

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 967

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2001; 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:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. Subject to the conditions set forth in this act, the
4 amounts listed in this part are appropriated for higher education for the
5 fiscal year ending September 30, 2001, from the funds indicated in this
6 part. The following is a summary of the appropriations in this part:

7 HIGHER EDUCATION

8 Full-time equated classified positions.....1.0

SB0967, As Passed House, May 23, 2000Sub. S.B. 967 (H-1) as amended May 23, 2000
2For Fiscal Year Ending
September 30, 2001

1	GROSS APPROPRIATION.....	\$	[1,922,066,039]
2	Total interdepartmental grants and intradepartmental		
3	transfers.....	\$	0
4	ADJUSTED GROSS APPROPRIATION.....	\$	[1,922,066,039]
5	Appropriated from:		
6	Federal revenues:		
7	Total federal revenues.....		3,900,000
8	Special revenue funds:		
9	Total local revenues.....		0
10	Total private revenues.....		0
11	Total other state restricted revenues.....		84,250,000
12	State general fund/general purpose.....	\$	[1,833,916,039]
13	Sec. 102. CENTRAL MICHIGAN UNIVERSITY		
14	Operations.....	\$	<u>[92,078,347]</u>
15	GROSS APPROPRIATION.....	\$	[92,078,347]
16	Appropriated from:		
17	State general fund/general purpose.....	\$	[92,078,347]
18	Sec. 103. EASTERN MICHIGAN UNIVERSITY		
19	Operations.....	\$	<u>[88,285,187]</u>
20	GROSS APPROPRIATION.....	\$	[88,285,187]
21	Appropriated from:		
22	State general fund/general purpose.....	\$	[88,285,187]
23	Sec. 104. FERRIS STATE UNIVERSITY		
24	Operations.....	\$	<u>[55,466,600]</u>
25	GROSS APPROPRIATION.....	\$	[55,466,600]
26	Appropriated from:		

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1	State general fund/general purpose.....	\$	[55,466,600]
2	Sec. 105. GRAND VALLEY STATE UNIVERSITY		
3	Operations.....	\$	<u>[62,311,412]</u>
4	GROSS APPROPRIATION.....	\$	[62,311,412]
5	Appropriated from:		
6	State general fund/general purpose.....	\$	[62,311,412]
7	Sec. 106. LAKE SUPERIOR STATE UNIVERSITY		
8	Operations.....	\$	<u>[14,254,820]</u>
9	GROSS APPROPRIATION.....	\$	[14,254,820]
10	Appropriated from:		
11	State general fund/general purpose.....	\$	[14,254,820]
12	Sec. 107. MICHIGAN STATE UNIVERSITY		
13	Operations.....	\$	<u>[337,241,089]</u>
14	GROSS APPROPRIATION.....	\$	[337,241,089]
15	Appropriated from:		
16	State general fund/general purpose.....	\$	[337,241,089]
17	Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY		
18	Operations.....	\$	<u>[55,167,099]</u>
19	GROSS APPROPRIATION.....	\$	[55,167,099]
20	Appropriated from:		
21	State general fund/general purpose.....	\$	[55,167,099]
22	Sec. 109. NORTHERN MICHIGAN UNIVERSITY		
23	Operations.....	\$	<u>[51,942,819]</u>
24	GROSS APPROPRIATION.....	\$	[51,942,819]
25	Appropriated from:		
26	State general fund/general purpose.....	\$	[51,942,819]

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1	Sec. 110. OAKLAND UNIVERSITY		
2	Operations.....	\$	<u>[54,693,750]</u>
3	GROSS APPROPRIATION.....	\$	[54,693,750]
4	Appropriated from:		
5	State general fund/general purpose.....	\$	[54,693,750]
6	Sec. 111. SAGINAW VALLEY STATE UNIVERSITY		
7	Operations.....	\$	<u>[28,201,320]</u>
8	GROSS APPROPRIATION.....	\$	[28,201,320]
9	Appropriated from:		
10	State general fund/general purpose.....	\$	[28,201,320]
11	Sec. 112. UNIVERSITY OF MICHIGAN-ANN ARBOR		
12	Operations.....	\$	<u>[360,548,358]</u>
13	GROSS APPROPRIATION.....	\$	[360,548,358]
14	Appropriated from:		
15	State general fund/general purpose.....	\$	[360,548,358]
16	Sec. 113. UNIVERSITY OF MICHIGAN-DEARBORN		
17	Operations.....	\$	<u>[28,249,519]</u>
18	GROSS APPROPRIATION.....	\$	[28,249,519]
19	Appropriated from:		
20	State general fund/general purpose.....	\$	[28,249,519]
21	Sec. 114. UNIVERSITY OF MICHIGAN-FLINT		
22	Operations.....	\$	<u>[24,351,768]</u>
23	GROSS APPROPRIATION.....	\$	[24,351,768]
24	Appropriated from:		
25	State general fund/general purpose.....	\$	[24,351,768]
26	Sec. 115. WAYNE STATE UNIVERSITY		

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SB0967, As Passed House, May 23, 2000Sub. S.B. 967 (H-1) as amended May 23, 2000
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1	Operations.....	\$	<u>[253,302,993]</u>
2	GROSS APPROPRIATION.....	\$	[253,302,993]
3	Appropriated from:		
4	State general fund/general purpose.....	\$	[253,302,993]
5	Sec. 116. WESTERN MICHIGAN UNIVERSITY		
6	Operations.....	\$	<u>[129,339,818]</u>
7	GROSS APPROPRIATION.....	\$	[129,339,818]
8	Appropriated from:		
9	State general fund/general purpose.....	\$	[129,339,818]
10	Sec. 117. STATE AND REGIONAL PROGRAMS		
11	Full-time equated classified positions.....1.0		
12	Agricultural experiment station.....	\$	36,431,000
13	Cooperative extension service.....		31,422,560
14	Michigan molecular institute.....		234,315
15	Japan center for Michigan universities.....		418,659
16	Higher education database modernization and		
17	conversion--1.0 FTE position.....		275,000
18	Midwest higher education compact.....		<u>75,000</u>
19	GROSS APPROPRIATION.....	\$	68,856,535
20	Appropriated from:		
21	State general fund/general purpose.....	\$	68,856,535
22	Sec. 118. MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS		
23	PROGRAM		
24	Select student supportive services.....	\$	2,150,107
25	Michigan college/university partnership program.....		645,032
26	Morris Hood, Jr. educator development program.....		<u>163,318</u>

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1	GROSS APPROPRIATION.....	\$	2,958,457
2	Appropriated from:		
3	State general fund/general purpose.....	\$	2,958,457
4	Sec. 119. GRANTS AND FINANCIAL AID		
5	State competitive scholarships.....	\$	[35,886,394]
6	Tuition grants.....		[67,220,997]
7	Merged institution student grant.....		100
8	Michigan work-study program.....		[8,144,699]
9	Part-time independent student program.....		[2,949,699]
10	Grant for Michigan resident dental graduates.....		[5,133,506]
11	Grant for general degree graduates.....		[6,363,697]
12	Grant for allied health graduates.....		[950,099]
13	Michigan education opportunity grants.....		[2,316,957]
14	Robert C. Byrd honors scholarship program.....		1,600,000
15	Michigan merit award program.....		79,000,000
16	Tuition incentive program/high school completion.....		<u>5,250,000</u>
17	GROSS APPROPRIATION.....	\$	[214,816,148]
18	Appropriated from:		
19	Federal revenues:		
20	Higher education act of 1965, title IV, 20 U.S.C.....		2,300,000
21	Higher education act of 1965, title IV, part A.....		1,600,000
22	Special revenue funds:		
23	Michigan merit award trust fund.....		84,250,000
24	State general fund/general purpose.....	\$	[126,666,148]
25			
26			

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1 PART 2

2 PROVISIONS CONCERNING APPROPRIATIONS

3 GENERAL SECTIONS

4 Sec. 201. Pursuant to section 30 of article IX of the state consti-
 5 tution of 1963, total state spending from state resources in part 1 for
 6 fiscal year 2000-2001 is [\$1,918,143,836.00] and state spending from state
 7 resources to be paid to local units of government for fiscal year
 8 2000-2001 is \$4,670,654.00. The itemized statement below identifies
 9 appropriations from which spending to units of local government will
 10 occur:

11		For Fiscal Year
12		Ending Sept. 30,
13		2001
14	GRANTS AND FINANCIAL AID	
15	Part-time independent student program.....	\$ 1,346,087
16	Michigan education opportunity grant.....	1,064,187
17	Michigan work-study.....	<u>2,260,380</u>
18	TOTAL.....	\$ 4,670,654

19 Sec. 202. The appropriations authorized under this act are subject
 20 to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

21 Sec. 208. The institutions shall continue to pilot the use of the
 22 Internet to fulfill the reporting requirements of this act. This may
 23 include transmission of reports via electronic mail to the recipients
 24 identified for each reporting requirement or it may include placement of
 25 reports on the Internet or legislative Intranet site. The senate and
 26 house of representatives appropriations subcommittees and senate and
 27 house fiscal agencies shall be notified in writing of the Internet or
 28 Intranet site of any such report.

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8

1 Sec. 209. Funds appropriated in part 1 shall not be used for the
2 purchase of foreign goods or services, or both, if competitively priced
3 and of comparable quality American goods or services, or both, are
4 available. Not later than May 1, 2001, each university shall have avail-
5 able upon request information on efforts to comply with this section.

6 Sec. 210. (1) The funds appropriated in part 1 to state institu-
7 tions of higher education shall be paid out of the state treasury and
8 distributed by the state treasurer to the respective institutions in 11
9 equal monthly installments on the sixteenth of each month, or the next
10 succeeding business day, beginning with October 16, 2000. Except for
11 Wayne State University, each institution shall accrue its July and August
12 2001 payments to its institutional fiscal year ending June 30, 2001.

13 (2) The amount distributed to an institution shall not exceed the
14 net appropriations plus additional distributions specifically authorized
15 by this act.

16 (3) All universities shall submit higher education institutional
17 data inventory (HEIDI) data and associated financial and program informa-
18 tion requested by and in a manner prescribed by the state budget
19 director. For universities with fiscal years ending June 30, 2000, these
20 data shall be submitted to the department of management and budget by
21 October 15, 2000. Universities with a fiscal year ending September 30,
22 2000 shall submit preliminary HEIDI data by November 15, 2000 and final
23 data by December 15, 2000. If a university fails to submit HEIDI data
24 and associated financial aid program information in accordance with this
25 reporting schedule, the state treasurer shall withhold the monthly
26 installments under subsection (1) to the university until those data are
27 submitted.

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1 (4) A detailed description of procedures utilized to arrive at the
2 amounts appropriated in part 1 shall be submitted to each institution by
3 the senate and house fiscal agencies.

4 Sec. 211. Funds received by the state from the federal government
5 or private sources for the use of a college or university are appropri-
6 ated for the purposes for which they are provided. The acceptance and
7 use of federal or private funds does not place an obligation upon the
8 legislature to continue the purposes for which the funds are made
9 available.

10 Sec. 213. A state institution of higher education that receives
11 funds under this act shall furnish all program and financial information
12 that is required by and in a manner prescribed by the state budget direc-
13 tor or the house or senate appropriations committee.

14 Sec. 214. If a state institution of higher education that receives
15 funds under this act notifies the department of treasury regarding its
16 tuition and fee rates in order to qualify as an eligible institution for
17 the Michigan tuition tax credit under section 274 of the income tax act
18 of 1967, 1967 PA 281, MCL 206.274, the institution shall also submit the
19 notification and applicable documentation of tuition and fee changes to
20 the house and senate fiscal agencies.

21 Sec. 215. All funds received under part 1 for the charter schools
22 development and performance institute are intended to be expended on
23 activities of that institute.

24 Sec. 216. It is the intent of the legislature that each public uni-
25 versity increase its need-based student financial aid for resident under-
26 graduates by at least the percentage increase in its resident
27 undergraduate tuition and fee increase for the 1999-2000 academic year.

1 The president's council of state universities shall submit a report to
2 the respective legislative subcommittees on higher education appropria-
3 tions and the respective fiscal agencies by February 1, 2001 concerning
4 these percentage increases.

5 GRANTS AND FINANCIAL AID

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

9 (2) The Michigan higher education assistance authority shall imple-
10 ment a proportional competitive scholarship maximum award level for
11 recipients enrolled less than full-time in a given semester or term.

12 (3) If a student who receives an award under this section has his or
13 her tuition and fees paid under the Michigan educational trust program,
14 pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421
15 to 390.1444, and still has financial need, the funds awarded under this
16 section may be used for educational expenses other than tuition and
17 fees.

18 (4) 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.

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1 Sec. 302. (1) The amounts appropriated in section 119 for the state
2 tuition grant program shall be distributed pursuant to 1966 PA 313,
3 MCL 390.991 to 390.997a.

4 (2) Tuition grant awards shall be made to all eligible Michigan res-
5 idents who apply before September 1, 2000 and who are qualified. Tuition
6 grant awards shall not be made to students newly enrolled in a juris
7 doctor law degree program after the 1995-96 academic year.

8 (3) The Michigan higher education assistance authority shall deter-
9 mine an actual maximum tuition grant award per student that ensures that
10 the aggregate payments for the tuition grant program do not exceed the
11 appropriation contained in section 119 for the state tuition grant
12 program. By December 15, 2000, and again by February 1, 2001, the
13 authority shall analyze the status of award commitments, shall make any
14 necessary adjustments, and shall confirm that those award commitments
15 will not exceed the appropriation contained in section 119 for the
16 tuition grant program. The determination and actions shall be reported
17 to the state budget director and the house and senate fiscal agencies no
18 later than February 15, 2001. If award adjustments are necessary, the
19 students shall be notified of the adjustment by the third Monday in
20 February.

21 (4) Any unexpended and unencumbered funds remaining on September 30,
22 2001 from the amounts appropriated in section 119 for the tuition grant
23 program shall not lapse on September 30, 2001, but shall continue to be
24 available for expenditure for tuition grants provided in the 2001-2002
25 fiscal year. The use of these unexpended fiscal year 2000-2001 funds
26 shall terminate at the end of the 2001-2002 fiscal year.

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

4 (6) If the Michigan higher education assistance authority increases
5 the maximum award per eligible student from that provided in the previous
6 fiscal year, it shall not have the effect of reducing the number of eli-
7 gible students receiving awards in relation to the total number of eligi-
8 ble applicants. Any increase in the maximum grant shall be proportional
9 for all eligible students receiving awards for fiscal year 2000-2001.

10 Sec. 303. (1) Included in the appropriation in section 119 is fund-
11 ing for the Michigan work-study program established under 1986 PA 288,
12 MCL 390.1371 to 390.1382, and 1986 PA 303, MCL 390.1321 to 390.1332. An
13 effort should be made by each institution participating in the Michigan
14 work-study program to assure that not less than 10% of those undergradu-
15 ate, graduate, and professional students eligible to participate in the
16 program are placed with for-profit employers no later than December 31 of
17 each year for which funding is provided under this act.

18 (2) The Michigan higher education assistance authority shall allo-
19 cate funds to institutions eligible for work-study money based upon each
20 institution's specific Pell grant index and each institution's utiliza-
21 tion rate of work-study funds for the 3 most recent years for which sta-
22 tistics are available.

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

1 Sec. 304. (1) Payments of the amounts included in section 119 for
2 the general degree reimbursement program established under 1974 PA 75,
3 MCL 390.1021 to 390.1027, shall be made for all degrees identified in
4 section 1(1) of 1974 PA 75, MCL 390.1021, except doctor of dental sur-
5 gery, doctor of dental medicine, juris doctor law, and allied health
6 degrees.

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

12 (3) From the general degree reimbursement program, \$135,300.00 shall
13 be provided to Spring Arbor College for the southern Michigan state
14 prison program.

15 (4) From the general degree reimbursement program, \$200,500.00 shall
16 be provided to the University of Detroit - Mercy for graduate research
17 aid.

18 (5) From the general degree reimbursement program, \$30,100.00 shall
19 be provided to Marygrove College for learning clinics.

20 (6) From the general degree reimbursement program, \$50,000.00 shall
21 be provided to Suomi College for career education programs.

22 Sec. 305. The reimbursement rate per eligible degree under the
23 allied health degree reimbursement program established under 1974 PA 75,
24 MCL 390.1021 to 390.1027, shall be the equally prorated amount permitted
25 by the appropriation included in section 119.

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

4 Sec. 307. The auditor general shall audit selected enrollments,
5 degrees, and awards at selected independent colleges and universities
6 receiving awards administered by the department of treasury. The audits
7 shall be based upon definitions and requirements established by the
8 Michigan higher education assistance authority, the state budget direc-
9 tor, and the senate and house fiscal agencies. The auditor general shall
10 accept the Free Application for Federal Student Aid (FAFSA) form as the
11 standard of residency documentation. The auditor general shall submit a
12 report of findings to the senate and house appropriations committees by
13 May 1, 2001.

14 Sec. 308. The sums appropriated in section 119 for the student
15 financial aid and degree reimbursement programs shall be paid out of the
16 state treasury and shall be distributed to the respective institutions
17 under a quarterly payment system as follows:

18 (a) For the state competitive scholarship, tuition incentive, and
19 tuition grant programs, 40% shall be paid at the beginning of the state's
20 first fiscal quarter, 40% at the beginning of the state's second fiscal
21 quarter, 10% at the beginning of the state's third fiscal quarter, and
22 10% at the beginning of the state's fourth fiscal quarter.

23 (b) For the work-study program, payments shall be made in 11 monthly
24 installments from October 1 to August 31 of any year.

25 (c) For the part-time independent student program and Michigan edu-
26 cation opportunity grant program, 50% shall be paid at the beginning of
27 the state's first fiscal quarter, 25% at the beginning of the state's

1 second fiscal quarter, and 25% at the beginning of the state's third
2 fiscal quarter.

3 (d) For the general degree reimbursement program, allied health
4 degree reimbursement program, Michigan resident dental grant program, and
5 Robert C. Byrd honors scholarship program, 50% shall be paid at the
6 beginning of the state's first fiscal quarter and 50% at the beginning of
7 the state's second fiscal quarter after the number of earned degrees con-
8 ferred and total amounts to be paid are certified.

9 Sec. 309. The Michigan higher education assistance authority shall
10 determine the needs analysis criteria for students to qualify for the
11 competitive scholarship program and tuition grant program. To be consis-
12 tent with federal requirements, student wages may be taken into consider-
13 ation when determining the amount of the award.

14 Sec. 310. (1) The funds appropriated in section 119 for the tuition
15 incentive program/high school completion program shall be distributed as
16 provided in this section and pursuant to the administrative procedures
17 for the tuition incentive program/high school completion program of the
18 department of treasury.

19 (2) As used in this section:

20 (a) "Phase I" means the first part of the tuition incentive assist-
21 ance program defined as the academic period of 80 semester or 120 term
22 credits, or less, leading to an associate degree or certificate.

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

26 (c) "Department" means the department of treasury.

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

3 (a) To be eligible for phase I, a person shall meet all of the fol-
4 lowing criteria:

5 (i) Apply for certification to the department before graduating from
6 high school or completing the general education development (GED)
7 certificate.

8 (ii) Be less than 20 years of age at the time of high school gradua-
9 tion or GED completion.

10 (iii) Be a United States citizen and a resident of Michigan accord-
11 ing to institutional criteria.

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

15 (b) To be eligible for phase II, a person shall meet either of the
16 following criteria in addition to the criteria in subdivision (a):

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

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

21 (c) To be eligible for phase I or phase II, a person must be finan-
22 cially eligible as determined by the department. A person is financially
23 eligible for the tuition incentive program if that person was Medicaid
24 eligible for 24 months within the 36 months before application.
25 Certification of eligibility may begin in the sixth grade and continue
26 until the time of enrollment in a participating institution.

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

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

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

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

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

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

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

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

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

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

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

9 (9) Applications for the tuition incentive program may be approved
10 at any time after the student begins the sixth grade. If a determination
11 of financial eligibility is made, that determination is valid as long as
12 the student meets all other program requirements and conditions.

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

17 (11) The department shall ensure that the tuition incentive program
18 is well publicized and that potentially eligible Medicaid clients are
19 provided information on the program. The department shall provide the
20 necessary funding and staff to fully operate the program.

21 (12) When statutory provisions are enacted to provide for a tuition
22 incentive program/high school completion program, the provisions of this
23 section are superseded.

24 (13) Any unexpended and unencumbered funds remaining on September
25 30, 2001 from the amounts appropriated in section 119 for the tuition
26 incentive program shall not lapse on September 30, 2001, but shall

1 continue to be available for expenditure for the tuition incentive
2 program in the fiscal year ending September 30, 2002.

3 (14) The department of treasury shall continue the outreach compo-
4 nents of the tuition incentive program/high school completion program
5 previously implemented by the family independence agency.

[(15) If the funds appropriated in section 119 from the Michigan
merit award trust fund are insufficient to support the tuition incentive
program, a sum sufficient to fund the tuition incentive program shall be
appropriated from the general fund.]

6 Sec. 311. To enable the legislature to evaluate the appropriation
7 needs of higher education, each independent college and university shall
8 make available to the legislature, upon request, data regarding grants
9 for the preceding, current, and ensuing fiscal years.

10 Sec. 312. The amounts appropriated in part 1 for the merged insti-
11 tution student grant are intended to provide financial aid to students
12 enrolled in the Kendall College of Art and Design of Ferris State
13 University. These funds shall be distributed to students eligible pursu-
14 ant to the guidelines specified in section 302. Payments under this
15 grant shall be made only if Kendall College of Art and Design students
16 are ineligible to receive funds under section 302.

17 **STATE UNIVERSITIES**

18 Sec. 401. (1) Included in section 115 is \$6,287,805.00 to Wayne
19 State University for the Joseph F. Young, Sr. psychiatric research and
20 training program. Wayne State University shall use these funds for psy-
21 chiatric laboratory and clinical research, training, and treatment
22 services. Within the available appropriation, services shall not be
23 denied to any patient who meets established research guidelines for
24 treatment on the basis of personal financial circumstances, age,

1 geographic residence, or projected/actual length of treatment as
2 medically warranted.

3 (2) Wayne State University shall report the following information to
4 the department of community health by November 1, 2001:

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. 403. (1) It is the intent of the legislature that any public
24 university receiving funds under part 1 of this act that adopts a resi-
25 dent undergraduate tuition and fee increase for the 2000-2001 academic
26 year of 3.0% or less shall retain in its base for calculation of its
27 appropriation for the fiscal year ending September 30, 2002 an amount

1 equal to 1.5% of its base appropriations for the fiscal year ending
2 September 30, 2001.

3 (2) It is the further intent of the legislature that any public uni-
4 versity receiving funds under part 1 of this act that adopts a resident
5 undergraduate tuition and fee increase for the 2000-2001 academic year of
6 more than 3.0% shall have its base for calculation of its appropriation
7 for the fiscal year ending September 30, 2002 reduced by an amount equal
8 to 1.5% of its base appropriations for the fiscal year ending September
9 30, 2001.

10 (3) An amount equal to the reductions to base calculations of uni-
11 versities for the fiscal year ending September 30, 2002, as determined
12 under subsection (2), shall be added to the base for calculating the
13 2001-2002 fiscal year appropriations of those universities adopting a
14 resident undergraduate tuition and fee increase of 3.0% or less for the
15 2000-2001 academic year. The funds added to the base for calculating the
16 fiscal year 2001-2002 appropriations of the eligible universities under
17 this subsection shall be allocated on a per-fiscal-year equated student
18 basis.

19 Sec. 403b. By October 1, 2005, each public university receiving
20 funds under part 1 of this act shall develop and submit to the state
21 budget director and to the house and senate fiscal agencies a plan to
22 implement ubiquitous computing for its facilities. A public university
23 may charge students a fee to offset the cost of computers and software
24 provided to students. Fees charged to students under this section shall
25 not be included for purposes of determining a public university's resi-
26 dent undergraduate tuition and fee increase for purposes of section 403.

1 Sec. 404. It is the intent of the legislature that no funds, other
2 than tuition and other revenues from law school students or private funds
3 explicitly directed to the Detroit College of Law - Michigan State
4 University law alliance, shall be used either directly or indirectly to
5 support the joint law school. The auditor general or a certified public
6 accountant appointed by the auditor general shall audit the financial and
7 accounting systems of the Detroit College of Law - Michigan State
8 University law alliance to determine compliance with this statement of
9 legislative intent and report its findings to the state budget director,
10 house and senate fiscal agencies, and members of the house and senate
11 appropriations subcommittees on higher education.

12 Sec. 405. (1) There is created the higher education institutional
13 data inventory advisory committee. The committee shall be appointed by
14 the state budget director and shall consist of the following members:

- 15 (a) One representative from the house fiscal agency.
16 (b) One representative from the senate fiscal agency.
17 (c) One representative from the state budget director's office.
18 (d) Three representatives of the presidents council of state
19 universities. The presidents council shall appoint 1 representative each
20 from a masters, a doctoral, and a research university.

21 (2) The committee shall provide for the general scope and direction
22 for implementing the conversion and modernization of the state's higher
23 education databases, for which funding is provided in section 117.

24 (3) The committee shall prepare a plan for the conversion and mod-
25 ernization effort. The plan shall include, but is not limited to, all of
26 the following:

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23

1 (a) The development of a data dictionary.

2 (b) The integration of appropriate federal, national, regional, and
3 state databases.

4 (c) The assurance of the accuracy of the data.

5 Sec. 408. The legislature recognizes that the first and foremost
6 obligation of the public universities is undergraduate instruction. The
7 public universities are therefore encouraged to increase their commitment
8 of tenured and tenure track faculty to undergraduate instruction.

9 Sec. 409. The amounts included in part 1 for public universities
10 recognize 5 separate university groupings. Funding floors for the 5
11 groupings are established as follows:

12 (a) Funding floor of \$4,500.00 per fiscal-year-equated student for
13 Grand Valley State University, Lake Superior State University, Northern
14 Michigan University, Saginaw Valley State University, and the University
15 of Michigan-Flint.

16 (b) Funding floor of \$4,600.00 per fiscal-year-equated student for
17 Central Michigan University, Eastern Michigan University, and Ferris
18 State University.

19 (c) Funding floor of \$4,700.00 per fiscal-year-equated student for
20 Oakland University and the University of Michigan-Dearborn.

21 (d) Funding floor of \$5,700.00 per fiscal-year-equated student for
22 Michigan Technological University and Western Michigan University.

23 (e) Funding floor of \$9,000.00 per fiscal-year-equated student for
24 Michigan State University, the University of Michigan-Ann Arbor, and
25 Wayne State University.

26 Sec. 410. The funding allocated under part 1 to the public
27 universities is intended, in part, to begin the process of achieving a

1 funding ratio per fiscal-year-equated student of 2/3 state appropriations
2 and 1/3 tuition for resident undergraduate students enrolled in the
3 public universities.

4 Sec. 412. From the funds appropriated in part 1, each state univer-
5 sity shall establish a system to track students that graduate from the
6 university. The system shall minimally provide information on the
7 students' field of study and year of graduation, whether they are
8 employed or continuing their education, the field in which they are
9 employed or their subsequent field of academic study, their job title,
10 their salary, and their city, town, or other place of residence. By
11 October 15, 2000, each state university shall provide to the respective
12 legislative subcommittees on higher education appropriations and the
13 respective fiscal agencies a report setting forth the number of graduates
14 in each field of academic study, expressed as a percentage of the total
15 number of the state universities' graduates, for the preceding academic
16 year.

17 Sec. 421. Central Michigan University shall report by September 30,
18 2001 to the house and senate appropriations committees and the house and
19 senate fiscal agencies information on the activities and effectiveness of
20 the charter schools development and performance institute for which an
21 appropriation is provided in section 102. Included in the report shall
22 be an accounting of all revenues and expenditures of the institute, the
23 names of the public school academies served, and the type of assistance
24 provided to each public school academy.

25 Sec. 426. It is legislative intent that private bookstores that
26 sell textbooks to university students and student governments that
27 provide a book swap for university students have accurate and timely

1 access to lists of universities' required textbooks in order to provide
2 prompt and efficient service for students. It is further legislative
3 intent that each state university allow students who are on financial aid
4 or are receiving tuition grants to decide where to purchase their
5 textbooks.

6 Sec. 433. (1) Included in section 117 is \$3,233,000.00 for the
7 agricultural experiment station and \$2,867,000.00 for the cooperative
8 extension service for project GREEN. Project GREEN is intended to
9 address critical regulatory, food safety, economic, and environmental
10 problems faced by this state's plant-based agriculture, forestry, and
11 processing industries. "GREEN" is an acronym for generating research
12 and extension to meet environmental and economic needs.

13 (2) The department of agriculture and Michigan State University, in
14 consultation with agricultural commodity groups and other interested par-
15 ties, shall develop project GREEN and its program priorities.

16 (3) Not later than November 1, 2001, a report shall be submitted to
17 the house and senate appropriations subcommittees on agriculture and on
18 higher education and to the house and senate fiscal agencies for the pre-
19 ceding fiscal year regarding project GREEN projects. The report shall
20 include, but is not limited to, the dollar amount of each project and a
21 review of each project's performance and accomplishments.

22 Sec. 434. In making appropriations under this act, the legislature
23 recognizes that the campus of Oakland University is located in Auburn
24 Hills, Michigan.

[Sec. 435. By December 15, 2000, the state budget director shall
review the appropriateness of the placement of funding for the Michigan
Molecular Institute in the higher education budget and report to the house
and senate appropriations subcommittees on higher education.]

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

2 PROGRAMS

3 Sec. 501. (1) Included in the appropriation for each public univer-
4 sity in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez
5 - Rosa Parks future faculty program, that is intended to increase the
6 pool of minority candidates pursuing faculty teaching careers in postsec-
7 ondary education. Each university shall apply the percentage increase
8 applicable to every university in the calculation of appropriations in
9 part 1 to the amount of funds allocated to the future faculty program.

10 (2) The program shall be administered by each university in a manner
11 prescribed by the Michigan department of career development.

12 Sec. 502. (1) Included in the appropriation for each public univer-
13 sity in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez
14 - Rosa Parks college day program that is intended to introduce school-
15 children underrepresented in postsecondary education to the potential of
16 a college education.

17 (2) Individual program plans of each university shall include a
18 budget of equal contributions from this program, the participating public
19 university, the participating school district, and the participating
20 independent degree granting college. College day funds shall not be
21 expended to cover indirect costs. Not more than 20% of the university
22 match shall be attributable to indirect costs. Each university shall
23 apply the percentage increase applicable to every university in the cal-
24 culation of appropriations in part 1 to the amount of funds allocated to
25 the college day program.

26 (3) The program shall be administered by each university in a manner
27 prescribed by the Michigan department of career development.

1 Sec. 503. (1) Included in section 118 is funding for the Martin
2 Luther King, Jr. - Cesar Chavez - Rosa Parks select student support serv-
3 ices program for developing academically and economically disadvantaged
4 student retention programs for 4-year public and independent educational
5 institutions in this state.

6 (2) An award made under this program to any 1 institution shall not
7 be greater than \$150,000.00, and the amount awarded shall be matched on a
8 70% state, 30% college or university basis.

9 (3) The program shall be administered by the Michigan department of
10 career development.

11 Sec. 504. (1) Included in section 118 is funding for the Martin
12 Luther King, Jr. - Cesar Chavez - Rosa Parks college/university partner-
13 ship program between 4-year public and independent colleges and universi-
14 ties and public community colleges, which is intended to increase the
15 number of underrepresented minority students who transfer from community
16 colleges into baccalaureate programs.

17 (2) The grants shall be made under this program to Michigan public
18 and independent colleges and universities. An award to any 1 institution
19 shall not be greater than \$150,000.00, and the amount awarded shall be
20 matched on a 70% state, 30% college or university basis.

21 (3) The program shall be administered by the Michigan department of
22 career development.

23 Sec. 505. (1) Included in the appropriation for each public univer-
24 sity in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez
25 - Rosa Parks visiting professors program which is intended to increase
26 the number of underrepresented minority instructors in the classroom and
27 provide role models for underrepresented minority students.

1 (2) The program shall be administered by the Michigan department of
2 career development.

3 Sec. 506. Each state institution of higher education receiving
4 funds under section 503, 504, 505, or 507 shall notify the Michigan
5 department of career development by April 15, 2001 as to whether it will
6 expend by the end of its fiscal year the funds received under section
7 503, 504, 505, or 507. Notwithstanding the award limitations in sections
8 503 and 504, the amount of funding reported as not being expended will be
9 reallocated to the institutions that intend to expend all funding
10 received under section 503, 504, 505, or 507.

11 Sec. 507. (1) Included in the appropriation in section 118 is fund-
12 ing under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initia-
13 tive for the Morris Hood, Jr. educator development program which is
14 intended to increase the number of minority students, especially males,
15 who enroll in and complete K-12 teacher education programs at the bacca-
16 laurate level.

17 (2) The program shall be administered by each state-approved teacher
18 education institution in a manner prescribed by the Michigan department
19 of career development.

20 (3) Approved teacher education institutions may and are encouraged
21 to use student support services funding in coordination with the Morris
22 Hood, Jr. funding to achieve the goals of the program.

1 STUDENT PERFORMANCE REPORTING

2 Sec. 601. (1) From the amount appropriated in part 1 for state uni-
3 versities, the state universities shall systematically inform Michigan
4 high schools regarding the academic status of students from each high
5 school in a manner prescribed by the presidents council, state universi-
6 ties of Michigan in cooperation with the Michigan association of second-
7 ary school principals.

8 (2) The Michigan high schools shall systematically inform the state
9 universities about the use of information received under this section in
10 a manner prescribed by the Michigan association of secondary school prin-
11 cipals in cooperation with the presidents council, state universities of
12 Michigan.

13 (3) The Michigan association of secondary school principals in coop-
14 eration with the presidents council, state universities of Michigan shall
15 provide a summary report to the house and senate fiscal agencies and the
16 state budget director by August 31, 2001 about the use of the student
17 achievement information received by Michigan high schools under this
18 section.

19 GENERAL REPORTS AND AUDITS

20 Sec. 701. (1) The auditor general shall audit enrollments at 5 ran-
21 domly selected public universities. The audits shall be based upon the
22 definitions and requirements established by the state budget director and
23 the senate and house fiscal agencies. The audits shall be based on uni-
24 form reporting categories and shall include higher education
25 institutional data inventory (HEIDI) data. The auditor general shall

1 submit a report of findings to the house and senate appropriations
2 committees and the state budget director no later than July 1, 2001.

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

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

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

11 (i) Represent new options, fields, or concentrations within existing
12 programs.

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

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

17 (iv) Do not require a new degree level beyond that which the insti-
18 tution is currently authorized to grant within that discipline or field.

19 (v) Do not require funding from the state other than that provided
20 by the student credit hours generated within the program, either before
21 program initiation or within the first 3 years of program operation.

22 (3) The auditor general shall periodically audit higher education
23 institutional data inventory (HEIDI) data as submitted by the state uni-
24 versities for compliance with the definitions in the HEIDI data
25 dictionary.

26 Sec. 701a. (1) Pursuant to section 701(2)(b), the following degree
27 programs may be established:

1 (a) Bachelors

2 Central Michigan University	Information Technology, B.A./B.S.
3 Central Michigan University	Integrative Public Relations,
4	B.A./B.A.A./B.S.
5 Central Michigan University	Neuroscience, B.S.
6 Central Michigan University	Purchasing and Supply Management
7	Major, B.S.
8 Central Michigan University	Women's Studies Major,
9	B.A./B.A.A./B.S.
10 Ferris State University	Elementary Education, B.S.
11 Ferris State University	Integrative Studies, B.I.S.
12 Ferris State University	New Media Printing and Publishing,
13	B.S.
14 Ferris State University	Psychology, B.S.
15 Grand Valley State University	Classics, B.A.
16 Michigan Technological University	Computer Engineering, B.S.
17 University of Michigan-Ann Arbor	Sound Recording, B.S.
18 Western Michigan University	Travel & Instruction, B.A.
19 Western Michigan University	Major in Art History, B.A.
20 Western Michigan University	Teacher Preparation Program for
21	Occupational Education Studies,
22	B.S.
23	

24 (b) Masters

25 Ferris State University	Master of Education Curriculum and
26	Instruction, M. Ed.
27 Northern Michigan University	Masters in Psychology, M.S.
28 University of Michigan-Ann Arbor	Applied & Interdisciplinary
29	Mathematics, M.S.
30 University of Michigan-Ann Arbor	Plastics Engineering, M. Eng.
31 University of Michigan-Ann Arbor	Master of Urban Design, Mast.
32 University of Michigan-Dearborn	Applied and Computational
33	Mathematics, M.S.
34 University of Michigan-Dearborn	Master of Science in Information
35	Systems & Technology, M.S.
36 University of Michigan-Dearborn	Software Engineering, M.S.
37 University of Michigan-Flint	Biology, M.S.
38 Wayne State University	Master of Arts in
39	Multidisciplinary Studies, M.A.
40	

41 (c) Doctorate

42 Eastern Michigan University	Clinical Psychology, Ph.D.
43 University of Michigan-Ann Arbor	Applied & Interdisciplinary
44	Mathematics, Ph.D.
45	

46 (2) The listing of degree programs in subsection (1) does not con-

47 stitute legislative intent to provide additional dollars for those

48 programs.

1 Sec. 702. The principal executive officer of each institution of
2 higher education receiving an appropriation under this act shall expend a
3 portion of the funds appropriated to that institution to make a report to
4 the auditor general, the house and senate fiscal agencies, and the state
5 budget director within 60 days after the auditor general issues his or
6 her annual report on the operation of the institution. The institution's
7 report shall specify all of the following:

8 (a) The recommendations of the auditor general implemented by the
9 institution, including projected dates and resources required, if any, to
10 achieve compliance.

11 (b) The recommendations of the auditor general not implemented by
12 the institution or implemented by the institution as modified.

13 (c) The rationale for not implementing a recommendation of the audi-
14 tor general or of implementing a recommendation as modified.

15 Sec. 704. (1) Each state university shall annually submit a report
16 to the state budget director and house and senate fiscal agencies on spe-
17 cific programs to ensure the English language oral proficiency of teach-
18 ing faculty.

19 (2) The next reporting date for the report under subsection (1) is
20 November 1, 2000.

21 Sec. 705. (1) As part of the higher education data inventory
22 (HEIDI) submission, each state university shall report the following
23 information for the 1999-2000 academic year on or before October 31,
24 2000:

25 (a) Separately, the number of tenured faculty, tenure-track faculty,
26 nontenure-track faculty, and graduate assistants who taught an
27 undergraduate class section.

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

3 (i) Tenured faculty.

4 (ii) Tenure-track faculty.

5 (iii) Nontenure-track faculty.

6 (iv) Graduate assistants.

7 (2) For the purposes of subsection (1), the following definitions
8 apply:

9 (a) "Tenured faculty" means a faculty member who has earned tenure.

10 (b) "Tenure-track faculty" means a faculty member who has not yet
11 earned tenure but is eligible to earn tenure.

12 (c) "Nontenure-track faculty" means a faculty member who is not eli-
13 gible to earn tenure.

14 (d) "Graduate assistant" means an individual who is a master's or
15 doctoral degree candidate.

16 (3) Each state university shall also report the following informa-
17 tion for the 1999-2000 academic year, as part of the higher education
18 data inventory (HEIDI) submission, on or before October 31, 2000:

19 (a) Separately, the number of part-time and full-time faculty.

20 (b) Separately, the number of tenured and nontenured faculty.

21 (4) For the purposes of subsection (3), the following definitions
22 apply:

23 (a) "Part-time faculty" means an individual who does not have a
24 full-time appointment as a faculty member.

25 (b) "Full-time faculty" means an individual who has a full-time
26 appointment as a faculty member.

1 (c) "Tenured faculty" means an individual who has earned tenure and
2 who does not hold an administrative post.

3 (d) "Nontenured faculty" means an individual who has not earned
4 tenure.

5 Sec. 708. The auditor general shall conduct not less than 3 per-
6 formance audits of the state universities during the fiscal year ending
7 September 30, 2001.

8 Sec. 709. (1) An institution receiving funds under this act and
9 also subject to the student right-to-know and campus security act, Public
10 Law 101-522, 104 Stat. 2381, shall furnish by [October 15, 2000] to the
11 Michigan department of education, a copy of all material prepared pursu-
12 ant to the public information reporting requirements under the crime
13 awareness and campus security act of 1990, title II of the student
14 right-to-know and campus security act, Public Law 101-542, 104
15 Stat. 2381.

16 (2) Each institution shall make this information available in elec-
17 tronic Internet format on their websites.

18 Sec. 710. By November 15, 2000, each public university that
19 receives funds under this act shall report to the house and senate appro-
20 priations subcommittees on higher education and the house and senate
21 fiscal agencies the number and percentages of students who received
22 need-based and merit-based grants, scholarships, and other financial aid
23 for academic years 1995-1996 through 1999-2000.