

Act No. 312
Public Acts of 1994
Approved by the Governor
July 14, 1994
Filed with the Secretary of State
July 21, 1994

STATE OF MICHIGAN
87TH LEGISLATURE
REGULAR SESSION OF 1994

Introduced by Senators Schwarz and Gast

ENROLLED SENATE BILL No. 986

AN ACT to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30 1995 to provide for the expenditures of those appropriations to prescribe the powers and duties of certain state departments institutions agencies and officers and to supplement former appropriations for certain state purposes for the fiscal year ending September 30 1994

The People of the State of Michigan enact

Sec 101 There is appropriated for the state institutions of higher education and certain state purposes related to education and subject to the conditions set forth in this act for the fiscal year ending September 30 1995 the following respective amounts

HIGHER EDUCATION

APPROPRIATION SUMMARY

GROSS APPROPRIATION	\$ 1 364 176 935
Interdepartmental grant revenues	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 1 364 176 935
Federal revenues	
Total federal revenues	4 799 700
Special revenue funds	
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 1 359 377 235

CENTRAL MICHIGAN UNIVERSITY

Operations	\$ 61 518 039
Martin Luther King Jr Cesar Chavez Rosa Parks college day	85 765
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	114 389
GROSS APPROPRIATION	\$ 61 718 193
Appropriated from	
State general fund/general purpose	\$ 61 718 193

EASTERN MICHIGAN UNIVERSITY

Operations	\$ 67 713 826
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	For Fiscal Year Ending Sept 30 1995
Martin Luther King Jr Cesar Chavez Rosa Parks college day	\$ 101 930
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	114 080
GROSS APPROPRIATION	\$ 67 929 836
Appropriated from	
State general fund/general purpose	\$ 67 929 836
FERRIS STATE UNIVERSITY	
Operations	\$ 42 525 131
Applied technology center	412 000
Martin Luther King Jr Cesar Chavez Rosa Parks college day	53 024
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	34 389
GROSS APPROPRIATION	\$ 43 024 544
Appropriated from	
State general fund/general purpose	\$ 43 024 544
GRAND VALLEY STATE UNIVERSITY	
Operations	\$ 35 032 222
Martin Luther King Jr Cesar Chavez Rosa Parks college day	36 139
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	34 389
GROSS APPROPRIATION	\$ 35 102 750
Appropriated from	
State general fund/general purpose	\$ 35 102 750
LAKE SUPERIOR STATE UNIVERSITY	
Operations	\$ 10 883 932
Martin Luther King Jr Cesar Chavez Rosa Parks college day	13 590
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	34 389
GROSS APPROPRIATION	\$ 10 931 911
Appropriated from	
State general fund/general purpose	\$ 10 931 911
MICHIGAN STATE UNIVERSITY	
Operations	\$ 237 526 241
Martin Luther King Jr Cesar Chavez Rosa Parks college day	211 480
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	114 492
GROSS APPROPRIATION	\$ 237 852 213
Appropriated from	
State general fund/general purpose	\$ 237 852 213
MICHIGAN TECHNOLOGICAL UNIVERSITY	
Operations	\$ 41 707 748
Martin Luther King Jr Cesar Chavez Rosa Parks college day	34 903
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	114 492
GROSS APPROPRIATION	\$ 41 857 143
Appropriated from	
State general fund/general purpose	\$ 41 857 143
NORTHERN MICHIGAN UNIVERSITY	
Operations	\$ 40 817 521
Martin Luther King Jr Cesar Chavez Rosa Parks college day	39 022
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	34 389
GROSS APPROPRIATION	\$ 40 890 932
Appropriated from	
State general fund/general purpose	\$ 40 890 932
OAKLAND UNIVERSITY	
Operations	\$ 36 978 011
Martin Luther King Jr Cesar Chavez Rosa Parks college day	60 334

	For Fiscal Year Ending Sept 30 1995
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	\$ 114 492
GROSS APPROPRIATION	\$ 37 152 837
Appropriated from	
State general fund/general purpose	\$ 37 152 837
SAGINAW VALLEY STATE UNIVERSITY	
Operations	\$ 17 786 323
Martin Luther King Jr Cesar Chavez Rosa Parks college day	24 504
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	34 389
GROSS APPROPRIATION	\$ 17 845 216
Appropriated from	
State general fund/general purpose	\$ 17 845 216
UNIVERSITY OF MICHIGAN ANN ARBOR	
Operations	\$ 280 049 307
Martin Luther King Jr Cesar Chavez Rosa Parks college day	173 076
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	114 492
GROSS APPROPRIATION	\$ 280 336 875
Appropriated from	
State general fund/general purpose	\$ 280 336 875
UNIVERSITY OF MICHIGAN DEARBORN	
Operations	\$ 19 182 743
Martin Luther King Jr Cesar Chavez Rosa Parks college day	31 814
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	34 389
GROSS APPROPRIATION	\$ 19 248 946
Appropriated from	
State general fund/general purpose	\$ 19 248 946
UNIVERSITY OF MICHIGAN FLINT	
Operations	\$ 17 332 644
Martin Luther King Jr Cesar Chavez Rosa Parks college day	28 108
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	34 389
GROSS APPROPRIATION	\$ 17 395 141
Appropriated from	
State general fund/general purpose	\$ 17 395 141
WAYNE STATE UNIVERSITY	
Operations	\$ 193 826 582
Martin Luther King Jr Cesar Chavez Rosa Parks college day	145 894
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	114 492
Joseph F Young Sr psychiatric research and training program	5 114 980
GROSS APPROPRIATION	\$ 199 201 948
Appropriated from	
State general fund/general purpose	\$ 199 201 948
WESTERN MICHIGAN UNIVERSITY	
Operations	\$ 90 400 307
Martin Luther King Jr Cesar Chavez Rosa Parks college day	101 827
Martin Luther King Jr Cesar Chavez Rosa Parks future faculty fellowships	114 492
GROSS APPROPRIATION	\$ 90 616 626
Appropriated from	
State general fund/general purpose	\$ 90 616 626
STATE AND REGIONAL PROGRAMS	
Agricultural experiment station	\$ 24 184 997
Cooperative extension service	21 362 462
Michigan molecular institute	154 500

	For Fiscal Year Ending Sept 30 1995
Midwestern higher education compact	\$ 58 000
GROSS APPROPRIATION	\$ 45 759 959
Appropriated from	
State general fund/general purpose	\$ 45 759 959
MARTIN LUTHER KING JR CESAR CHAVEZ ROSA PARKS PROGRAM	
Select student supportive services	\$ 1 723 293
Michigan college/university partnership program	516 988
Visiting professors program	145 230
GROSS APPROPRIATION	\$ 2 385 511
Appropriated from	
State general fund/general purpose	\$ 2 385 511
GRANTS AND FINANCIAL AID	
State competitive scholarships	\$ 29 769 095
Tuition grants	51 981 284
Michigan work study program	6 418 826
Part time independent student program	2 324 654
Grant for Michigan resident dental graduates	4 045 710
Grant for general degree graduates	4 648 887
Grant for allied health graduates	748 772
Grant for Indian tuition waivers	3 097 681
Michigan education opportunity grants	1 825 991
Paul Douglas teacher scholarship program	750 000
Robert C Byrd honors scholarship program	750 000
Tuition incentive program	8 565 454
GROSS APPROPRIATION	\$ 114 926 354
Appropriated from	
Federal revenues	
Higher education act of 1965 title IV 20 U S C	3 299 700
Higher education act of 1965 title V part E	750 000
Higher education act of 1965 title IV part A	750 000
State general fund/general purpose	\$ 110 126 654
Sec 102 There is appropriated for higher education to supplement former appropriations for the fiscal year ending September 30 1994 the following respective amounts	
	For Fiscal Year Ending Sept 30 1994
HIGHER EDUCATION APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 29 735 000
Interdepartmental grant revenues	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 29 735 000
Appropriated from	
Federal revenues	
Total federal revenues	0
Total local revenues	0
Total private revenues	310 000
Total other state restricted revenues	0
State general fund/general purpose	\$ 29 425 000
STATE AND REGIONAL PROGRAMS	
Special initiative for state universities	\$ 25 000 000
Japan center for Michigan universities	644 000
Agricultural experiment stations	2 453 000

	For Fiscal Year Ending Sept 30 1994
Cooperative extension service	\$ 1 580 000
Midwestern higher education compact	58 000
GROSS APPROPRIATION	\$ 29 735 000
Appropriated from	
Private revenues	\$ 310 000
State general fund/general purpose	\$ 29 425 000

Sec 103 There is appropriated for community colleges to supplement former appropriations for the fiscal year ending September 30 1994 the following respective amounts

	For Fiscal Year Ending Sept 30 1994
COMMUNITY COLLEGES	
APPROPRIATION SUMMARY	
GROSS APPROPRIATION	\$ 5 000 000
Interdepartmental grant revenues	
Total interdepartmental grants and intradepartmental transfers	0
ADJUSTED GROSS APPROPRIATION	\$ 5 000 000
Appropriated from	
Federal revenues	
Total federal revenues	0
Total local revenues	0
Total private revenues	0
Total other state restricted revenues	0
State general fund/general purpose	\$ 5 000 000
COMMUNITY COLLEGES	
Special initiative for community colleges	\$ 5 000 000
GROSS APPROPRIATION	\$ 5 000 000
Appropriated from	
State general fund/general purpose	\$ 5 000 000

GENERAL SECTIONS

Sec 201 In accordance with the provisions of section 30 of article IX of the state constitution of 1963 total state spending in section 101 of this appropriation act is \$1 359 377 235 00 Of the funds appropriated in section 101 for campus based and other financial aid programs it is determined that the portion of the funds utilized by community colleges are local spending pursuant to section 30 of article IX of the state constitution of 1963 Analysis of fiscal year 1992 93 expenditures indicates that \$13 027 000 00 of the financial aid funds will be distributed to community college students by the college financial aid offices in accordance with statute for each program The distribution is as follows

Grants and Financial Aid

Indian tuition waiver	\$ 986 000
Tuition incentive program (TIP)	7 972 000
Part time independent student program	1 370 000
Michigan education opportunity grant	831 000
Michigan work study	1 868 000
Total	\$ 13 027 000

Sec 201a In accordance with the provisions of section 30 of article IX of the state constitution of 1963 total state spending in sections 102 and 103 of this appropriation act is \$34 425 000 00 Of the funds appropriated in section 103 it is determined that the \$5 000 000 00 appropriated to community colleges is local spending pursuant to section 30 of article IX of the state constitution of 1963

Sec 202 (1) For institutions with fiscal years ending June 30 1995 the sums appropriated in this act are appropriated for their fiscal years ending June 30 1995 and shall be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 9 monthly installments for the period October 1 1994 to June 30 1995 pursuant to Act No 190 of the Public Acts of 1991 being sections 487 2101 to 487 2105 of the Michigan Compiled

Laws For an institution with a fiscal year ending September 30 1995 the sums appropriated in this act are appropriated for their fiscal year ending September 30 1995 and shall be paid out of the state treasury and distributed by the state treasurer in 12 monthly installments for the period October 1 1994 to September 30 1995 pursuant to Act No 190 of the Public Acts of 1991 If the appropriations for the Martin Luther King Jr Cesar Chavez Rosa Parks programs are not committed or awarded by April 1 1995 the funds shall become subject to legislative transfer Any unexpended and unencumbered funds remaining on September 30 1995 from the amount appropriated for the Martin Luther King Jr Cesar Chavez Rosa Parks programs shall lapse on September 30 1995 and shall be returned to the state general fund The amount distributed to an institution shall not exceed the net appropriations plus additional distributions specifically authorized by this act

(2) A detailed description of procedures utilized to arrive at the amounts appropriated in section 101 shall be submitted to each institution by the senate and house fiscal agencies

Sec 203 Money received by the state from the federal government or private sources for the use of a college or university is appropriated for the purpose for which it was provided The acceptance and use of federal or private funds shall not place an obligation upon the legislature to continue the purposes for which the funds are made available

Sec 204 The appropriations made and the expenditures authorized under this act and the institutions departments agencies commissions boards offices and programs for which an appropriation is made under this act are subject to the management and budget act Act No 431 of the Public Acts of 1984 being sections 18 1101 to 18 1594 of the Michigan Compiled Laws

Sec 205 (1) Guidelines and procedures developed by the state universities through the presidents council and in cooperation with the Michigan commission on Indian affairs and the Michigan department of education shall be used to ensure accurate and consistent reporting of North American Indian student enrollments The distribution of campus based financial aid awards which are designated for students on the basis of their North American Indian status shall comply with the guidelines and procedures developed pursuant to this section

(2) As used in this section North American Indian means that term as defined in section 2 of Act No 174 of the Public Acts of 1976 being section 390 1252 of the Michigan Compiled Laws or as certified by a tribal organization

Sec 206 All universities shall furnish all program and financial information that is required by and in a manner prescribed by the state budget director or the house or senate appropriations committee

Sec 207 (1) The Michigan higher education data base committee in the department of management and budget consists of 1 representative each from the department of management and budget the department of education the house fiscal agency the senate fiscal agency the Michigan association of public community colleges presidents council Michigan public colleges and universities and the association of independent colleges and universities of Michigan The 7 representatives are appointed by the directors of their respective departments association or council

(2) The charge of the committee is to review and propose revisions in the higher education data bases maintained by the department of management and budget and the department of education to provide for a single comprehensive higher education data base that will not diminish information currently available to the legislature or institutions of higher education

(3) The committee shall have but is not limited to all of the following purposes

(a) To establish procedures for the integration of existing data bases

(b) To establish procedures for annually reporting and auditing information in standard formats in the comprehensive higher education data base in a computer based format

(c) To periodically review the accuracy and uniformity of the submissions of information

(d) To establish a procedure for periodically reviewing the total information system and the specific elements of the system to clarify the definitions of such elements and to add delete or modify data elements as may be appropriate to assure the comprehensiveness and accuracy of the data system

(e) To provide procedures by which the executive branch legislature and institutions of higher education may have prompt on line access to the higher education data base

(4) The committee shall report its recommendations and actions taken pursuant to those recommendations semiannually to the director of the department of management and budget and to both houses of the legislature

Sec 208 It is the intent of the legislature that contingent upon the results of the next revenue estimating conference convened after February 15 1994 pursuant to the management and budget act Act No 431 of the Public Acts of 1984 being sections 38 1501 to 38 1594 of the Michigan Compiled Laws the appropriations for higher education be increased to the extent possible

Sec 209 Funds appropriated in section 101 shall not be used for the purchase of foreign goods and/or services when competitively priced and of comparable quality American goods and/or services are available By May 1 1995 each university shall submit a report to the department of management and budget the speaker and minority leaders of the house the majority and minority leaders of the senate and the chairpersons of the house and senate appropriations committees on efforts to comply with this section

GRANTS AND FINANCIAL AID

Sec 301 (1) Payments of the amounts included in section 101 for the state competitive scholarship program shall be distributed pursuant to Act No 208 of the Public Acts of 1964 being sections 390 971 to 390 981 of the Michigan Compiled Laws The maximum per award shall be \$1 200 00

(2) The Michigan higher education assistance authority shall implement a proportional competitive scholarship maximum award level for recipients enrolled less than full time in a given semester or term

(3) If a student who receives an award under this section has his or her tuition and fees paid under the Michigan educational trust program pursuant to the Michigan education trust act Act No 316 of the Public Acts of 1986 being sections 390 1421 to 390 1444 of the Michigan Compiled Laws and still has financial need the funds awarded under this section may be used for educational expenses other than tuition and fees

Sec 302 (1) The amounts appropriated in section 101 for the state tuition grant program shall be distributed pursuant to Act No 313 of the Public Acts of 1966 being sections 390 991 to 390 997a of the Michigan Compiled Laws The maximum per grant shall be \$2 300 00

(2) Tuition grant awards shall be made to all eligible Michigan residents who apply before September 1 1994 and who are qualified

(3) The Michigan higher education assistance authority shall determine an actual maximum tuition grant award per student that ensures that the aggregate payments for the tuition grant program do not exceed the appropriation contained in section 101 for the state tuition grant program By October 15 1994 and again by December 15 1994 the authority shall analyze the status of award commitments shall make any necessary adjustments and shall confirm that those award commitments will not exceed the appropriation contained in section 101 for the tuition grant program The determination and actions shall be reported to the department of management and budget and the house and senate appropriation subcommittees on higher education no later than December 15 1994 If award adjustments are necessary the students shall be notified of the adjustment by the third Monday in January

(4) Any unexpended and unencumbered funds remaining on September 30 1995 from the amounts appropriated in section 101 for the tuition grant program shall not lapse on September 30 1995 but shall continue to be available for expenditure for tuition grants provided in the 1995 96 fiscal year

(5) The Michigan higher education assistance authority shall continue a proportional tuition grant maximum award level for recipients enrolled less than full time in a given semester or term

Sec 303 (1) Included in the appropriation in section 101 is funding for the Michigan work study program established under Act No 288 of the Public Acts of 1986 being sections 390 1371 to 390 1382 of the Michigan Compiled Laws and Act No 303 of the Public Acts of 1986 being sections 390 1321 to 390 1332 of the Michigan Compiled Laws An effort should be made by each institution participating in the Michigan work study program to assure that not less than 10% of those undergraduate graduate and professional students eligible to participate in the program are placed with for profit employers no later than December 31 1994

(2) The Michigan higher education assistance authority shall allocate funds to institutions eligible for work study money based upon each institution's specific Pell grant index and each institution's utilization rate of work study funds for the 3 most recent years for which statistics are available

(3) The Michigan higher education assistance authority shall set aside not more than 5% of the total work study appropriation to process requests from participating institutions for allocation adjustments Allocation adjustments shall be based on criteria set by the authority prior to making the allocations under subsection (2)

Sec 304 (1) Payments of the amounts included in section 101 for the general degree reimbursement program established under Act No 75 of the Public Acts of 1974 being sections 390 1021 to 390 1027 of the Michigan Compiled Laws shall be made for all degrees identified in section 1(1) of Act No 75 of the Public Acts of 1974 being section 390 1021 of the Michigan Compiled Laws except doctor of dental surgery doctor of dental medicine juris doctor law and allied health degrees

(2) The reimbursement rate per eligible degree shall be the equally prorated amount permitted by the appropriation except that the amount of the reimbursement for each associate degree shall be 1/2 of the rate of reimbursement for the other degrees eligible under subsection (1) for the general degree reimbursement program

(3) From the general degree reimbursement program \$135 300 00 shall be provided to Spring Arbor College for the southern Michigan state prison program

(4) From the general degree reimbursement program \$200 500 00 shall be provided to the University of Detroit Mercy for graduate research aid

(5) From the general degree reimbursement program \$30 100 00 shall be provided to Marygrove College for learning clinics

(6) From the general degree reimbursement program \$50 000 00 shall be provided to Suomi College for career education programs

Sec 305 The reimbursement rate per eligible degree under the allied health degree reimbursement program established under Act No 75 of the Public Acts of 1974 being sections 390 1021 to 390 1027 of the Michigan Compiled Laws shall be the equally prorated amount permitted by the appropriation included in section 101

Sec 306 Funds disbursed through the degree reimbursement programs shall not be used by any recipient institution for theology or divinity programs

Sec 307 The funds appropriated in section 101 for the American Indian tuition waiver reimbursement established under Act No 174 of the Public Acts of 1976 being sections 390 1251 to 390 1253 of the Michigan Compiled Laws are to reimburse tuition waivers granted by colleges before September 30 1993 Only those expenses classified as in state resident tuition charges are eligible for reimbursement except that if a student who receives an award under this section has his or her tuition and fees paid under the Michigan educational trust program and still has financial need the funds awarded under this section may be used for educational expenses other than tuition and fees

Sec 308 The auditor general shall audit selected enrollments degrees and awards at selected independent colleges and universities receiving awards administered by the department of education The audits shall be based upon definitions and requirements established by the department of management and budget and the senate and house fiscal agencies The auditor general shall submit a report of findings to the senate and house appropriations committees not later than May 1 1995

Sec 309 The sums appropriated in section 101 for the student financial aid and degree reimbursement programs shall be paid out of the state treasury and shall be distributed to the respective institutions in accordance with a quarterly payment system as follows

(a) For the state competitive scholarship tuition incentive and tuition grant programs 40% shall be paid at the beginning of the state's first fiscal quarter 40% at the beginning of the state's second fiscal quarter 10% at the beginning of the state's third fiscal quarter and 10% at the beginning of the state's fourth fiscal quarter

(b) For the work study program payments shall be made in 9 monthly installments from October 1 to June 30 of any year

(c) For the part time independent student program and Michigan education opportunity grant program 50% shall be paid at the beginning of the state's first fiscal quarter 25% at the beginning of the state's second fiscal quarter and 25% at the beginning of the state's third fiscal quarter

(d) For the general degree reimbursement program allied health degree reimbursement program Michigan resident dental grant program Indian tuition waiver program and Paul Douglas teacher scholarship program 50% shall be paid at the beginning of the state's first fiscal quarter and 50% at the beginning of the state's second fiscal quarter after the number of earned degrees conferred and total amounts to be paid are certified

(e) For the Byrd honor scholarship program 100% shall be allocated in the last quarter of the state's fiscal year

Sec 310 The Michigan higher education assistance authority shall determine the needs analysis criteria for students to qualify for the competitive scholarship program and tuition grant program To be consistent with federal requirements student wages may be taken into consideration when determining the amount of the award

Sec 311 (1) The funds appropriated in section 101 for the tuition incentive program/high school completion program shall be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program/high school completion program of the department of social services

(2) As used in this section

(a) Phase I means the first part of the tuition incentive assistance program defined as the academic period of 80 semester or 120 term credits or less leading to an associate degree or certificate

(b) Phase II means the second part of the tuition incentive assistance program which provides assistance in the third and fourth year of 4 year degree programs

(c) Department means the department of social services

(3) A person shall meet the following basic criteria and financial thresholds to be eligible for tuition incentive benefits

(a) To be eligible for phase I a person shall meet all of the following criteria

(i) Apply for certification to the department prior to graduating from high school or completing the general education development (GED) certificate

(ii) Be less than 20 years of age at the time of high school graduation or GED completion

(iii) Be a United States citizen and a resident of Michigan according to institutional criteria

(iv) Be at least a half time student earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or GED certificate completion

(b) To qualify for phase II a person shall meet either of the following criteria in addition to the criteria in subdivision (a)

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

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

(c) To participate in phase I or phase II a person must be financially eligible as determined by the department. A person is eligible for the tuition incentive program if that person was medicaid eligible for 24 months within the 36 months prior to application. Certification of eligibility may begin in the sixth grade and continue until the time of enrollment in a participating institution.

(4) For phase I the department shall provide payment on behalf of a person eligible under subsection (3). The department shall reject billings that are excessive or outside the guidelines for the type of educational institution.

(5) For phase I all of the following apply

(a) Payments for associate degree or certificate programs shall not be made for more than 80 semester or 120 term credits for any individual student at any participating institution.

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

(c) For persons enrolled at a Michigan public university the department shall pay lower level resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent nonprofit degree granting college or university or a Michigan federal tribally controlled community college the department shall pay mandatory fees for the current year and a per credit payment that does not exceed the average community college in district per credit tuition rate as reported on August 1 for the immediately preceding academic year.

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

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

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

(7) Program payments shall not be used by any recipient for theology or divinity courses.

(8) The department shall work closely with participating institutions to develop an application and eligibility determination process that will provide the highest level of participation and ensure that all requirements of the program are met.

(9) Applications for the tuition incentive program may be approved at any time after the student completes the sixth grade. If a determination of financial eligibility is made that determination is valid as long as the student meets all other program requirements and conditions including the economic status conditions in subsection (12).

(10) Each institution shall ensure that all known available restricted grants for tuition and fees are used prior to billing the tuition incentive program for any portion of a student's tuition and fees.

(11) The state auditor general shall conduct a specific financial and performance audit of the tuition incentive program during the 1994-95 state fiscal year. The financial and performance audit shall be principally designed to determine whether the program is meeting the desired objective of increasing the high school graduation rates of program participants. The audit shall also attempt to determine and report whether program participants are graduating from 2 year or 4 year postsecondary institutions and are transferring to a 4 year postsecondary institution and whether or not participants are receiving any public assistance pursuant to the social welfare act. Act No. 280 of the Public Acts of 1939 being sections 400.1 to 400.119b of the Michigan Compiled Laws. Auditing of the program may also be done by the state auditor general as part of the regular audit of each educational institution or an audit of the department. The audits may be random or cyclical. Failure to document necessary information in a student's financial

aid file may result in nonpayment to the institution or in recoupment from the institution Educational institutions shall maintain all records relating to tuition incentive students for 3 years after the last billing invoice has been paid

(12) The department shall ensure that the tuition incentive program is well publicized and that potentially eligible medicaid clients are provided information on the program

(13) When statutory provisions are enacted to provide for a tuition incentive program/high school completion program the provisions of this section are superseded

Sec 312 To enable the legislature to evaluate the appropriation needs of higher education each independent college and university shall make available to the legislature upon request data regarding grants for the preceding current and ensuing fiscal years

STATE UNIVERSITIES

Sec 401 The University of Michigan biological station at Douglas Lake in Cheboygan County is regarded as a unique resource and is designated as a special research reserve It is the intent of the legislature to protect and preserve the unique long term research value and capabilities of the biological station area and Douglas Lake The legislature further intends that no state programs or policies be developed that would have a deleterious impact on the research value of Douglas Lake

Sec 402 (1) Included in section 101 is \$5 114 980 00 to Wayne State University for the Joseph F Young Sr psychiatric research and training program Wayne State University shall use these funds for psychiatric laboratory and clinical research training and treatment services Within the available appropriation services shall not be denied to any patient who meets established research guidelines for treatment on the basis of personal financial circumstances age geographic residence or projected/actual length of treatment as medically warranted

(2) Wayne State University shall report the following information to the department of mental health by April 1 1995 with a status update report on September 30 1995

(a) The number and type of psychiatric research projects to be funded by this appropriation

(b) The number and type of students to be trained and the location of training funded by this appropriation

(c) Demographic data regarding the number and profile of patients to receive psychiatric services funded by the appropriation and a profile of the services provided

(d) A summary budget outlining major expenditure categories and any first and third party reimbursements

(3) Copies of these reports shall also be provided to the house and senate appropriations higher education subcommittees the house and senate appropriations mental health subcommittees the house and senate fiscal agencies and the department of management and budget

Sec 403 It is the intent of the legislature that resident tuition rates be charged for students attending Michigan's public 4 year universities if the student's parent or parents or person in loco parentis are transferred to Michigan because the company they work for closed a plant in another state This section applies only to students whose parent or parents or person in loco parentis are transferred by a company specifically because of a plant closing and whose parent or parents or person in loco parentis continue to be employed by that same company in Michigan

Sec 405 Adjustments in funding for university operations reflect a combination of general increases and special 1 time adjustments for schools with low levels of state appropriations relative to student populations and missions They do not reflect an endorsement of an ongoing formula for funding universities

Sec 406 The legislature recommends that the percentage of out of state students not exceed 30% of undergraduate students at any state university

Sec 407 (1) The funds previously separately appropriated as the research excellence fund are included in the amount of \$28 534 823 00 in section 101 as university operations for each university The research supported by these funds shall be conducted in accordance with the following guidelines

(a) Leads to the development of scientific or technological discoveries

(b) Applies scientific or technological discoveries or advances to new applications

(c) Provides a tangible direct benefit to the economy of this state or a region of this state

(d) Is of general interest to an entire industrial field

(e) Contributes directly or indirectly to the development of additional products or processes

(f) May generate outside funding sources

(g) The research results or technology advances may be transferred to the private sector

(2) These funds shall not be used for indirect costs or to supplant existing research resources

(3) Each state university shall report on the activities and results of the research supported by these funds to the chairpersons of the house and senate higher education appropriation subcommittees the directors of the house and senate fiscal agencies and the director of the department of management and budget by November 1 1994 The report shall be in a form and contain the information required by the department of management and budget and the house and senate fiscal agencies

Sec 408 It is the intent of the legislature to provide equitable funding among state universities based on criteria which acknowledge differences in institutional program structure enrollment role and mission It is recommended that such criteria be developed jointly and cooperatively by the legislature the executive branch and the state universities

Sec 409 State universities are encouraged not to increase annual in state resident undergraduate tuition and fee rates at a rate greater than the rate of inflation

Sec 410 It is the intent of the legislature to provide financial support to a consortium of state universities and Muskegon Community College to provide baccalaureate and graduate degree programs in the Muskegon county area This statement of legislative intent is contingent upon the establishment of the consortium

MARTIN LUTHER KING, JR CESAR CHAVEZ ROSA PARKS PROGRAMS

Sec 601 (1) Included in the appropriation for each public university in section 101 is funding for the Martin Luther King Jr Cesar Chavez Rosa Parks future faculty program that is intended to increase the pool of minority candidates pursuing full time faculty teaching careers in postsecondary education in this state

(2) The program shall be administered by each university in a manner prescribed by the office of minority equity in the Michigan department of education

Sec 602 (1) Included in the appropriation for each public university in section 101 is funding for the Martin Luther King Jr Cesar Chavez Rosa Parks college day program that is intended to introduce school children underrepresented in postsecondary education to the potential of a college education

(2) Individual program plans of each university shall include a budget of equal contributions from this program the participating public university the participating school district and the participating independent degree granting college College day funds shall not be expended to cover indirect costs Not more than 20% of the university match shall be attributable to indirect costs

(3) The program shall be administered by each university in a manner prescribed by the office of minority equity in the Michigan department of education

Sec 603 (1) Included in section 101 is funding for the Martin Luther King Jr Cesar Chavez Rosa Parks select student support services program for developing academically and economically disadvantaged student retention programs for 4 year public and independent educational institutions in this state

(2) An award made under this program to any 1 institution shall not be greater than \$150 000 00 and the amount awarded shall be matched on a 70% state 30% college or university basis

(3) The program shall be administered by the office of minority equity in the Michigan department of education

Sec 604 (1) Included in section 101 is funding for the Martin Luther King Jr Cesar Chavez Rosa Parks linkage program between 4 year universities and public community colleges which is intended to increase the number of underrepresented minority students who transfer from community colleges into baccalaureate programs

(2) The grants shall be made under this program to Michigan public universities An award to any 1 institution shall not be greater than \$150 000 00 and the amount awarded shall be matched on a 70% state 30% university basis

(3) The program shall be administered by the office of minority equity in the Michigan department of education

Sec 605 (1) Included in the appropriation in section 101 is funding for the Martin Luther King Jr Cesar Chavez Rosa Parks visiting professors program which is intended to increase the number of minority instructors in the classroom and provide role models for underrepresented minority students

(2) The program shall be administered by the office of minority equity in the Michigan department of education

UNIVERSITY SERVICE TO K 12 EDUCATION

Sec 701 (1) From the amount appropriated in section 101 for state universities the state universities shall systematically inform Michigan high schools regarding the academic status of students from each high school in a manner prescribed by the presidents council state universities of Michigan in cooperation with the Michigan association of secondary school principals

(2) The Michigan high schools shall systematically inform the state universities about the use of information received under this section in a manner prescribed by the Michigan association of secondary school principals in cooperation with the presidents council state universities of Michigan

GENERAL REPORTS AND AUDITS

Sec 801 (1) The auditor general shall audit enrollments at 5 randomly selected public universities The audits shall be based upon the definitions and requirements established by the department of management and budget and the senate and house fiscal agencies The audits shall be based on uniform reporting categories and shall include HEIDI data The auditor general shall submit a report of findings to the house and senate appropriations committees no later than March 1 1995

(2) Student credit hours reports shall not include the following

(a) Student credit hours generated through correspondence courses credit by examination or inmate prison programs regardless of teaching location

(b) Student credit hours generated in new degree programs after January 1 1975 that have not been specifically authorized for funding by the legislature except spin off programs converted from existing core programs that do all of the following

(i) Represent new options fields or concentrations within existing programs

(ii) Are consistent with the current institutional role and mission

(iii) Are accommodated within the continuing funding base of the institution

(iv) Do not require a new degree level beyond that which the institution is currently authorized to grant within that discipline or field

(v) Do not require special grant funding from the state As used in this subparagraph special grant funding means funding in addition to that provided by the student credit hours generated within the program either before program initiation or within the first 3 years of program operation

Sec 801a (1) Pursuant to section 801 the following degree programs may be established

(a) **Bachelors**

Michigan Technological University	Engineering Technology
Northern Michigan University	Restaurant and Institutional Management
University of Michigan Flint	Studio Art
Wayne State University	Allied Health Science

(b) **Masters**

Central Michigan University	Physical Therapy
Michigan State University	Epidemiology (major)
University of Michigan Dearborn	Computer Information Science
Wayne State University	Dispute Resolution
Wayne State University	Interdisciplinary Studies
Wayne State University	Physical Therapy
Western Michigan University	Manufacturing Science

(c) **Doctorate**

Central Michigan University	Audiology Doctor of Audiology
Central Michigan University	Mathematics
University of Michigan Ann Arbor	Women s Studies
Western Michigan University	Biological Sciences
Western Michigan University	Mechanical Engineering

(2) The listing of degree programs in subsection (1) shall not constitute legislative intent to provide additional dollars for those programs

Sec 802 The principal executive officer of each institution of higher education receiving an appropriation under this act shall expend a portion of the funds appropriated to that institution to make a report to the house and senate

appropriations committees the auditor general the house and senate fiscal agencies and the department of management and budget within 60 days after the auditor general issues his or her annual report on the operation of the institution. The institution's report shall specify all of the following:

- (a) The recommendations of the auditor general implemented by the institution including projected dates and resources required if any to achieve compliance
- (b) The recommendations of the auditor general not implemented by the institution or implemented by the institution as modified
- (c) The rationale for not implementing a recommendation of the auditor general or of implementing a recommendation as modified

Sec 803 A state university that has not reported project completion and total expenditure of oil overcharge revenues shall submit an annual report by October 1, 1995 to the public service commission in the department of commerce.

Sec 804 An institution receiving funding under this act and also subject to the student right to know and campus security act, Public Law 101-552, 104 Stat. 2381, shall furnish by September 1, 1995 to the chairpersons of the house and senate appropriations committees, the chairpersons of the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies a copy of all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right to know and campus security act, Public Law 101-542, 104 Stat. 2381.

Sec 805 (1) Each state university shall annually submit a report to the governor, department of management and budget, speaker and minority leader of the house, majority and minority leader of the senate, chairpersons of the house and senate appropriations committees, and chairpersons of the house and senate appropriations subcommittees on higher education on efforts to ensure the English language oral proficiency of teaching faculty.

(2) The next reporting date for the report under subsection (1) is November 1, 1995.

Sec 806 (1) Each state university shall report the following information for the 1993-94 academic year to the house and senate fiscal agencies and the department of management and budget:

(a) Separately, the number of ranked faculty, unranked faculty, and graduate assistants who taught an undergraduate class, section:

(b) The total number of undergraduate credit hours and section credits taught by each of the following:

(i) Ranked faculty

(ii) Unranked faculty

(iii) Graduate assistants

(2) For the purposes of this section, ranked faculty, unranked faculty, and graduate assistants mean those terms as defined in the higher education data inventory (HEIDI).

(3) This information shall be provided on or before October 31, 1994.

Sec 807 The legislature recognizes that the first and foremost obligation of the public universities is undergraduate education. The public universities are therefore encouraged to increase their commitment of tenured and tenure track faculty to undergraduate education.

Sec 808 (1) The auditor general shall develop and implement a 4-year plan to audit the intercollegiate athletic programs of public universities. The audits shall include at least all of the following as related to the intercollegiate athletic programs of each university:

(a) A detailed accounting of all revenues and expenditures

(b) A description of and opinion on the adequacy of university internal controls

(c) The number of student athletes involved in the programs

(d) The number and amount of scholarships and other financial assistance provided to student athletes

(e) A listing of all outside financial income to program employees attributable solely to their association or employment with the university intercollegiate athletic program

(f) University policies on nonuniversity employment for program employees

(g) A conclusion of whether the programs are sufficient to meet their intended mission

(2) The auditor general shall first audit the intercollegiate athletic programs of Michigan State University and the University of Michigan, Ann Arbor.

Sec 809 The president s council state universities of Michigan will transmit job placement information to the house and senate fiscal agencies using reports and/or studies currently being produced or generated by each state university

1993 94 SUPPLEMENTAL BOILERPLATE

Sec 901 Included in section 102 is an appropriation for Michigan State University agricultural experiment stations and cooperative extension service for the revitalization of the animal agriculture initiative in Michigan The purpose of the initiative is long term research and outreach focused on addressing the challenges that threaten to limit expected economic growth of the agricultural industry in urban and rural Michigan Michigan State University shall provide a progress report to the house and senate appropriations committees and the state budget director regarding this initiative by February 1 1995

Sec 902 (1) From the funds appropriated in section 102 for the Japan center for Michigan universities an amount not to exceed \$24 000 00 shall be available for expenditure in fiscal year 1993 1994 with no requirement for matching funds

(2) Students enrolled at any Michigan university or community college public or independent shall be eligible to participate in the program

(3) The remaining general fund appropriation of \$310 000 00 shall carry forward and be available for expenditure in the 1994 95 and 1995 96 state fiscal years The funds under this subsection shall be available only on a match basis with \$1 00 of state funds made available for each \$1 00 of private funds

Sec 903 (1) The amounts appropriated in section 103 for the special initiative for community colleges is to address compliance with the Americans with disabilities act and critical physical plant maintenance needs at Michigan s 29 state supported community colleges The appropriation is allocated as follows and is based on the formula approved by the joint capital outlay subcommittee of the appropriations committees of the house of representatives and the senate on September 18 1986 except that the allocation to the department of management and budget for emergency contingencies and fees shall not be made

Alpena Community College	\$	115 101
Bay de Noc Community College		89 272
C S Mott Community College		260 727
Delta College		228 036
Glen Oaks Community College		86 111
Gogebic Community College		87 832
Grand Rapids Community College		251 391
Henry Ford Community College		198 639
Highland Park Community College		136 734
Jackson Community College		181 257
Kalamazoo Community College		153 659
Kellogg Community College		143 944
Kirtland Community College		98 070
Lake Michigan College		175 371
Lansing Community College		262 374
Macomb Community College		360 433
Mid Michigan Community College		89 489
Monroe Community College		116 503
Montcalm Community College		79 466
Muskegon Community College		132 280
North Central Community College		79 818
Northwestern Community College		141 337
Oakland Community College		486 093
Schoolcraft Community College		181 731
Southwestern Community College		112 565
St Clair Community College		142 498
Washtenaw Community College		194 555
Wayne County Community College		327 385
West Shore Community College		87 326

(2) The formula approved by the joint capital outlay subcommittee on September 18 1986 provides for the following distributions which are included in the allocations in subsection (1)

(a) Of the amount appropriated in section 103 for the special initiative for community colleges \$1 450 000 00 is allocated for base grants of \$50 000 00 for each community college

(b) Of the amount appropriated in section 103 for the special initiative for community colleges \$3 550 000 00 is allocated based on a proration calculated on the 1990 91 state fiscal year adjusted square footage of applicable facilities as defined by the formula approved by the joint capital outlay subcommittee on September 18 1986

Sec 904 The appropriation in section 102 for special initiative for state universities is for state university compliance with the Americans with disabilities act and deferred maintenance The appropriation is allocated to the state universities as follows based on each university's gross general fund supported square footage for 1989 as reported in the state higher education institutional data inventory data base

Central Michigan University	\$ 1 199 477
Eastern Michigan University	1 138 231
Ferris State University	820 280
Grand Valley State University	418 875
Lake Superior State University	306 182
Michigan State University	6 348 814
Michigan Technological University	821 254
Northern Michigan University	863 874
Oakland University	621 459
Saginaw Valley State University	320 102
University of Michigan Ann Arbor	6 446 517
University of Michigan Dearborn	323 889
University of Michigan Flint	596 140
Wayne State University	2 958 306
Western Michigan University	1 816 600
Total	\$ 25 000 000

This act is ordered to take immediate effect

Secretary of the Senate

Co Clerk of the House of Representatives

Approved

Governor