SENATE SUBSTITUTE FOR HOUSE BILL NO. 4302

(As amended May 25, 1999)
(As amended May 27, 1999)

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal years ending September 30, 1999 and September 30, 2000; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

L	PART 1		
2	LINE-ITEM APPROPRIATIONS		
3	HIGHER EDUCATION		
4	APPROPRIATION SUMMARY:		
5	Full-time equated classified positions1.0		
6	GROSS APPROPRIATION	\$ 1,825,269,30	8(
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers		0
	02360'99 (S-1)	FDD)

	House Bill No. 4302 as amended May 25, 1999 For Fiscal Year Ending September 30, 2000
1	ADJUSTED GROSS APPROPRIATION\$ 1,825,269,308
2	Federal revenues:
3	Total federal revenues
4	Special revenue funds:
5	Total local revenues
6	Total private revenues
7	Total other state restricted revenues
8	State general fund/general purpose \$ 1,679,819,308
9	Sec. 102. CENTRAL MICHIGAN UNIVERSITY
10	Operations\$ 80,478,312
11	GROSS APPROPRIATION\$ 80,478,312
12	Appropriated from:
13	State general fund/general purpose\$ 80,478,312
14	Sec. 103. EASTERN MICHIGAN UNIVERSITY
15	Operations\$ 81,903,067
16	GROSS APPROPRIATION\$ 81,903,067
17	Appropriated from:
18	State general fund/general purpose\$ 81,903,067
19	Sec. 104. FERRIS STATE UNIVERSITY
20	Operations\$ <u>52,110,400</u>
21	GROSS APPROPRIATION\$ 52,110,400
22	Appropriated from:
23	State general fund/general purpose\$ 52,110,400
24	Sec. 105. GRAND VALLEY STATE UNIVERSITY
25	Operations\$ <u>53,715,559</u>
26	GROSS APPROPRIATION\$ 53,715,559

	House Bill No. 4302 as amended May 25, 1999 For Fiscal Year Ending September 30, 2000
1	Appropriated from:
2	State general fund/general purpose\$ 53,715,559
3	Sec. 106. LAKE SUPERIOR STATE UNIVERSITY
4	Operations\$ 13,392,280
5	GROSS APPROPRIATION\$ 13,392,280
6	Appropriated from:
7	State general fund/general purpose\$ 13,392,280
8	Sec. 107. MICHIGAN STATE UNIVERSITY
9	Operations\$ 299,976,465 Kinship care program \$250,000
10	GROSS APPROPRIATION\$ 300,226,465
11	Appropriated from:
12	State general fund/general purpose \$ 300,226,465
13	Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY
14	Operations\$ 51,848,777
15	GROSS APPROPRIATION\$ 51,848,777
16	Appropriated from:
17	State general fund/general purpose\$ 51,848,777
18	Sec. 109. NORTHERN MICHIGAN UNIVERSITY
19	Operations\$ 48,818,439
20	GROSS APPROPRIATION\$ 48,818,439
21	Appropriated from:
22	State general fund/general purpose\$ 48,818,439
23	Sec. 110. OAKLAND UNIVERSITY
24	Operations\$ 47,212,698
25	GROSS APPROPRIATION\$ 47,212,698
26	Appropriated from:

	House Bill No. 4302 For Fiscal Year Ending September 30, 2000
1	State general fund/general purpose\$ 47,212,698
2	Sec. 111. SAGINAW VALLEY STATE UNIVERSITY
3	Operations\$ 24,955,312
4	GROSS APPROPRIATION\$ 24,955,312
5	Appropriated from:
6	State general fund/general purpose\$ 24,955,312
7	Sec. 112. UNIVERSITY OF MICHIGAN-ANN ARBOR
8	Operations\$ 337,821,239
9	GROSS APPROPRIATION\$ 337,821,239
10	Appropriated from:
11	State general fund/general purpose\$ 337,821,239
12	Sec. 113. UNIVERSITY OF MICHIGAN-DEARBORN
13	Operations\$ 25,777,192
14	GROSS APPROPRIATION\$ 25,777,192
15	Appropriated from:
16	State general fund/general purpose\$ 25,777,192
17	Sec. 114. UNIVERSITY OF MICHIGAN-FLINT
18	Operations\$ 22,175,509
19	GROSS APPROPRIATION\$ 22,175,509
20	Appropriated from:
21	State general fund/general purpose\$ 22,175,509
22	Sec. 115. WAYNE STATE UNIVERSITY
23	Operations\$ 238,066,723
24	GROSS APPROPRIATION\$ 238,066,723
25	Appropriated from:
26	State general fund/general purpose\$ 238,066,723

For Fiscal Year Ending September 30, 2000

	3	peprenibe	1 30, 2000
1	Sec. 116. WESTERN MICHIGAN UNIVERSITY		
2	Operations	\$_	116,517,837
3	GROSS APPROPRIATION	\$	116,517,837
4	Appropriated from:		
5	State general fund/general purpose	\$	116,517,837
6	Sec. 117. STATE AND REGIONAL PROGRAMS		
7	Full-time equated positions	1.0	
8	Agricultural experiment station	\$	31,647,154
9	Cooperative extension service		27,092,562
10	Michigan molecular institute		222,310
11	Japan center for Michigan universities		397,210
12	Higher education database modernization and		
13	conversion1.0 FTE positions		275,000
14	Life sciences research consortium		50,000,000
15	Midwestern higher education compact		75,000
16	GROSS APPROPRIATION	\$	109,709,236
17	Appropriated from:		
18	Special revenue funds:		
19	Tobacco settlement revenue		50,000,000
20	State general fund/general purpose	\$	59,709,236
21	Sec. 118. MARTIN LUTHER KING, JRCESAR CHAVEZ-	ROSA PARK	S PROGRAM
22	Select student supportive services	\$	2,039,950
23	Michigan college/university partnership program		611,985
24	Morris Hood, Jr. educator development program		154,950
25	GROSS APPROPRIATION	\$	2,806,885
26	Appropriated from:		

	House Bill No. 4302 as amended May 25, 1999 For Fiscal Year Ending September 30, 2000	
1	State general fund/general purpose\$ 2,806,885	
2	Sec. 119. GRANTS AND FINANCIAL AID	
3	State competitive scholarships\$ 33,398,513	
4	Tuition grants	
5	Michigan work study program	
6	Part-time independent student program	
7	Grant for Michigan resident dental graduates 4,753,246	
8	Grant for general degree graduates	
9	Grant for allied health graduates	
10	Michigan education opportunity grants	
11	Robert C. Byrd honors scholarship program 1,600,000	
12	Center for advanced technologies 5,000,000	
13	Michigan merit award program	
14	Tuition incentive program	
15	GROSS APPROPRIATION\$ 217,733,378	
16	Appropriated from:	
17	Federal revenues:	
18	Higher education act of 1965, title IV, 20 U.S.C 2,300,000	
19	Higher education act of 1965, title IV, part A 1,600,000	
20	Special revenue funds:	
21	Michigan merit award trust fund	
22	State general fund/general purpose \$ 122,283,378	
	PART 1A LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 1998-99 Sec. 121. SUMMARY	
	The amounts listed in this part are appropriated for the state institutions of higher education and certain state purposes related to education, subject to the conditions set forth in this act, for the fiscal year ending September 30, 1999, from the funds identified in this part. The following is a summary of the appropriations in this part: APPROPRIATION SUMMARY:	
	GROSS APPROPRIATION \$301,40 Interdepartmental grant revenues: Total interdepartmental grants and intradepartmental	0
	transfers ADJUSTED GROSS APPROPRIATION \$301,40 Federal revenues:	0
	Total federal revenues Special revenue funds:	0
	Total private revenues Total other state restricted revenues State general fund/general purpose \$301,40	0000
	Sec. 122. INFRASTRUCTURE, TECHNOLOGY, EQUIPMENT, AND MAINTENANCE Infrastructure, technology, equipment, and maintenance \$301,40 GROSS APPROPRIATION \$301,40 Appropriated from:	
23	State general fund/general purpose \$301,40	0

7 House Bill No. 4302 as amended May 25, 1999 1 PART 2 PROVISIONS CONCERNING APPROPRIATIONS 2 **GENERAL SECTIONS** 3 4 Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources in part 1 of this appropriation act is \$1,821,369,308.00. Of the state spending 7 from state resources in part 1 for campus based and other financial aid programs, it is estimated that \$4,566,584.00 are local spending pursuant 9 to section 30 of article IX of the state constitution of 1963. 10 tribution is as follows: 11 For Fiscal Year 12 Ending Sept. 30, 13 GRANTS AND FINANCIAL AID 14 Part-time independent student program.....\$ 1,346,354 15 16 Michigan education opportunity grant..... 1,607,784 17 Michigan work-study..... 2,112,446 TOTAL....\$ 18 4,566,584 (2) If it appears to the principal executive officer of a department 19 or branch that state spending to local units of government will be less 20 than the amount that was projected to be expended under subsection (1), 21 the principal executive officer shall immediately give notice of the 22 23 approximate shortfall to the state budget director, the house and senate 24 appropriations committees, and the house and senate fiscal agencies. 25 Sec. 202. (1) The funds appropriated in part 1 to state institu-26 tions of higher education shall be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 11 27 28 equal monthly installments on the sixteenth of each month, or the next 29 succeeding business day, beginning with October 16, 1999. Except for

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- 1 Wayne State University, each institution shall accrue its July and August
- 2 2000 payments to its institutional fiscal year ending June 30, 2000.
- 3 (2) The amount distributed to an institution shall not exceed the
- 4 net appropriations plus additional distributions specifically authorized
- 5 by this act.
- 6 (3) All universities shall submit higher education institutional
- 7 data inventory (HEIDI) data and associated financial and program informa-
- 8 tion requested by and in a manner prescribed by the state budget
- 9 director. For universities with fiscal years ending June 30, 1999, these
- 10 data shall be submitted to the department of management and budget by
- 11 October 15, 1999. Universities with a fiscal year ending September 30,
- 12 1999 shall submit preliminary HEIDI data by November 15, 1999 and final
- 13 data by December 15, 1999.
- 14 (4) A detailed description of procedures utilized to arrive at the
- 15 amounts appropriated in part 1 shall be submitted to each institution by
- 16 the senate and house fiscal agencies.
- 17 Sec. 203. Funds received by the state from the federal government
- 18 or private sources for the use of a college or university is appropriated
- 19 for the purpose for which it was provided. The acceptance and use of
- 20 federal or private funds does not place an obligation upon the legisla-
- 21 ture to continue the purposes for which the funds are made available.
- Sec. 204. The expenditures and funding sources authorized under
- 23 this act are subject to the management and budget act, 1984 PA 431,
- 24 MCL 18.1101 to 18.1594.
- 25 Sec. 205. A state institution of higher education that receives
- 26 funds under this act shall furnish all program and financial information

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- 1 that is required by and in a manner prescribed by the state budget
- 2 director or the house or senate appropriations committee.
- 3 Sec. 206. Funds appropriated in part 1 shall not be used for the
- 4 purchase of foreign goods or services if competitively priced American
- 5 goods or services of comparable quality are available. Not later than
- 6 May 1, 2000, each university shall have available upon request informa-
- 7 tion on efforts to comply with this section.
- 8 Sec. 207. If a state institution of higher education that receives
- 9 funds under this act notifies the department of treasury regarding its
- 10 tuition and fee rates in order to qualify as an eligible institution for
- 11 the Michigan tuition tax credit under section 274 of the income tax act
- 12 of 1967, 1967 PA 281, MCL 206.274, the institution shall also submit the
- 13 notification and applicable documentation of tuition and fee changes to
- 14 the house and senate fiscal agencies.
- 15 Sec. 208. All funds received under part 1 for the higher education
- 16 charter school center are intended to be expended on activities of that
- 17 center.
- 18 Sec. 210. It is the intent of the legislature that each public uni-
- 19 versity increase its need-based student financial aid for resident under-
- 20 graduates by at least the percentage increase in its resident undergradu-
- 21 ate tuition and fee increase for the 1999-2000 academic year.

22 GRANTS AND FINANCIAL AID

- Sec. 301. (1) Payments of the amounts included in section 119 for
- 24 the state competitive scholarship program shall be distributed pursuant
- 25 to 1964 PA 208, MCL 390.971 to 390.981.

- 10
- 1 (2) The Michigan higher education assistance authority shall
- 2 implement a proportional competitive scholarship maximum award level for
- 3 recipients enrolled less than full-time in a given semester or term.
- 4 (3) If a student who receives an award under this section has his or
- 5 her tuition and fees paid under the Michigan educational trust program,
- 6 pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421
- 7 to 390.1444, and still has financial need, the funds awarded under this
- 8 section may be used for educational expenses other than tuition and
- 9 fees.
- 10 (4) If the Michigan higher education assistance authority increases
- 11 the maximum award per eligible student from that provided in the previous
- 12 fiscal year, it shall not have the effect of reducing the number of eli-
- 13 gible students receiving awards in relation to the total number of eligi-
- 14 ble applicants. Any increase in the maximum grant shall be proportional
- 15 for all eligible students receiving awards.
- Sec. 302. (1) The amounts appropriated in section 119 for the state
- 17 tuition grant program shall be distributed pursuant to 1966 PA 313,
- 18 MCL 390.991 to 390.997a.
- 19 (2) Tuition grant awards shall be made to all eligible Michigan res-
- 20 idents who apply before September 1, 1999 and who are qualified. Tuition
- 21 grant awards shall not be made to students newly enrolled in a juris
- 22 doctor law degree program after the 1995-96 academic year.
- 23 (3) The Michigan higher education assistance authority shall deter-
- 24 mine an actual maximum tuition grant award per student that ensures that
- 25 the aggregate payments for the tuition grant program do not exceed the
- 26 appropriation contained in section 120 for the state tuition grant
- 27 program. By October 15, 1999, and again by December 15, 1999, the

- 11
- 1 authority shall analyze the status of award commitments, shall make any
- 2 necessary adjustments, and shall confirm that those award commitments
- 3 will not exceed the appropriation contained in section 120 for the
- 4 tuition grant program. The determination and actions shall be reported
- 5 to the state budget director and the house and senate fiscal agencies no
- 6 later than December 15, 1999. If award adjustments are necessary, the
- 7 students shall be notified of the adjustment by the third Monday in
- 8 January.
- 9 (4) Any unexpended and unencumbered funds remaining on September 30,
- 10 2000 from the amounts appropriated in section 119 for the tuition grant
- 11 program shall not lapse on September 30, 2000, but shall continue to be
- 12 available for expenditure for tuition grants provided in the 2000-2001
- 13 fiscal year. The use of these unexpended fiscal year 1999-2000 funds
- 14 shall terminate at the end of the 2000-2001 fiscal year.
- 15 (5) The Michigan higher education assistance authority shall con-
- 16 tinue a proportional tuition grant maximum award level for recipients
- 17 enrolled less than full-time in a given semester or term.
- 18 (6) If the Michigan higher education assistance authority increases
- 19 the maximum award per eligible student from that provided in the previous
- 20 fiscal year, it shall not have the effect of reducing the number of eli-
- 21 gible students receiving awards in relation to the total number of eligi-
- 22 ble applicants. Any increase in the maximum grant shall be proportional
- 23 for all eligible students receiving awards.
- 24 Sec. 303. (1) Included in the appropriation in section 119 is fund-
- 25 ing for the Michigan work-study program established under 1986 PA 288,
- 26 MCL 390.1371 to 390.1382, and 1986 PA 303, MCL 390.1321 to 390.1332. An
- 27 effort should be made by each institution participating in the Michigan

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- 1 work-study program to assure that not less than 10% of those
- 2 undergraduate, graduate, and professional students eligible to partici-
- 3 pate in the program are placed with for-profit employers no later than
- 4 December 31 of each year for which funding is provided under this act.
- 5 (2) The Michigan higher education assistance authority shall allo-
- 6 cate funds to institutions eligible for work-study money based upon each
- 7 institution's specific Pell grant index and each institution's utiliza-
- 8 tion rate of work-study funds for the 3 most recent years for which sta-
- 9 tistics are available.
- 10 (3) The Michigan higher education assistance authority shall set
- 11 aside not more than 5% of the total work-study appropriation to process
- 12 requests from participating institutions for allocation adjustments.
- 13 Allocation adjustments shall be based on criteria set by the authority
- 14 prior to making the allocations under subsection (2).
- 15 Sec. 304. (1) Payments of the amounts included in section 119 for
- 16 the general degree reimbursement program established under 1974 PA 75,
- 17 MCL 390.1021 to 390.1027, shall be made for all degrees identified in
- 18 section 1(1) of 1974 PA 75, MCL 390.1021, except doctor of dental sur-
- 19 gery, doctor of dental medicine, juris doctor law, and allied health
- 20 degrees.
- 21 (2) The reimbursement rate per eligible degree shall be the equally
- 22 prorated amount permitted by the appropriation, except that the amount of
- 23 the reimbursement for each associate degree shall be 1/2 of the rate of
- 24 reimbursement for the other degrees eligible under subsection (1) for the
- 25 general degree reimbursement program.

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- 1 (3) From the general degree reimbursement program, \$135,300.00 shall
- 2 be provided to Spring Arbor College for the southern Michigan state
- 3 prison program.
- 4 (4) From the general degree reimbursement program, \$200,500.00 shall
- 5 be provided to the University of Detroit Mercy for graduate research
- 6 aid.
- 7 (5) From the general degree reimbursement program, \$30,100.00 shall
- 8 be provided to Marygrove College for learning clinics.
- **9** (6) From the general degree reimbursement program, \$50,000.00 shall
- 10 be provided to Suomi College for career education programs.
- 11 Sec. 305. The reimbursement rate per eligible degree under the
- 12 allied health degree reimbursement program established under 1974 PA 75,
- 13 MCL 390.1021 to 390.1027, shall be the equally prorated amount permitted
- 14 by the appropriation included in section 119.
- 15 Sec. 306. Funds disbursed through the degree reimbursement programs
- 16 shall not be used by any recipient institution for theology or divinity
- 17 programs.
- 18 Sec. 307. The auditor general shall audit selected enrollments,
- 19 degrees, and awards at selected independent colleges and universities
- 20 receiving awards administered by the department of treasury. The audits
- 21 shall be based upon definitions and requirements established by the
- 22 Michigan higher education assistance authority, the state budget direc-
- 23 tor, and the senate and house fiscal agencies. The auditor general shall
- 24 accept the Free Application for Federal Student Aid (FAFSA) form as the
- 25 standard of residency documentation. The auditor general shall submit a
- 26 report of findings to the senate and house appropriations committees not
- 27 later than May 1, 2000.

1 Sec. 308. The sums appropriated in section 119 for the student

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- 2 financial aid and degree reimbursement programs shall be paid out of the
- 3 state treasury and shall be distributed to the respective institutions
- 4 under a quarterly payment system as follows:
- 5 (a) For the state competitive scholarship, tuition incentive, and
- 6 tuition grant programs, 40% shall be paid at the beginning of the state's
- 7 first fiscal quarter, 40% at the beginning of the state's second fiscal
- 8 quarter, 10% at the beginning of the state's third fiscal quarter, and
- 9 10% at the beginning of the state's fourth fiscal quarter.
- 10 (b) For the work-study program, payments shall be made in 11 monthly
- 11 installments from October 1 to August 31 of any year.
- 12 (c) For the part-time independent student program and Michigan edu-
- 13 cation opportunity grant program, 50% shall be paid at the beginning of
- 14 the state's first fiscal quarter, 25% at the beginning of the state's
- 15 second fiscal quarter, and 25% at the beginning of the state's third
- 16 fiscal quarter.
- 17 (d) For the general degree reimbursement program, allied health
- 18 degree reimbursement program, Michigan resident dental grant program, and
- 19 Robert C. Byrd honors scholarship program, 50% shall be paid at the
- 20 beginning of the state's first fiscal quarter and 50% at the beginning of
- 21 the state's second fiscal quarter after the number of earned degrees con-
- 22 ferred and total amounts to be paid are certified.
- 23 Sec. 309. The Michigan higher education assistance authority shall
- 24 determine the needs analysis criteria for students to qualify for the
- 25 competitive scholarship program and tuition grant program. To be consis-
- 26 tent with federal requirements, student wages may be taken into
- 27 consideration when determining the amount of the award.

- 15
- 1 Sec. 310. (1) The funds appropriated in section 119 for the tuition
- 2 incentive program/high school completion program shall be distributed as
- 3 provided in this section and pursuant to the administrative procedures
- 4 for the tuition incentive program/high school completion program of the
- 5 family independence agency.
- 6 (2) As used in this section:
- 7 (a) "Phase I" means the first part of the tuition incentive assist-
- 8 ance program defined as the academic period of 80 semester or 120 term
- 9 credits, or less, leading to an associate degree or certificate.
- 10 (b) "Phase II" means the second part of the tuition incentive
- 11 assistance program which provides assistance in the third and fourth year
- 12 of 4-year degree programs.
- 13 (c) "Department" means the family independence agency.
- 14 (3) A person shall meet the following basic criteria and financial
- 15 thresholds to be eligible for tuition incentive benefits:
- 16 (a) To be eligible for phase I, a person shall meet all of the fol-
- 17 lowing criteria:
- 18 (i) Apply for certification to the department before graduating from
- 19 high school or completing the general education development (GED)
- 20 certificate.
- 21 (ii) Be less than 20 years of age at the time of high school gradua-
- 22 tion or GED completion.
- 23 (iii) Be a United States citizen and a resident of Michigan accord-
- 24 ing to institutional criteria.
- 25 (iv) Be at least a half-time student, earning less than 80 semester
- 26 or 120 term credits at a participating educational institution within 4
- 27 years of high school graduation or GED certificate completion.

- 16
- 1 (b) To be eligible for phase II, a person shall meet either of the
- 2 following criteria in addition to the criteria in subdivision (a):
- 3 (i) Complete at least 56 transferable semester or 84 transferable
- 4 term credits.
- 5 (ii) Obtain an associate degree or certificate at a participating
- 6 institution.
- 7 (c) To be eligible for phase I or phase II, a person must be finan-
- 8 cially eligible as determined by the department. A person is financially
- 9 eligible for the tuition incentive program if that person was Medicaid
- 10 eligible for 24 months within the 36 months before application.
- 11 Certification of eligibility may begin in the sixth grade and continue
- 12 until the time of enrollment in a participating institution.
- 13 (4) For phase I, the department shall provide payment on behalf of a
- 14 person eligible under subsection (3). The department shall reject bill-
- 15 ings that are excessive or outside the guidelines for the type of educa-
- 16 tional institution.
- 17 (5) For phase I, all of the following apply:
- 18 (a) Payments for associate degree or certificate programs shall not
- 19 be made for more than 80 semester or 120 term credits for any individual
- 20 student at any participating institution.
- 21 (b) For persons enrolled at a Michigan community college, the
- 22 department shall pay the current in-district tuition and mandatory fees.
- 23 For persons residing in an area that is not included in any community
- 24 college district, the out-of-district tuition rate may be authorized.
- 25 (c) For persons enrolled at a Michigan public university, the
- 26 department shall pay lower level resident tuition and mandatory fees for
- 27 the current year.

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

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- 7 (6) A person participating in phase II may be eligible for addi-
- 8 tional funds not to exceed \$500.00 per semester or \$400.00 per term up to
- 9 a maximum of \$2,000.00 subject to the following conditions:
- 10 (a) Credits are earned in a 4-year program at a Michigan degree
- 11 granting 4-year college or university.
- 12 (b) The tuition reimbursement is for coursework completed within 30
- 13 months of completion of the phase I requirements.
- 14 (7) Program payments shall not be used by any recipient for theology
- 15 or divinity courses.
- 16 (8) The department shall work closely with participating institu-
- 17 tions to develop an application and eligibility determination process
- 18 that will provide the highest level of participation and ensure that all
- 19 requirements of the program are met.
- 20 (9) Applications for the tuition incentive program may be approved
- 21 at any time after the student begins the sixth grade. If a determination
- 22 of financial eligibility is made, that determination is valid as long as
- 23 the student meets all other program requirements and conditions.
- 24 (10) Each institution shall ensure that all known available
- 25 restricted grants for tuition and fees are used prior to billing the
- 26 tuition incentive program for any portion of a student's tuition and
- **27** fees.

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- 1 (11) The department shall ensure that the tuition incentive program
- 2 is well publicized and that potentially eligible Medicaid clients are
- 3 provided information on the program. The department shall provide the
- 4 necessary funding and staff to fully operate the program.
- 5 (12) When statutory provisions are enacted to provide for a tuition
- 6 incentive program/high school completion program, the provisions of this
- 7 section are superseded.
- 8 (13) Any unexpended and unencumbered funds remaining on September
- 9 30, 2000 from the amounts appropriated in section 119 for the tuition
- 10 incentive program shall not lapse on September 30, 2000, but shall con-
- 11 tinue to be available for expenditure for the tuition incentive program
- 12 in the fiscal year ending September 30, 2001.
- 13 (14) If the funds appropriated in section 119 from the Michigan
- 14 merit award trust fund are not available by June 30, 2000, a sum suffi-
- 15 cient to fund the tuition incentive program shall be appropriated from
- 16 the general fund.
- 17 Sec. 311. To enable the legislature to evaluate the appropriation
- 18 needs of higher education, each independent college and university shall
- 19 make available to the legislature, upon request, data regarding grants
- 20 for the preceding, current, and ensuing fiscal years.
- 21 Sec. 312. The funds appropriated in section 119 for the center for
- 22 advanced technologies engineering program provided in conjunction with
- 23 the coalition for new manufacturing education are designated to
- 24 focus: hope to reimburse the costs of the manufacturing-based education.
- 25 Sec. 313. (1) Included in section 119 is \$86,300,000.00 appropri-
- 26 ated from the Michigan merit award trust fund to fund the Michigan merit

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- 1 award program pursuant to guidelines established by the Michigan merit
- 2 award commission.
- 3 (2) The Michigan merit award commission shall provide by February
- 4 15, 2000 a progress report on its implementation of the Michigan merit
- 5 award program to the state budget director, house and senate fiscal agen-
- 6 cies, and members of the house and senate appropriations subcommittees on
- 7 higher education. The report shall include all of the following
- 8 information:
- 9 (a) The tests or assessments that will be used to determine eligi-
- 10 bility for merit awards.
- 11 (b) Estimates of expenditures for and the number of merit awards to
- 12 be made in the immediately succeeding academic year.
- 13 (c) The Michigan merit award shall not be considered when determin-
- 14 ing eligibility for other state financial aid.
- 15 (3) When statutory provisions are enacted to provide for a Michigan
- 16 merit award trust fund act, the provisions of subsection (2) are
- 17 superseded.

18 STATE UNIVERSITIES

- 19 Sec. 401. (1) Included in section 115 is \$5,965,660.00 to Wayne
- 20 State University for the Joseph F. Young, Sr. psychiatric research and
- 21 training program. Wayne State University shall use these funds for psy-
- 22 chiatric laboratory and clinical research, training, and treatment
- 23 services. Within the available appropriation, services shall not be
- 24 denied to any patient who meets established research guidelines for
- 25 treatment on the basis of personal financial circumstances, age,

1 geographic residence, or projected/actual length of treatment as

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- 2 medically warranted.
- 3 (2) Wayne State University shall report the following information to
- 4 the department of community health by November 1, 2000:
- 5 (a) The number and type of psychiatric research projects funded by
- 6 the appropriation described in subsection (1).
- 7 (b) The number and type of students trained and the location of
- 8 training funded by the appropriation.
- 9 (c) Demographic data regarding the number and profile of patients to
- 10 receive psychiatric services funded by the appropriation and a profile of
- 11 the services provided.
- 12 (d) A summary budget outlining major expenditure categories and any
- 13 first- and third-party reimbursements.
- 14 (3) Copies of these reports shall also be provided to the house and
- 15 senate fiscal agencies and the state budget director.
- 16 Sec. 402. The University of Michigan biological station at Douglas
- 17 Lake in Cheboygan County is regarded as a unique resource and is desig-
- 18 nated as a special research reserve. It is the intent of the legislature
- 19 to protect and preserve the unique long-term research value and capabili-
- 20 ties of the biological station area and Douglas Lake. The legislature
- 21 further intends that no state programs or policies be developed that
- 22 would have a deleterious impact on the research value of Douglas Lake.
- 23 Sec. 404. It is the intent of the legislature that no funds, other
- 24 than tuition and other revenues from law school students or private funds
- 25 explicitly directed to the Detroit College of Law Michigan State
- 26 University law alliance, shall be used either directly or indirectly to
- 27 support the joint law school. The auditor general or a certified public

- 21
- 1 accountant appointed by the auditor general shall audit the financial and
- 2 accounting systems of the Detroit College of Law Michigan State
- 3 University law alliance to determine compliance with this statement of
- 4 legislative intent and report its findings to the state budget director,
- 5 house and senate fiscal agencies, and members of the house and senate
- 6 appropriations subcommittees on higher education.
- 7 Sec. 405. (1) There is created the higher education institutional
- 8 data inventory advisory committee. The committee shall be appointed by
- 9 the state budget director and shall consist of the following members:
- 10 (a) One representative from the house fiscal agency.
- 11 (b) One representative from the senate fiscal agency.
- 12 (c) One representative from the state budget director's office.
- 13 (d) Three representatives of the presidents council of state
- 14 universities. The presidents council shall appoint 1 representative each
- 15 from a masters, a doctoral, and a research university.
- 16 (2) The committee shall provide for the general scope and direction
- 17 for implementing the conversion and modernization of the state's higher
- 18 education databases, for which funding is provided in section 117.
- 19 (3) The committee shall prepare a plan for the conversion and mod-
- 20 ernization effort. The plan shall include, but is not limited to, all of
- 21 the following:
- 22 (a) The development of a data dictionary.
- 23 (b) The integration of appropriate federal, national, regional, and
- 24 state databases.
- 25 (c) The assurance of the accuracy of the data.
- 26 (4) The committee shall consider inclusion of data items that are
- 27 currently reported under section 705.

22

- 1 Sec. 408. The legislature recognizes that the first and foremost
- 2 obligation of the public universities is undergraduate instruction. The
- 3 public universities are therefore encouraged to increase their commitment
- 4 of tenured and tenure track faculty to undergraduate instruction.
- 5 Sec. 412. From the funds appropriated in part 1, each state univer-
- 6 sity shall establish a system to track students that graduate from the
- 7 university. The system shall minimally provide information on the
- 8 students' field of study and year of graduation, whether they are
- 9 employed or continuing their education, the field in which they are
- 10 employed or their subsequent field of academic study, their job title,
- 11 their salary, and their city, town, or other place of residence.
- 12 Sec. 418. No state funds shall be used by any state university to
- 13 undertake a collaborative effort with any other university that would
- 14 have the effect of increasing its enrollment of first-time professional
- 15 law degree seeking students.
- 16 Sec. 421. Central Michigan University shall report by September 30,
- 17 2000 to the house and senate appropriations committees and the house and
- 18 senate fiscal agencies information on the activities and effectiveness of
- 19 the charter schools development and performance institute for which an
- 20 appropriation is provided in section 102. Included in the report shall
- 21 be an accounting of all revenues and expenditures of the institute, the
- 22 names of the public school academies served, and the type of assistance
- 23 provided to each public school academy.
- 24 Sec. 422. If a public university is an authorizing body for 1 or
- 25 more public school academies under the revised school code, 1976 PA 451,
- 26 MCL 380.1 to 380.1852, an amount equal to the amount received by the
- 27 public university in the immediately preceding state fiscal year as its

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1 total fees for considering applications for contracts, issuing contracts,

23

- 2 and providing oversight of contracts for public school academies shall
- 3 not be distributed to the public university under this act until the
- 4 auditor general certifies to the state budget director that the public
- 5 university has provided to the auditor general all information requested
- 6 in his or her audit of those activities. It is the intent of the legislature to request an opinion from the state attorney general regarding the legal constraints of state audits of activities of public universities.
- 7 Sec. 426. It is legislative intent that private bookstores that
- 8 sell textbooks to university students and student governments that pro-
- 9 vide a book swap for university students have accurate and timely access
- 10 to lists of universities' required textbooks in order to provide prompt
- 11 and efficient service for students. It is further legislative intent
- 12 that each state university allow students who are on financial aid or are
- 13 receiving tuition grants to decide where to purchase their textbooks.
- 14 Sec. 427. The presidents council of state universities shall submit
- 15 a report to the respective legislative subcommittees on higher education
- 16 appropriations, the respective fiscal agencies, and the state budget
- 17 director by February 1, 2000, regarding appropriate guidelines for a
- 18 state university's provision of academic programs in areas of the state
- 19 outside the university's immediate region.
- 20 Sec. 428. Included in section 117 is \$50,000,000.00 appropriated to
- 21 the life sciences consortium from tobacco settlement revenue. The con-
- 22 sortium shall consist of Michigan State University, the University of
- 23 Michigan-Ann Arbor, Wayne State University, and the Van Andel institute
- 24 for medical research and education. Of the \$50,000,000.00,
- 25 \$25,000,000.00 shall be allocated for basic research and \$25,000,000.00
- 26 shall be allocated for collaborative peer-reviewed research projects.
- 27 The specific allocations shall be determined by the members of the

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- 24
- 1 consortium. The purpose of the consortium is to create a life sciences
- 2 research corridor which would be a collaborative network of the state's 3
- 3 largest research universities, in partnership with the Van Andel insti-
- 4 tute for medical research and education in Grand Rapids. The consortium
- 5 would link the state's scientists, scholars, inventors, and
- 6 venture-capitalists in areas such as genetics, chemistry, biology, neuro-
- 7 science, and pharmaceutical development, with the goals of generating
- 8 high-tech jobs and economic development investment, and providing bene-
- 9 fits for the health and welfare of the state's citizens.
- Sec. 432. Included in section 117 is \$150,000.00 appropriated to
- 11 the agricultural experiment station for a Michigan-Latvian economic
- 12 development project. The project shall include the following
- 13 components:
- 14 (a) Michigan business development program.
- 15 (b) Internships on Michigan farms and with Michigan agribusinesses
- 16 for Latvian farmers, cooperative leaders, and agribusiness
- 17 representatives.
- 18 (c) Technical exchange and linkage programs.
- 19 (d) Collaborative research programs.

20 MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS

21 PROGRAMS

- 22 Sec. 501. (1) Included in the appropriation for each public univer-
- 23 sity in part 1 is funding for the Martin Luther King, Jr. Cesar Chavez
- 24 Rosa Parks future faculty program, that is intended to increase the
- 25 pool of minority candidates pursuing faculty teaching careers in

1 postsecondary education. Each university shall apply the percentage

25

- 2 increase applicable to every university in the calculation of appropria-
- 3 tions in part 1 to the amount of funds allocated to the future faculty
- 4 program.
- 5 (2) The program shall be administered by each university in a manner
- 6 prescribed by the King-Chavez-Parks initiative unit in the Michigan
- 7 department of education.
- 8 Sec. 502. (1) Included in the appropriation for each public univer-
- 9 sity in part 1 is funding for the Martin Luther King, Jr. Cesar Chavez
- 10 Rosa Parks college day program that is intended to introduce school
- 11 children underrepresented in postsecondary education to the potential of
- 12 a college education.
- 13 (2) Individual program plans of each university shall include a
- 14 budget of equal contributions from this program, the participating public
- 15 university, the participating school district, and the participating
- 16 independent degree granting college. College day funds shall not be
- 17 expended to cover indirect costs. Not more than 20% of the university
- 18 match shall be attributable to indirect costs. Each university shall
- 19 apply the percentage increase applicable to every university in the cal-
- 20 culation of appropriations in part 1 to the amount of funds allocated to
- 21 the college day program.
- 22 (3) The program shall be administered by each university in a manner
- 23 prescribed by the King-Chavez-Parks initiative unit in the Michigan
- 24 department of education.
- 25 Sec. 503. (1) Included in section 118 is funding for the Martin
- 26 Luther King, Jr. Cesar Chavez Rosa Parks select student support
- 27 services program for developing academically and economically

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- 1 disadvantaged student retention programs for 4-year public and
- 2 independent educational institutions in this state.
- 3 (2) An award made under this program to any 1 institution shall not
- ${f 4}$ be greater than \$150,000.00, and the amount awarded shall be matched on a
- 5 70% state, 30% college or university basis.
- 6 (3) The program shall be administered by the King-Chavez-Parks ini-
- 7 tiative unit in the Michigan department of education.
- 8 Sec. 504. (1) Included in section 118 is funding for the Martin
- 9 Luther King, Jr. Cesar Chavez Rosa Parks college/university partner-
- 10 ship program between 4-year universities and public community colleges,
- 11 which is intended to increase the number of underrepresented minority
- 12 students who transfer from community colleges into baccalaureate
- 13 programs.
- 14 (2) The grants shall be made under this program to Michigan public
- 15 universities. An award to any 1 institution shall not be greater than
- 16 \$150,000.00, and the amount awarded shall be matched on a 70% state, 30%
- 17 university basis.
- 18 (3) The program shall be administered by the King-Chavez-Parks ini-
- 19 tiative unit in the Michigan department of education.
- Sec. 505. (1) Included in the appropriation for each public univer-
- 21 sity in part 1 is funding for the Martin Luther King, Jr. Cesar Chavez
- 22 Rosa Parks visiting professors program which is intended to increase
- 23 the number of minority instructors in the classroom and provide role
- 24 models for underrepresented minority students.
- 25 (2) The program shall be administered by the King-Chavez-Parks ini-
- 26 tiative unit in the Michigan department of education.

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- 1 Sec. 506. Each state institution of higher education receiving
- 2 funds under section 503, 504, 505, or 507 shall notify the
- 3 King-Chavez-Parks initiative unit in the Michigan department of education
- 4 by April 15, 2000 as to whether it will expend by the end of its fiscal
- 5 year the funds received under section 503, 504, 505, or 507.
- 6 Notwithstanding the award limitations in sections 503 and 504, the amount
- 7 of funding reported as not being expended will be reallocated to the
- 8 institutions that intend to expend all funding received under section
- **9** 503, 504, 505, or 507.
- 10 Sec. 507. (1) Included in the appropriation in section 118 is fund-
- 11 ing under the Martin Luther King, Jr. Cesar Chavez Rosa Parks initia-
- 12 tive for the Morris Hood, Jr. educator development program which is
- 13 intended to increase the number of minority students, especially males,
- 14 who enroll in and complete K-12 teacher education programs at the bacca-
- 15 laureate level.
- 16 (2) The program shall be administered by each state-approved teacher
- 17 education institution in a manner prescribed by the King-Chavez-Parks
- 18 initiative unit in the Michigan department of education.
- 19 (3) Approved teacher education institutions may and are encouraged
- 20 to use student support services funding in coordination with the Morris
- 21 Hood, Jr. funding to achieve the goals of the program.

22 UNIVERSITY SERVICE TO K-12 EDUCATION

- 23 Sec. 601. (1) From the amount appropriated in part 1 for state uni-
- 24 versities, the state universities shall systematically inform Michigan
- 25 high schools regarding the academic status of students from each high

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- 28
- 1 school in a manner prescribed by the presidents council, state
- 2 universities of Michigan in cooperation with the Michigan association of
- 3 secondary school principals.
- 4 (2) The Michigan high schools shall systematically inform the state
- 5 universities about the use of information received under this section in
- 6 a manner prescribed by the Michigan association of secondary school prin-
- 7 cipals in cooperation with the presidents council, state universities of
- 8 Michigan.
- 9 (3) The Michigan association of secondary school principals in coop-
- 10 eration with the presidents council, state universities of Michigan shall
- 11 provide a summary report to the house and senate fiscal agencies and the
- 12 state budget director about the use of the student achievement informa-
- 13 tion received by Michigan high schools under this section.

14 GENERAL REPORTS AND AUDITS

- 15 Sec. 701. (1) The auditor general shall audit enrollments at 5 ran-
- 16 domly selected public universities. The audits shall be based upon the
- 17 definitions and requirements established by the state budget director and
- 18 the senate and house fiscal agencies. The audits shall be based on uni-
- 19 form reporting categories and shall include higher education institu-
- 20 tional data inventory (HEIDI) data. The auditor general shall submit a
- 21 report of findings to the house and senate appropriations committees and
- 22 the state budget director no later than July 1, 2000.
- 23 (2) Student credit hours reports shall not include the following:

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- 1 (a) Student credit hours generated through correspondence courses,
- 2 credit by examination, or inmate prison programs regardless of teaching
- 3 location.
- 4 (b) Student credit hours generated in new degree programs after
- 5 January 1, 1975, that have not been specifically authorized for funding
- 6 by the legislature, except spin-off programs converted from existing core
- 7 programs that do all of the following:
- 8 (i) Represent new options, fields, or concentrations within existing
- 9 programs.
- 10 (ii) Are consistent with the current institutional role and
- 11 mission.
- 12 (iii) Are accommodated within the continuing funding base of the
- 13 institution.
- 14 (iv) Do not require a new degree level beyond that which the insti-
- 15 tution is currently authorized to grant within that discipline or field.
- 16 (v) Do not require funding from the state other than that provided
- 17 by the student credit hours generated within the program, either before
- 18 program initiation or within the first 3 years of program operation.
- 19 (3) The auditor general shall periodically audit higher education
- 20 institutional data inventory (HEIDI) data as submitted by the state uni-
- 21 versities for compliance with the definitions in the HEIDI data
- 22 dictionary.
- 23 Sec. 701a. (1) Pursuant to section 701(2)(b), the following degree
- 24 programs may be established:
- 25 (a) <u>Bachelors</u>
- 26 Central Michigan University

Health Administration Major,

B.A./B.A./B.S.

28 Central Michigan University Music Theater, B.F.S.

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Resort Management, B.S. 1 Ferris State University 2 Northern Michigan University Athletic Training Major, B.S. 3 Northern Michigan University Mechanical Engineering Technology, 5 Northern Michigan University Environmental Sciences, B.S. 6 Northern Michigan University Diagnostic Genetics, B.S. 8 (b) <u>Masters</u> **9** Central Michigan University Information Systems, M.S. 10 Grand Valley State University Criminal Justice, M.S. 11 Northern Michigan University Creative Writing, M.F.A. Accounting, M.S. 12 University of Michigan-Dearborn 13 University of Michigan-Dearborn Finance, M.S. 14 Wayne State University Language Learning, M.A. Teaching Children who are Visually 15 Western Michigan University Impaired and Orientation and 16 Mobility for Children who are Visually Impaired, M.A. 17 18 19 (c) <u>Doctorate</u> 20 Michigan State University Nursing, Ph.D.

21 Western Michigan University

Public Administration, Ph.D.

- 22 23 (2) The listing of degree programs in subsection (1) does not con-24 stitute legislative intent to provide additional dollars for those
- 25 programs.
- 26 Sec. 702. The principal executive officer of each institution of
- 27 higher education receiving an appropriation under this act shall expend a
- 28 portion of the funds appropriated to that institution to make a report to
- 29 the auditor general, the house and senate fiscal agencies, and the state
- 30 budget director within 60 days after the auditor general issues his or
- 31 her annual report on the operation of the institution. The institution's
- 32 report shall specify all of the following:
- (a) The recommendations of the auditor general implemented by the 33
- 34 institution, including projected dates and resources required, if any, to
- 35 achieve compliance.
- (b) The recommendations of the auditor general not implemented by 36
- 37 the institution or implemented by the institution as modified.

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- 31 1 (c) The rationale for not implementing a recommendation of the
- 2 auditor general or of implementing a recommendation as modified.
- Sec. 704. (1) Each state university shall annually submit a report 3
- 4 to the state budget director and house and senate fiscal agencies on spe-
- 5 cific programs to ensure the English language oral proficiency of teach-
- 6 ing faculty.
- (2) The next reporting date for the report under subsection (1) is 7
- 8 November 1, 1999.
- 9 Sec. 705. (1) Each state university shall report the following
- 10 information for the 1998-99 academic year to the house and senate fiscal
- 11 agencies and the department of management and budget on or before October
- **12** 31, 1999:
- 13 (a) Separately, the number of tenured faculty, tenure-track faculty,
- 14 nontenure-track faculty, and graduate assistants who taught an undergrad-
- 15 uate class section.
- (b) The total number of undergraduate credit hours and section cred-16
- 17 its taught by each of the following:
- (i) Tenured faculty. 18
- 19 (ii) Tenure-track faculty.
- 20 (iii) Nontenure-track faculty.
- (iv) Graduate assistants. 21
- (2) For the purposes of subsection (1), the following definitions 22
- 23 apply:
- (a) "Tenured faculty" means a faculty member who has earned tenure. 24
- (b) "Tenure-track faculty" means a faculty member who has not yet 25
- 26 earned tenure but is eligible to earn tenure.

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- 1 (c) "Nontenure-track faculty" means a faculty member who is not
- 2 eligible to earn tenure.
- 3 (d) "Graduate assistant" means an individual who is a master's or
- 4 doctoral degree candidate.
- 5 (3) Each state university shall report the following information for
- 6 the 1998-99 academic year to the house and senate fiscal agencies and the
- 7 department of management and budget on or before October 31, 1999:
- 8 (a) Separately, the number of part-time and full-time faculty.
- **9** (b) Separately, the number of tenured and nontenured faculty.
- 10 (4) For the purposes of subsection (3), the following definitions
- 11 apply:
- 12 (a) "Part-time faculty" means an individual who does not have a
- 13 full-time appointment as a faculty member.
- 14 (b) "Full-time faculty" means an individual who has a full-time
- 15 appointment as a faculty member.
- 16 (c) "Tenured faculty" means an individual who has earned tenure and
- 17 who does not hold an administrative post.
- 18 (d) "Nontenured faculty" means an individual who has not earned
- 19 tenure.
- Sec. 708. The auditor general shall conduct not less than 3 per-
- 21 formance audits of the state universities during the fiscal year ending
- 22 September 30, 2000.
- 23 Sec. 709. (1) An institution receiving funds under this act and
- 24 also subject to the student right-to-know and campus security act, Public
- 25 Law 101-522, 104 Stat. 2381, shall furnish by September 1, 1999 to the
- 26 Michigan department of education, a copy of all material prepared
- 27 pursuant to the public information reporting requirements under the crime

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- 1 awareness and campus security act of 1990, title II of the student
- 2 right-to-know and campus security act, Public Law 101-542, 104
- 3 Stat. 2381.
- (2) Each institution shall make this information available in elec-
- 5 tronic Internet format on their websites.
- Sec. 710. The reports required under this act shall be made avail-
- 7 able to the public primarily through Internet access, unless a printed
- 8 version is requested.

PART 2A

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 1998-99 GENERAL SECTIONS

Sec. 2101. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources in part 1A of this appropriation act is \$301,400.00. There is no local spending pursuant to section 30 of article IX of the state constitution of 1963.

Sec. 2102. The funds appropriated in part 1A for infrastructure, technology, equipment, and maintenance shall be distributed as follows:

Central Michigan University	\$ 100
Eastern Michigan University	100
Ferris State University	100
Grand Valley State University	100
Lake Superior State University	100
Michigan State University	100
Michigan Technological University	100
Northern Michigan University	300,000
Oakland University	100
Saginaw Valley State University	100
University of Michigan-Ann Arbor	100
University of Michigan-Dearborn	100
University of Michigan-Flint	100
Wayne State University	100
Western Michigan University	100
Total	\$301,400