

**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 APPROPRIATION SUMMARY:

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

2

For Fiscal Year Ending
September 30, 2001

1	Full-time equated classified positions.....1.0		
2	GROSS APPROPRIATION.....	\$	1,902,618,381
3	Interdepartmental grant revenues:		
4	Total interdepartmental grants and intradepartmental		
5	transfers.....		0
6	ADJUSTED GROSS APPROPRIATION.....	\$	1,902,618,381
7	Federal revenues:		
8	Total federal revenues.....		3,900,000
9	Special revenue funds:		
10	Total local revenues.....		0
11	Total private revenues.....		0
12	Total other state restricted revenues.....		121,950,000
13	State general fund/general purpose.....	\$	1,776,768,381
14	Sec. 102. CENTRAL MICHIGAN UNIVERSITY		
15	Operations.....	\$	<u>90,922,061</u>
16	GROSS APPROPRIATION.....	\$	90,922,061
17	Appropriated from:		
18	Special revenue funds:		
19	Michigan merit award trust fund.....		1,964,117
20	State general fund/general purpose.....	\$	88,957,944
21	Sec. 103. EASTERN MICHIGAN UNIVERSITY		
22	Operations.....	\$	<u>90,468,632</u>
23	GROSS APPROPRIATION.....	\$	90,468,632
24	Appropriated from:		
25	Special revenue funds:		
26	Michigan merit award trust fund.....		1,998,888

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

3

For Fiscal Year Ending
September 30, 2001

1	State general fund/general purpose.....	\$	88,469,744
2	Sec. 104. FERRIS STATE UNIVERSITY		
3	Operations.....	\$	<u>55,466,598</u>
4	GROSS APPROPRIATION.....	\$	55,466,598
5	Appropriated from:		
6	Special revenue funds:		
7	Michigan merit award trust fund.....		1,271,782
8	State general fund/general purpose.....	\$	54,194,816
9	Sec. 105. GRAND VALLEY STATE UNIVERSITY		
10	Operations.....	\$	<u>61,427,269</u>
11	GROSS APPROPRIATION.....	\$	61,427,269
12	Appropriated from:		
13	Special revenue funds:		
14	Michigan merit award trust fund.....		1,310,957
15	State general fund/general purpose.....	\$	60,116,312
16	Sec. 106. LAKE SUPERIOR STATE UNIVERSITY		
17	Operations.....	\$	<u>14,254,817</u>
18	GROSS APPROPRIATION.....	\$	14,254,817
19	Appropriated from:		
20	Special revenue funds:		
21	Michigan merit award trust fund.....		326,846
22	State general fund/general purpose.....	\$	13,927,971
23	Sec. 107. MICHIGAN STATE UNIVERSITY		
24	Operations.....	\$	<u>324,894,571</u>
25	GROSS APPROPRIATION.....	\$	324,894,571
26	Appropriated from:		

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

4

For Fiscal Year Ending
September 30, 2001

1	Special revenue funds:		
2	Michigan merit award trust fund.....		7,415,047
3	State general fund/general purpose.....	\$	317,479,524
4	Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY		
5	Operations.....	\$	<u>55,688,125</u>
6	GROSS APPROPRIATION.....	\$	55,688,125
7	Appropriated from:		
8	Special revenue funds:		
9	Michigan merit award trust fund.....		1,265,397
10	State general fund/general purpose.....	\$	54,422,728
11	Sec. 109. NORTHERN MICHIGAN UNIVERSITY		
12	Operations.....	\$	<u>51,962,617</u>
13	GROSS APPROPRIATION.....	\$	51,962,617
14	Appropriated from:		
15	Special revenue funds:		
16	Michigan merit award trust fund.....		1,191,440
17	State general fund/general purpose.....	\$	50,771,177
18	Sec. 110. OAKLAND UNIVERSITY		
19	Operations.....	\$	<u>53,362,307</u>
20	GROSS APPROPRIATION.....	\$	53,362,307
21	Appropriated from:		
22	Special revenue funds:		
23	Michigan merit award trust fund.....		1,152,251
24	State general fund/general purpose.....	\$	52,210,056
25	Sec. 111. SAGINAW VALLEY STATE UNIVERSITY		
26	Operations.....	\$	<u>28,199,368</u>

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

5

For Fiscal Year Ending
September 30, 2001

1	GROSS APPROPRIATION.....	\$	28,199,368
2	Appropriated from:		
3	Special revenue funds:		
4	Michigan merit award trust fund.....		609,048
5	State general fund/general purpose.....	\$	27,590,320
6	Sec. 112. UNIVERSITY OF MICHIGAN-ANN ARBOR		
7	Operations.....	\$	<u>362,185,779</u>
8	GROSS APPROPRIATION.....	\$	362,185,779
9	Appropriated from:		
10	Special revenue funds:		
11	Michigan merit award trust fund.....		8,270,090
12	State general fund/general purpose.....	\$	353,915,689
13	Sec. 113. UNIVERSITY OF MICHIGAN-DEARBORN		
14	Operations.....	\$	<u>28,241,418</u>
15	GROSS APPROPRIATION.....	\$	28,241,418
16	Appropriated from:		
17	Special revenue funds:		
18	Michigan merit award trust fund.....		629,106
19	State general fund/general purpose.....	\$	27,612,312
20	Sec. 114. UNIVERSITY OF MICHIGAN-FLINT		
21	Operations.....	\$	<u>25,051,573</u>
22	GROSS APPROPRIATION.....	\$	25,051,573
23	Appropriated from:		
24	Special revenue funds:		
25	Michigan merit award trust fund.....		541,205
26	State general fund/general purpose.....	\$	24,510,368

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

6

For Fiscal Year Ending
September 30, 2001

1	Sec. 115. WAYNE STATE UNIVERSITY		
2	Operations.....	\$	<u>253,899,538</u>
3	GROSS APPROPRIATION.....	\$	253,899,538
4	Appropriated from:		
5	Special revenue funds:		
6	Michigan merit award trust fund.....		5,810,146
7	State general fund/general purpose.....	\$	248,089,392
8	Sec. 116. WESTERN MICHIGAN UNIVERSITY		
9	Operations.....	\$	<u>124,422,230</u>
10	GROSS APPROPRIATION.....	\$	124,422,230
11	Appropriated from:		
12	Special revenue funds:		
13	Michigan merit award trust fund.....		2,843,680
14	State general fund/general purpose.....	\$	121,578,550
15	Sec. 117. STATE AND REGIONAL PROGRAMS		
16	Full-time equated positions.....1.0		
17	Agricultural experiment station.....	\$	35,990,040
18	Cooperative extension service.....		31,043,264
19	Michigan molecular institute.....		231,202
20	Japan center for Michigan universities.....		413,098
21	Higher education database modernization and		
22	conversion--1.0 FTE positions.....		275,000
23	Midwestern higher education compact.....		<u>75,000</u>
24	GROSS APPROPRIATION.....	\$	68,027,604
25	Appropriated from:		
26	Special revenue funds:		

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SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

7

For Fiscal Year Ending
September 30, 2001

1	State general fund/general purpose.....	\$	68,027,604
2	Sec. 118. MARTIN LUTHER KING, JR.-CESAR CHAVEZ-ROSA PARKS PROGRAM		
3	Select student supportive services.....	\$	2,121,548
4	Michigan college/university partnership program.....		636,464
5	Morris Hood, Jr. educator development program.....		<u>161,148</u>
6	GROSS APPROPRIATION.....	\$	2,919,160
7	Appropriated from:		
8	State general fund/general purpose.....	\$	2,919,160
9	Sec. 119. GRANTS AND FINANCIAL AID		
10	State competitive scholarships.....	\$	34,642,454
11	Tuition grants.....		64,731,331
12	Michigan work study program.....		7,843,044
13	Part-time independent student program.....		2,840,451
14	Grant for Michigan resident dental graduates.....		5,443,376
15	Grant for general degree graduates.....		6,128,004
16	Grant for allied health graduates.....		914,910
17	Michigan education opportunity grants.....		2,231,144
18	Robert C. Byrd honors scholarship program.....		1,600,000
19	Michigan merit award program.....		79,600,000
20	Tuition incentive program.....		<u>5,250,000</u>
21	GROSS APPROPRIATION.....	\$	211,224,714
22	Appropriated from:		
23	Federal revenues:		
24	Higher education act of 1965, title IV, 20 U.S.C.....		2,300,000
25	Higher education act of 1965, title IV, part A.....		1,600,000
26	Special revenue funds:		

05710'00 (S-1)

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

8

For Fiscal Year Ending
September 30, 2001

1	Michigan merit award trust fund.....	85,350,000
2	State general fund/general purpose..... \$	121,974,714

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PART 2

6

PROVISIONS CONCERNING APPROPRIATIONS

7 **GENERAL SECTIONS**

8 Sec. 201. Pursuant to section 30 of article IX of the state consti-
9 tution of 1963, total state spending from state resources in part 1 for
10 fiscal year 2000-2001 is \$1,898,718,381.00 and state spending from state
11 resources to be paid to local units of government for fiscal year
12 2000-2001 is \$4,670,654.00. The itemized statement below identifies
13 appropriations from which spending to units of local government will
14 occur:

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For Fiscal Year
Ending Sept. 30,
2001

18 GRANTS AND FINANCIAL AID

19	Part-time independent student program.....	\$	1,346,087
20	Michigan education opportunity grant.....		1,064,187
21	Michigan work-study.....		<u>2,260,380</u>
22	TOTAL.....	\$	4,670,654

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

25 Sec. 208. The institutions shall continue to pilot the use of the
26 Internet to fulfill the reporting requirements of this act. This may
27 include transmission of reports via electronic mail to the recipients
28 identified for each reporting requirement or it may include placement of

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

9

1 reports on the Internet or legislative Intranet site. The senate and
2 house of representatives appropriations subcommittees and senate and
3 house fiscal agencies shall be notified in writing of the Internet or
4 Intranet site of any such report.

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

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

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

20 (3) All universities shall submit higher education institutional
21 data inventory (HEIDI) data and associated financial and program informa-
22 tion requested by and in a manner prescribed by the state budget
23 director. For universities with fiscal years ending June 30, 2000, these
24 data shall be submitted to the department of management and budget by
25 October 15, 2000. Universities with a fiscal year ending September 30,
26 2000 shall submit preliminary HEIDI data by November 15, 2000 and final
27 data by December 15, 2000. If a university fails to submit HEIDI data

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

10

1 and associated financial aid program information in accordance with this
2 reporting schedule, the state treasurer shall withhold the monthly
3 installments under subsection (1) to the university until those data are
4 submitted.

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

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

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

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

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

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

11

1 GRANTS AND FINANCIAL AID

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

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

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

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

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

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

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

12

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

14 (4) Any unexpended and unencumbered funds remaining on September 30,
15 2001 from the amounts appropriated in section 119 for the tuition grant
16 program shall not lapse on September 30, 2001, but shall continue to be
17 available for expenditure for tuition grants provided in the 2001-2002
18 fiscal year. The use of these unexpended fiscal year 2000-2001 funds
19 shall terminate at the end of the 2001-2002 fiscal year.

20 (5) The Michigan higher education assistance authority shall con-
21 tinue a proportional tuition grant maximum award level for recipients
22 enrolled less than full-time in a given semester or term.

23 (6) If the Michigan higher education assistance authority increases
24 the maximum award per eligible student from that provided in the previous
25 fiscal year, it shall not have the effect of reducing the number of eli-
26 gible students receiving awards in relation to the total number of
27 eligible applicants. Any increase in the maximum grant shall be

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

13

1 proportional for all eligible students receiving awards for fiscal year
2 2000-2001.

3 (7) Students enrolled in instructional programs provided by the
4 Kendall College of Art and Design of Ferris State University are eligible
5 to receive tuition grant awards for fiscal year 2000-2001.

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

14 (2) The Michigan higher education assistance authority shall allo-
15 cate funds to institutions eligible for work-study money based upon each
16 institution's specific Pell grant index and each institution's utiliza-
17 tion rate of work-study funds.

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

23 Sec. 304. (1) Payments of the amounts included in section 119 for
24 the general degree reimbursement program established under 1974 PA 75,
25 MCL 390.1021 to 390.1027, shall be made for all degrees identified in
26 section 1(1) of 1974 PA 75, MCL 390.1021, except doctor of dental

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

14

1 surgery, doctor of dental medicine, juris doctor law, and allied health
2 degrees.

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

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

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

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

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

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

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

25 Sec. 307. The auditor general may audit selected enrollments,
26 degrees, and awards at selected independent colleges and universities
27 receiving awards administered by the department of treasury. The audits

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

15

1 shall be based upon definitions and requirements established by the
2 Michigan higher education assistance authority, the state budget direc-
3 tor, and the senate and house fiscal agencies. The auditor general shall
4 accept the Free Application for Federal Student Aid (FAFSA) form as the
5 standard of residency documentation.

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

10 (a) For the state competitive scholarship, tuition incentive, and
11 tuition grant programs, 40% shall be paid at the beginning of the state's
12 first fiscal quarter, 40% at the beginning of the state's second fiscal
13 quarter, 10% at the beginning of the state's third fiscal quarter, and
14 10% at the beginning of the state's fourth fiscal quarter.

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

17 (c) For the part-time independent student program and Michigan edu-
18 cation opportunity grant program, 50% shall be paid at the beginning of
19 the state's first fiscal quarter, 25% at the beginning of the state's
20 second fiscal quarter, and 25% at the beginning of the state's third
21 fiscal quarter.

22 (d) For the general degree reimbursement program, allied health
23 degree reimbursement program, Michigan resident dental grant program, and
24 Robert C. Byrd honors scholarship program, 50% shall be paid at the
25 beginning of the state's first fiscal quarter and 50% at the beginning of
26 the state's second fiscal quarter after the number of earned degrees
27 conferred and total amounts to be paid are certified.

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

16

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

6 Sec. 310. (1) The funds appropriated in section 119 for the tuition
7 incentive program/high school completion program shall be distributed as
8 provided in this section and pursuant to the administrative procedures
9 for the tuition incentive program/high school completion program of the
10 department of treasury.

11 (2) As used in this section:

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

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

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

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

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

23 (i) Apply for certification to the department before graduating from
24 high school or completing the general education development (GED)
25 certificate.

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

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

17

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

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

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

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

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

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

18 (4) For phase I, the department shall provide payment on behalf of a
19 person eligible under subsection (3). The department shall reject bill-
20 ings that are excessive or outside the guidelines for the type of educa-
21 tional institution.

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

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

26 (b) For persons enrolled at a Michigan community college, the
27 department shall pay the current in-district tuition and mandatory fees.

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

18

1 For persons residing in an area that is not included in any community
2 college district, the out-of-district tuition rate may be authorized.

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

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

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

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

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

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

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

25 (9) Applications for the tuition incentive program may be approved
26 at any time after the student begins the sixth grade. If a determination

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

19

1 of financial eligibility is made, that determination is valid as long as
2 the student meets all other program requirements and conditions.

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

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

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

14 (13) Any unexpended and unencumbered funds remaining on September
15 30, 2001 from the amounts appropriated in section 119 for the tuition
16 incentive program shall not lapse on September 30, 2001, but shall con-
17 tinue to be available for expenditure for the tuition incentive program
18 in the fiscal year ending September 30, 2002.

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

1 STATE UNIVERSITIES

2 Sec. 401. (1) Included in section 115 is \$6,204,286.00 to Wayne
3 State University for the Joseph F. Young, Sr. psychiatric research and
4 training program. Wayne State University shall use these funds for psy-
5 chiatric laboratory and clinical research, training, and treatment
6 services. Within the available appropriation, services shall not be
7 denied to any patient who meets established research guidelines for
8 treatment on the basis of personal financial circumstances, age, geo-
9 graphic residence, or projected/actual length of treatment as medically
10 warranted.

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

13 (a) The number and type of psychiatric research projects funded by
14 the appropriation described in subsection (1).

15 (b) The number and type of students trained and the location of
16 training funded by the appropriation.

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

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

22 (3) Copies of these reports shall also be provided to the house and
23 senate fiscal agencies and the state budget director.

24 Sec. 402. The University of Michigan biological station at Douglas
25 Lake in Cheboygan County is regarded as a unique resource and is desig-
26 nated as a special research reserve. It is the intent of the legislature
27 to protect and preserve the unique long-term research value and

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

21

1 capabilities of the biological station area and Douglas Lake. The
2 legislature further intends that no state programs or policies be devel-
3 oped that would have a deleterious impact on the research value of
4 Douglas Lake.

5 Sec. 403. (1) It is the intent of the legislature that any public
6 university receiving funds under part 1 of this act that adopts a resi-
7 dent undergraduate tuition and fee increase for the 2000-2001 academic
8 year of 2.8% or less shall retain in its base for calculation of its
9 appropriation for the fiscal year ending September 30, 2002 an amount
10 equal to 1.5% of its base appropriations for the fiscal year ending
11 September 30, 2001.

12 (2) It is the further intent of the legislature that any public uni-
13 versity receiving funds under part 1 of this act that adopts a resident
14 undergraduate tuition and fee increase for the 2000-2001 academic year of
15 more than 2.8% shall have its base for calculation of its appropriation
16 for the fiscal year ending September 30, 2002 reduced by an amount equal
17 to 1.5% of its base appropriations for the fiscal year ending September
18 30, 2001.

19 (3) An amount equal to the reductions to base calculations of uni-
20 versities for the fiscal year ending September 30, 2002, as determined
21 under subsection (2), shall be added to the base for calculating the
22 2001-2002 fiscal year appropriations of those universities adopting a
23 resident undergraduate tuition and fee increase of 2.8% or less for the
24 2000-2001 academic year. The funds added to the base for calculating the
25 fiscal year 2001-2002 appropriations of the eligible universities under
26 this subsection shall be allocated on a per-fiscal-year equated student
27 basis.

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

22

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

4 (a) One representative from the house fiscal agency.

5 (b) One representative from the senate fiscal agency.

6 (c) One representative from the state budget director's office.

7 (d) Three representatives of the presidents council of state
8 universities. The presidents council shall appoint 1 representative each
9 from a masters, a doctoral, and a research university.

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

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

16 (a) The development of a data dictionary.

17 (b) The integration of appropriate federal, national, regional, and
18 state databases.

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

20 Sec. 408. The legislature recognizes that the first and foremost
21 obligation of the public universities is undergraduate instruction. The
22 public universities are therefore encouraged to increase their commitment
23 of tenured and tenure track faculty to undergraduate instruction.

24 Sec. 409. The amounts included in part 1 for public universities
25 establish a per-student funding floor of \$4,700.00, which shall be recog-
26 nized as a permanent part of base funding, and the concept of maintaining

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

23

1 reasonable per-student floor funding shall be continued into future
2 fiscal years.

3 Sec. 412. From the funds appropriated in part 1, each state univer-
4 sity shall establish a system to track students that graduate from the
5 university. The system shall minimally provide information on the
6 students' field of study and year of graduation, whether they are
7 employed or continuing their education, the field in which they are
8 employed or their subsequent field of academic study, their job title,
9 their salary, and their city, town, or other place of residence.

10 Sec. 418. No state funds shall be used by any state university to
11 undertake a collaborative effort with any other university that would
12 have the effect of increasing its enrollment of first-time professional
13 law degree seeking students.

14 Sec. 421. Central Michigan University shall report by September 30,
15 2001 to the house and senate appropriations committees and the house and
16 senate fiscal agencies information on the activities and effectiveness of
17 the charter schools development and performance institute for which an
18 appropriation is provided in section 102. Included in the report shall
19 be an accounting of all revenues and expenditures of the institute, the
20 names of the public school academies served, and the type of assistance
21 provided to each public school academy.

22 Sec. 426. It is legislative intent that private bookstores that
23 sell textbooks to university students and student governments that pro-
24 vide a book swap for university students have accurate and timely access
25 to lists of universities' required textbooks in order to provide prompt
26 and efficient service for students. It is further legislative intent

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

24

1 that each state university allow students who are on financial aid or are
2 receiving tuition grants to decide where to purchase their textbooks.

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

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

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

19 **MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS**

20 **PROGRAMS**

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

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

25

1 increase applicable to every university in the calculation of
2 appropriations in part 1 to the amount of funds allocated to the future
3 faculty program.

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

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

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

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

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

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

26

1 (2) An award made under this program to any 1 institution shall not
2 be greater than \$150,000.00, and the amount awarded shall be matched on a
3 70% state, 30% college or university basis.

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

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

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

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

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

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

25 Sec. 506. Each state institution of higher education receiving
26 funds under section 503, 504, 505, or 507 shall notify the Michigan
27 department of career development by April 15, 2001 as to whether it will

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

27

1 expend by the end of its fiscal year the funds received under section
2 503, 504, 505, or 507. Notwithstanding the award limitations in sections
3 503 and 504, the amount of funding reported as not being expended will be
4 reallocated to the institutions that intend to expend all funding
5 received under section 503, 504, 505, or 507.

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

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

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

18 **STUDENT PERFORMANCE REPORTING**

19 Sec. 601. (1) From the amount appropriated in part 1 for state uni-
20 versities, the state universities shall systematically inform Michigan
21 high schools regarding the academic status of students from each high
22 school in a manner prescribed by the presidents council, state universi-
23 ties of Michigan in cooperation with the Michigan association of second-
24 ary school principals.

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

28

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

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

12 **GENERAL REPORTS AND AUDITS**

13 Sec. 701. (1) The auditor general shall audit enrollments at 5 ran-
14 domly selected public universities. The audits shall be based upon the
15 definitions and requirements established by the state budget director and
16 the senate and house fiscal agencies. The audits shall be based on uni-
17 form reporting categories and shall include higher education institu-
18 tional data inventory (HEIDI) data. The auditor general shall submit a
19 report of findings to the house and senate appropriations committees and
20 the state budget director no later than July 1, 2001.

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

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

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

29

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

5 (i) Represent new options, fields, or concentrations within existing
6 programs.

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

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

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

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

16 (3) The auditor general shall periodically audit higher education
17 institutional data inventory (HEIDI) data as submitted by the state uni-
18 versities for compliance with the definitions in the HEIDI data
19 dictionary.

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

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

30

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

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

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

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

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

14 Sec. 705. (1) As part of the higher education data inventory
15 (HEIDI) submission, each state university shall report the following
16 information for the 1999-2000 academic year on or before October 31,
17 2000:

18 (a) Separately, the number of tenured faculty, tenure-track faculty,
19 nontenure-track faculty, and graduate assistants who taught an undergrad-
20 uate class section.

21 (b) The total number of undergraduate credit hours and section cred-
22 its taught by each of the following:

23 (i) Tenured faculty.

24 (ii) Tenure-track faculty.

25 (iii) Nontenure-track faculty.

26 (iv) Graduate assistants.

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

31

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

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

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

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

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

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

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

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

15 (4) For the purposes of subsection (3), the following definitions
16 apply:

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

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

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

23 (d) "Nontenured faculty" means an individual who has not earned
24 tenure.

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

SB 967, As Passed Senate, March 23, 2000

Senate Bill No. 967

32

1 Sec. 709. An institution receiving funds under this act and also
2 subject to the student right-to-know and campus security act, Public Law
3 101-542, 104 Stat. 2381, shall make all material prepared pursuant to the
4 public information reporting requirements under the crime awareness and
5 campus security act of 1990, title II of the student right-to-know and
6 campus security act, Public Law 101-542, 104 Stat. 2384, available in
7 electronic Internet format on their websites.

8 Sec. 710. By November 15, 2000, each public university that
9 receives funds under this act shall report to the house and senate appro-
10 priations subcommittees on higher education and the house and senate
11 fiscal agencies the number and percentages of students who received
12 need-based and merit-based grants, scholarships, and other financial aid
13 for academic years 1994-1995 through 1998-1999.