuition incentive program, Michigan reconnect,~~
 29 ~~and Michigan achievement scholarship, 65% must be paid at the~~



1 beginning of the state's first fiscal quarter. ~~and~~

2 (b) 35% **must be paid** during the state's second fiscal quarter.

3 Sec. 256. (1) The funds appropriated in section 236 for the
4 tuition incentive program must be distributed as provided in this
5 section and pursuant to the administrative procedures for the
6 tuition incentive program of the department of lifelong education,
7 advancement, and potential.

8 (2) As used in this section:

9 (a) "Phase I" means the first part of the tuition incentive
10 program defined as the academic period of 80 semester or 120 term
11 credits, or less, leading to an associate degree or certificate.
12 Students must be enrolled in a certificate or associate degree
13 program and taking classes within the program of study for a
14 certificate or associate degree. Tuition will not be covered for
15 courses outside of a certificate or associate degree program.

16 (b) "Phase II" means the second part of the tuition incentive
17 program that provides assistance in the third and fourth year of 4-
18 year degree programs.

19 (c) "Department" means the department of lifelong education,
20 advancement, and potential.

21 (d) "High school equivalency certificate" means that term as
22 defined in section 4.

23 (3) An individual must meet the following basic criteria and
24 financial thresholds to be eligible for tuition incentive program
25 benefits:

26 (a) To be eligible for phase I, an individual must meet all of
27 the following criteria:

28 (i) Be less than 20 years of age at the time the individual
29 graduates from high school with a diploma or certificate of



1 completion or achieves a high school equivalency certificate or,
2 for students attending a 5-year middle college approved by the
3 Michigan department of education, be less than 21 years of age when
4 the individual graduates from high school.

5 (ii) Be a United States citizen and maintain residency in this
6 state, as determined for purposes of the Free Application for
7 Federal Student Aid.

8 (iii) Be at least a half-time student, earning less than 80
9 semester or 120 term credits at a participating educational
10 institution within 4 years of high school graduation or achievement
11 of a high school equivalency certificate. All program eligibility
12 expires 10 years after initial enrollment at a participating
13 educational institution.

14 (iv) Meet the satisfactory academic progress policy of the
15 educational institution attended by the individual.

16 (b) To be eligible for phase II, an individual must meet
17 either of the following criteria in addition to the criteria in
18 subdivision (a):

19 (i) Complete at least 56 transferable semester or 84
20 transferable term credits.

21 (ii) Obtain an associate degree or certificate at a
22 participating institution.

23 (c) To be eligible for phase I or phase II, an individual must
24 be financially eligible as determined by the department. An
25 individual is financially eligible for the tuition incentive
26 program if the individual was eligible for Medicaid from this state
27 for 24 months within any 36 months prior to completion of high
28 school or achievement of a high school equivalency certificate. The
29 department shall accept certification of Medicaid eligibility only

1 from the department of health and human services for the purposes
2 of verifying if a person is Medicaid eligible for 24 months within
3 any 36 months prior to completion of high school or achievement of
4 a high school equivalency certificate. Certification of eligibility
5 may begin in the sixth grade.

6 (4) For phase I, the department shall provide payment on
7 behalf of a person eligible under subsection (3). The department
8 shall only accept standard per-credit hour tuition billings and
9 shall reject billings that are excessive or outside the guidelines
10 for the type of educational institution.

11 (5) For phase I, all of the following apply:

12 (a) Payments for associate degree or certificate programs must
13 not be made for more than 80 semester or 120 term credits for any
14 individual student at any participating institution. The department
15 shall not do either of the following:

16 (i) Adopt or apply any total semester-credit or term-credit
17 maximum that is less than the 80 semester-credit or 120 term-credit
18 maximum provided in this subdivision.

19 (ii) Adopt or apply any per-semester or per-term credit maximum
20 for a student whose semester-credit or term-credit load will not
21 result in exceeding the total 80 semester-credit or 120 term-credit
22 maximum provided in this subdivision.

23 (b) For persons enrolled at a Michigan community college, the
24 department shall pay the current in-district tuition and mandatory
25 fees. For persons residing in an area that is not included in any
26 community college district, the out-of-district tuition rate may be
27 authorized.

28 (c) For persons enrolled at a Michigan public university, the
29 department shall pay lower division resident tuition and mandatory

1 fees for the current year.

2 (d) For persons enrolled at a Michigan independent, nonprofit
3 degree-granting college or university ~~, or a Michigan federal~~
4 ~~tribally controlled community college, or Focus: HOPE,~~ the
5 department shall pay mandatory fees for the current year and a per-
6 credit payment that does not exceed the average community college
7 in-district per-credit tuition rate as reported by the last
8 business day of August for the immediately preceding academic year.

9 (6) A person participating in phase II may be eligible for
10 additional funds not to exceed \$500.00 per semester or \$400.00 per
11 term up to a maximum of \$2,000.00 subject to the following
12 conditions:

13 (a) Credits are earned in a 4-year program at a Michigan
14 degree-granting 4-year college or university.

15 (b) The tuition reimbursement is for coursework completed
16 within 30 months of completion of the phase I requirements.

17 (7) The department shall work closely with participating
18 institutions to provide the highest level of participation and
19 ensure that all requirements of the program are met.

20 (8) The department shall notify students **in an age-appropriate**
21 **manner** of their financial eligibility for the program any time
22 after the student begins ~~sixth~~ **ninth** grade.

23 (9) Except as otherwise provided in sections 13(c) and 17 of
24 the Michigan reconnect grant recipient act, 2020 PA 68, MCL
25 390.1713 and 390.1717, each institution shall ensure that all known
26 available restricted grants for tuition and fees are used before
27 billing the tuition incentive program for any portion of a
28 student's tuition and fees.

29 (10) The department shall ensure that the tuition incentive



1 program is well publicized and that eligible Medicaid clients are
2 provided information on the program. The department shall provide
3 the necessary funding and staff to fully operate the program.

4 (11) The department shall collaborate with the center to use
5 the P-20 longitudinal data system to report the following
6 information for each qualified postsecondary institution:

7 (a) The number of phase I students in the most recently
8 completed academic year who in any academic year received a tuition
9 incentive program award and who successfully completed a degree or
10 certificate program. Cohort graduation rates for phase I students
11 must be calculated using the established success rate methodology
12 developed by the center in collaboration with the postsecondary
13 institutions.

14 (b) The number of students in the most recently completed
15 academic year who in any academic year received a Pell grant at the
16 reporting institution and who successfully completed a degree or
17 certificate program. Cohort graduation rates for students who
18 received Pell grants must be calculated using the established
19 success rate methodology developed by the center in collaboration
20 with the postsecondary institutions.

21 (12) If a qualified postsecondary institution does not report
22 the data necessary to complete the reporting in subsection (11) to
23 the P-20 longitudinal data system by October 15 for the prior
24 academic year, the department shall not award phase I tuition
25 incentive program funding to otherwise eligible students enrolled
26 in that institution until the data are submitted.

27 Sec. 257. To enable the legislature and the state budget
28 director to evaluate the appropriation needs of higher education,
29 each independent college and university shall make available to the



1 legislature, or state budget director, upon request, data regarding
2 grants for the preceding, current, and future fiscal years.

3 Sec. 259. The department of lifelong education, advancement,
4 and potential shall continue ~~an aggressive~~**a** campaign to inform
5 high school students about the financial aid programs offered by
6 this state and the eligibility requirements for participation in
7 those financial aid programs, including free or reduced tuition
8 programs provided by community colleges and universities in this
9 state.

10 Sec. 260. (1) The department of lifelong education,
11 advancement, and potential shall work with student and
12 postsecondary education groups, including the Michigan College
13 Access Network, the Michigan Association of School Counselors, the
14 Michigan Association of State Universities, the Michigan Community
15 College Association, and the Michigan Independent Colleges and
16 Universities, to provide and update an online informational
17 resource for students in grades 9 through 12 and prospective and
18 current students and families. The online informational resource
19 must be a website or a portion of an existing website titled
20 "Paying for College in Michigan" and designed and maintained by the
21 department of lifelong education, advancement, and potential that,
22 to the extent practicable, contains information, including, but not
23 limited to, all of the following:

24 (a) A list of public and private community support centers,
25 student debt clinics, and other organizations and their contact
26 information submitted by Michigan College Access Network that
27 provides free information and services for student loan borrowers
28 to help educate them about repayment options and to help them
29 access student loan programs or benefits for which they may be



1 eligible.

2 (b) Links to state and federal financial aid programs,
3 including FAFSA and College Scorecard.

4 (c) Links to each promise zone website and the financial aid
5 website to each community college, public university, and
6 independent college and university in this state.

7 (d) Benefits of federal student loans that may no longer be
8 available if a borrower refinances a loan.

9 (e) Direct links to net price calculators for each community
10 college receiving an appropriation in section 201 and each public
11 university receiving an appropriation in section 236.

12 (f) Definitions that clearly delineate the differences between
13 scholarships, grants, and loans.

14 (g) A description of net price calculators and how to use them
15 to create a personalized estimate of a student's out-of-pocket cost
16 for the coming year based on basic family and financial information
17 and likely financial aid eligibility.

18 (h) Information on the fundamentals of borrowing and
19 repayment, including, but not limited to, all of the following:

20 (i) A link to the federal Public Service Loan Forgiveness
21 Program or other state or federal loan forgiveness programs.

22 (ii) Deciding how much to borrow.

23 (iii) Creating a plan for borrowing and repayment.

24 (iv) Estimating how much borrowing is needed for a given school
25 year.

26 (v) Factors that affect total student loan costs.

27 (vi) Tips for graduating with less student loan debt.

28 (vii) A loan payment calculator or a link to a loan payment
29 calculator that can be used for different types of loans.



1 (viii) Links to federal student loan entrance and exit
2 counseling services and the FACT tool.

3 (ix) Student loan debt relief scams.

4 (i) Loan amortization information.

5 (j) **The average starting salary and the average amount of**
6 **student loan debt for new graduates, broken down by major or**
7 **classification of instructional program code, for the most recent**
8 **academic year.**

9 (2) A public university receiving an appropriation in section
10 236 shall place a prominent link to the website created under this
11 section on its website homepage.

12 (3) Independent colleges and universities in this state are
13 encouraged to place a link to the website created under this
14 section on their website homepages.

15 (4) By November 1 of each year, the department of lifelong
16 education, advancement, and potential shall inform each high school
17 in this state about the website described in this section and
18 encourage them to distribute the information to all students in
19 grades 9 through 12.

20 (5) The department shall audit the website not less than once
21 per ~~year~~**month** to ensure links continue to be accurate, active, and
22 up-to-date for students and families.

23 Sec. 269. For fiscal year ~~2024-2025,~~**2025-2026**, from the
24 amount appropriated in section 236 to Central Michigan University
25 for costs incurred under the North American Indian tuition waiver,
26 ~~\$76,300.00~~**\$80,800.00** must be paid to Saginaw Chippewa Tribal
27 College for the costs of waiving tuition for North American Indians
28 under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of
29 the legislature that Saginaw Chippewa Tribal College provide the



1 department of lifelong education, advancement, and potential the
2 necessary information for the college to be included in the report
3 required under section 268.

4 Sec. 270. For fiscal year ~~2024-2025~~, **2025-2026**, from the
5 amount appropriated in section 236 to Lake Superior State
6 University for costs incurred under the North American Indian
7 tuition waiver, \$498,800.00 must be paid to Bay Mills Community
8 College for the costs of waiving tuition for North American Indians
9 under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of
10 the legislature that Bay Mills Community College provide the
11 department of lifelong education, advancement, and potential the
12 necessary information for the college to be included in the report
13 required under section 268.

14 Sec. 270c. For fiscal year ~~2024-2025~~, **2025-2026**, from the
15 amount appropriated in section 236 to Northern Michigan University
16 for costs incurred under the North American Indian tuition waiver,
17 ~~\$155,200.00~~ **\$105,700.00** is to be paid to Keweenaw Bay Ojibwa
18 Community College for the costs of waiving tuition for North
19 American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is
20 the intent of the legislature that Keweenaw Bay Ojibwa Community
21 College provide the department of lifelong education, advancement,
22 and potential the necessary information for the community college
23 to be included in the report required under section 268.

24 Sec. 275. (1) Each public university that receives an
25 appropriation in section 236 shall do all of the following:

26 (a) Meet the provisions of section 5003 of the post-911
27 veterans educational assistance act of 2008, 38 USC 3301 to 3327,
28 including voluntary participation in the Yellow Ribbon GI Education
29 Enhancement Program established in that act in 38 USC 3317.



1 (b) Establish an on-campus veterans' liaison to provide
2 information and assistance to all student veterans.

3 (c) Provide flexible enrollment application deadlines for all
4 veterans.

5 (d) Include in its admission application process a specific
6 question as to whether an applicant for admission is a veteran, an
7 active member of the military, a member of the national guard or
8 military reserves, or the spouse or dependent of a veteran, active
9 member of the military, or member of the national guard or military
10 reserves, in order to more quickly identify potential educational
11 assistance available to that applicant.

12 ~~(e) Consider all veterans residents of this state for
13 determining their tuition rates and fees.~~

14 (e) ~~(f)~~ Waive enrollment fees for all veterans.

15 (f) ~~(g)~~ Provide reasonable programming and scheduling
16 accommodations necessary to facilitate a student's military,
17 national guard, or military reserves duties and training
18 obligations.

19 (g) ~~(h)~~ Provide college level equivalent credit examination
20 opportunities for veterans and active members of the military,
21 national guard, or military reserves within the first semester of
22 enrollment.

23 (h) ~~(i)~~ Grant college credit for, or create a structure that
24 evaluates granting college credit for, the service background and
25 experience of veterans and members of the military, national guard,
26 or military reserves.

27 (2) As used in this section, "veteran" means an honorably
28 discharged veteran entitled to educational assistance under section
29 5003 of the post-911 veterans educational assistance act of 2008,



1 38 USC 3301 to 3327.

2 Sec. 283. (1) Using the data provided to the center as
3 required by section 244 of this act, the center shall use the P-20
4 longitudinal data system to inform interested Michigan high schools
5 and the public regarding the aggregate academic status of its
6 students. The center shall work with the public universities and
7 the Michigan Association of State Universities and in cooperation
8 with the Michigan Association of Secondary School Principals.

9 (2) Michigan high schools shall systematically inform the
10 public universities about the use of information received under
11 this section in a manner prescribed by the Michigan Association of
12 Secondary School Principals in cooperation with the Michigan
13 Association of State Universities.

14 (3) The center shall conduct a review of the statewide
15 longitudinal data system and associated data collection processes
16 to identify strategies that would allow for the legal dissemination
17 of student directory information for all students in grades 11 and
18 12 to Michigan public and independent nonprofit postsecondary
19 institutions. ~~The center shall collaborate with relevant~~
20 ~~stakeholders to recommend a process to share this data by June 30,~~
21 ~~2024.~~

22 Sec. 284. Using data provided to the center as required by
23 section 244 of this act, the center shall use the P-20 longitudinal
24 data system to inform Michigan community colleges regarding the
25 academic status of community college transfer students. The center
26 shall work with the **department of lifelong education, advancement,**
27 **and potential, the** universities, and the Michigan Association of
28 State Universities in cooperation with the Michigan Community
29 College Association.



1 Sec. 285. From the funds appropriated in section 236(2),
 2 public universities shall work with the state community colleges to
 3 encourage the transfer of students from the community colleges to
 4 the public universities and to facilitate the transfer of credits
 5 from the community colleges to those public universities. **Each**
 6 **public university receiving appropriations under section 236 shall**
 7 **consult with the department of lifelong education, advancement, and**
 8 **potential at least once an academic quarter on the policies and**
 9 **services the institution implements regarding transfer credits and**
 10 **transfer students.**

11 Sec. 286. From the funds appropriated in section 236(2),
 12 public universities shall work with community colleges in this
 13 state to implement statewide reverse transfer agreements to
 14 increase the number of students that are awarded credentials of
 15 value upon completion of the necessary credits. These statewide
 16 agreements ~~shall~~**must** enable students who have earned a significant
 17 number of credits at a community college and transfer to a
 18 baccalaureate granting institution before completing a degree to
 19 transfer the credits earned at the baccalaureate institution back
 20 to the community college in order to be awarded a credential of
 21 value. **Each public university receiving appropriations under**
 22 **section 236 must consult with the department of lifelong education,**
 23 **advancement, and potential at least once an academic quarter on the**
 24 **policies and services the institution implements regarding reverse**
 25 **transfer agreements.**

26 Enacting section 1. In accordance with section 30 of article
 27 IX of the state constitution of 1963, total state spending from
 28 state sources for higher education for fiscal year 2025-2026 under
 29 article III of the state school aid act of 1979, 1979 PA 94, MCL



1 388.1836 to 388.1891, as amended by this amendatory act, is
2 estimated at \$2,397,551,200.00 and the amount of that state
3 spending from state sources to be paid to local units of government
4 for fiscal year 2025-2026 is estimated at \$0.00.

5 Enacting section 2. Sections 236d, 236f, 236n, 236r, 241e,
6 251, 252, 255, 261, 263, 263b, 264, 275j, 275k, 276, 277, 278, 279,
7 280, 281, and 282 of the state school aid act of 1979, 1979 PA 94,
8 MCL 388.1836d, 388.1836f, 388.1836n, 388.1836r, 388.1841e,
9 388.1851, 388.1852, 388.1855, 388.1861, 388.1863, 388.1863b,
10 388.1864, 388.1875j, 388.1875k, 388.1876, 388.1877, 388.1878,
11 388.1879, 388.1880, 388.1881, and 388.1882, are repealed effective
12 October 1, 2025.

13 Enacting section 3. This amendatory act takes effect October
14 1, 2025.