

HOUSE BILL No. 4302

February 18, 1999, Introduced by Reps. Caul, Mead, Jellema, LaSata, Pumford, Kukuk, Toy, Godchaux, Byl, Geiger, Stamas, Pappageorge, Jansen and Scranton and referred to the Committee on Appropriations.

EXECUTIVE BUDGET BILL

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, 2000; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 PART 1

2 LINE-ITEM APPROPRIATIONS

3 Sec. 101. The amounts listed in this part are appropriated for the
4 state institutions of higher education and certain state purposes
5 related to education, subject to the conditions set forth in this bill,
6 for the fiscal year ending September 30, 2000. The following is a
7 summary of the appropriations in this part:

1 **HIGHER EDUCATION**

2 APPROPRIATION SUMMARY:

3 GROSS APPROPRIATION \$ 1,672,279,208

4 Interdepartmental grant revenues:

5 Total interdepartmental grants and

6 intradepartmental transfers 0

7 ADJUSTED GROSS APPROPRIATION \$ 1,672,279,208

8 Federal revenues:

9 Total federal revenues 3,600,000

10 Special revenue funds:

11 Total local revenues 0

12 Total private revenues 0

13 Total other state restricted revenues 5,250,000

14 State general fund/general purpose \$ 1,663,429,208

15 **Sec. 102. CENTRAL MICHIGAN UNIVERSITY**16 Operations \$ 78,992,204

17 GROSS APPROPRIATION \$ 78,992,204

18 Appropriated from:

19 State general fund/general purpose \$ 78,992,204

20 **Sec. 103. EASTERN MICHIGAN UNIVERSITY**21 Operations \$ 79,476,067

22 GROSS APPROPRIATION \$ 79,476,067

23 Appropriated from:

24 State general fund/general purpose \$ 79,476,067

25 **Sec. 104. FERRIS STATE UNIVERSITY**26 Operations \$ 50,699,829

27 GROSS APPROPRIATION \$ 50,699,829

28 Appropriated from:

29 State general fund/general purpose \$ 50,699,829

30 **Sec. 105. GRAND VALLEY STATE UNIVERSITY**31 Operations \$ 52,702,676

32 GROSS APPROPRIATION \$ 52,702,676

33 Appropriated from:

34 State general fund/general purpose \$ 52,702,676

35 **Sec. 106. LAKE SUPERIOR STATE UNIVERSITY**

1	Operations	\$	<u>13,015,011</u>
2	GROSS APPROPRIATION	\$	13,015,011
3	Appropriated from:		
4	State general fund/general purpose	\$	13,015,011
5	Sec. 107. MICHIGAN STATE UNIVERSITY		
6	Operations	\$	<u>295,224,423</u>
7	GROSS APPROPRIATION	\$	295,224,423
8	Appropriated from:		
9	State general fund/general purpose	\$	295,224,423
10	Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY		
11	Operations	\$	<u>49,754,962</u>
12	GROSS APPROPRIATION	\$	49,754,962
13	Appropriated from:		
14	State general fund/general purpose	\$	49,754,962
15	Sec. 109. NORTHERN MICHIGAN UNIVERSITY		
16	Operations	\$	<u>47,956,518</u>
17	GROSS APPROPRIATION	\$	47,956,518
18	Appropriated from:		
19	State general fund/general purpose	\$	47,956,518
20	Sec. 110. OAKLAND UNIVERSITY		
21	Operations	\$	<u>46,315,722</u>
22	GROSS APPROPRIATION	\$	46,315,722
23	Appropriated from:		
24	State general fund/general purpose	\$	46,315,722
25	Sec. 111. SAGINAW VALLEY STATE UNIVERSITY		
26	Operations	\$	<u>23,709,893</u>
27	GROSS APPROPRIATION	\$	23,709,893
28	Appropriated from:		
29	State general fund/general purpose	\$	23,709,893
30	Sec. 112. UNIVERSITY OF MICHIGAN - ANN ARBOR		
31	Operations	\$	<u>328,337,052</u>
32	GROSS APPROPRIATION	\$	328,337,052
33	Appropriated from:		
34	State general fund/general purpose	\$	328,337,052
35	Sec. 113. UNIVERSITY OF MICHIGAN - DEARBORN		

1	Operations	\$	<u>25,290,019</u>
2	GROSS APPROPRIATION	\$	25,290,019
3	Appropriated from:		
4	State general fund/general purpose	\$	25,290,019
5	Sec. 114. UNIVERSITY OF MICHIGAN - FLINT		
6	Operations	\$	<u>21,604,275</u>
7	GROSS APPROPRIATION	\$	21,604,275
8	Appropriated from:		
9	State general fund/general purpose	\$	21,604,275
10	Sec. 115. WAYNE STATE UNIVERSITY		
11	Operations	\$	<u>233,121,094</u>
12	GROSS APPROPRIATION	\$	233,121,094
13	Appropriated from:		
14	State general fund/general purpose	\$	233,121,094
15	Sec. 116. WESTERN MICHIGAN UNIVERSITY		
16	Operations	\$	112,668,316
17	School of aviation sciences		<u>500,000</u>
18	GROSS APPROPRIATION	\$	113,168,316
19	Appropriated from:		
20	State general fund/general purpose	\$	113,168,316
21	SEC. 117. TUITION RESTRAINT INCENTIVE GRANTS		
22	Tuition restraint incentive grants	\$	<u>22,000,000</u>
23	GROSS APPROPRIATION	\$	22,000,000
24	Appropriated from:		
25	State general fund/general purpose	\$	22,000,000
26	Sec. 118. STATE AND REGIONAL PROGRAMS		
27	Agricultural experiment station	\$	31,025,008
28	Cooperative extension service		26,684,294
29	Michigan molecular institute		70,000
30	Japan center for Michigan universities		394,335
31	Higher education database modernization and		
32	conversion		275,000
33	Midwestern higher education compact		<u>75,000</u>
34	GROSS APPROPRIATION	\$	58,523,637
35	Appropriated from:		

1 State general fund/general purpose \$ 58,523,637

2 **Sec. 119. MARTIN LUTHER KING, JR. - CESAR**

3 **CHAVEZ - ROSA PARKS PROGRAM**

4 Select student supportive services \$ 2,024,152

5 Michigan college/university partnership program . 607,246

6 Morris Hood, Jr. educator development program . . 153,750

7 Visiting professors program 170,585

8 GROSS APPROPRIATION \$ 2,955,733

9 Appropriated from:

10 State general fund/general purpose \$ 2,955,733

11 **Sec. 120. GRANTS AND FINANCIAL AID**

12 State competitive scholarships \$ 33,157,672

13 Tuition grants 60,599,096

14 Michigan work-study program 7,482,984

15 Part-time independent student program 2,710,052

16 Grant for Michigan resident dental graduates . . . 4,716,435

17 Grant for general degree graduates 5,419,613

18 Tuition restraint incentive grants for independent
19 colleges and universities 1,600,000

20 Grant for allied health graduates 872,908

21 Michigan education opportunity grants 2,128,717

22 Robert C. Byrd honors scholarship program 1,300,000

23 Center for advanced technologies 4,194,300

24 Tuition incentive program 5,250,000

25 GROSS APPROPRIATION \$ 129,431,777

26 Appropriated from:

27 Federal revenues:

28 Higher education act of 1965, title IV, 20 U.S.C. 2,300,000

29 Higher education act of 1965, title IV, part A . . 1,300,000

30 Special revenue funds:

31 Michigan merit award trust fund 5,250,000

32 State general fund/general purpose \$ 120,581,777

33 **PART 2**

34 **PROVISIONS CONCERNING APPROPRIATIONS**

35 **GENERAL SECTIONS**

Sec. 201. (1) Pursuant to section 30 of article IX of the state constitution of 1963, total state spending under part 1 for fiscal year 1999-2000 is \$1,668,679,208.00 and state appropriations to be paid to local units of government are as follows:

GRANTS AND FINANCIAL AID

Part-time independent student program	\$	1,346,354
Michigan education opportunity grant		1,107,784
Michigan work-study		<u>2,112,446</u>
TOTAL	\$	4,566,584

(2) If it appears to the principal executive officer of a department or branch that state spending to local units of government will be less than the amount that was projected to be expended under subsection (1), the principal executive officer shall immediately give notice of the approximate shortfall to the state budget director.

Sec. 202. The expenditures and funding sources authorized under this bill are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

Sec. 203. (1) The funds appropriated in part 1 to state institutions of higher education shall be paid by the state treasurer to the respective institutions in 11 equal monthly installments on the sixteenth of each month, or the next succeeding business day, beginning with October 16, 1999. Except for Wayne State University, each institution shall accrue its July and August 2000 payments to its institutional fiscal year ending June 30, 2000.

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

(3) All universities shall submit higher education institutional data inventory (HEIDI) data and associated financial and program information requested by and in a manner prescribed by the state budget director. For universities with fiscal years ending June 30, 1999, these data shall be submitted to the state budget director by October 15, 1999. Universities with a fiscal year ending September 30, 1999 shall submit preliminary HEIDI data by November 15, 1999, and final data by December 15, 1999.

1 Sec. 204. Funds received by the state from the federal government
 2 or private sources for the use of a college or university are
 3 appropriated for the purpose for which provided. The acceptance and
 4 use of federal or private funds does not place an obligation upon the
 5 legislature to continue the purposes for which the funds are made
 6 available.

7 Sec. 205. A state institution of higher education that receives
 8 funds under this bill shall furnish all program and financial
 9 information that is required by and in a manner prescribed by the state
 10 budget director or the house or senate appropriations committee.

11 Sec. 206. (1) The appropriation in section 117 for tuition
 12 restraint incentive grants is contingent upon the repeal of the
 13 Michigan college tuition and fees credit, section 274 of the income tax
 14 act, 1967 PA 281, MCL 206.274, effective for the 1999 tax year.
 15 Pursuant to the requirement established in subsection (2), the amount
 16 identified for tuition restraint incentive grants in section 117 of
 17 this bill shall be allocated to state universities as follows:

18	Central Michigan University	\$	1,146,035
19	Eastern Michigan University		1,210,708
20	Ferris State University		772,341
21	Grand Valley State University		764,620
22	Lake Superior State University		198,266
23	Michigan State University		4,435,292
24	Michigan Technological University		757,948
25	Northern Michigan University		730,551
26	Oakland University		671,958
27	Saginaw Valley State University		356,808
28	University of Michigan-Ann Arbor		5,001,759
29	University of Michigan-Dearborn		366,913
30	University of Michigan-Flint		319,180
31	Wayne State University		3,551,276
32	Western Michigan University		1,716,345

33 (2) The distribution of the allocation to each state university
 34 contained in subsection (1) shall be made if the university adopts a
 35 resident undergraduate tuition and fee increase for the 1999-2000
 36 academic year of three percent or less and certifies such to the state

1 budget director.

2 (3) The allocations contained in subsection (1) are proportionate
3 to the fiscal year 1999 appropriations to state universities.

4 **GRANTS AND FINANCIAL AID**

5 Sec. 301. (1) Payments of the amounts included in section 120 for
6 the state competitive scholarship program shall be distributed pursuant
7 to 1964 PA 208, MCL 390.971 to 390.981.

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

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

18 (4) If the Michigan higher education assistance authority increases
19 the maximum award per eligible student from that provided in the
20 previous fiscal year, it shall not have the effect of reducing the
21 number of eligible students receiving awards in relation to the total
22 number of eligible applicants. Any increase in the maximum grant shall
23 be proportional for all eligible students receiving awards.

24 Sec. 302. (1) The amounts appropriated in section 120 for the state
25 tuition grant program shall be distributed pursuant to 1966 PA 313, MCL
26 390.991 to 390.997a.

27 (2) Tuition grant awards shall be made to all eligible Michigan
28 residents who apply before September 1, 1999 and who are qualified.
29 Tuition grant awards shall not be made to students newly enrolled in a
30 juris doctor law degree program after the 1995-96 academic year.

31 (3) The Michigan higher education assistance authority shall
32 determine an actual maximum tuition grant award per student that
33 ensures that the aggregate payments for the tuition grant program do
34 not exceed the appropriation contained in section 120 for the state
35 tuition grant program. By October 15, 1999, and again by December 15,
36 1999, the authority shall analyze the status of award commitments,

1 shall make any necessary adjustments, and shall confirm that those
2 award commitments will not exceed the appropriation contained in
3 section 120 for the tuition grant program. The determination and
4 actions shall be reported to the state budget director and the house
5 and senate fiscal agencies no later than December 15, 1999. If award
6 adjustments are necessary, the students shall be notified of the
7 adjustment by the third Monday in January.

8 (4) Any unexpended and unencumbered funds remaining on September
9 30, 2000 from the amounts appropriated in section 120 for the tuition
10 grant program shall not lapse on September 30, 2000, but shall continue
11 to be available for expenditure for tuition grants provided in the
12 2000-2001 fiscal year. The use of these unexpended fiscal year-1999-
13 2000 funds shall terminate at the end of the 2000-2001 fiscal year.

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

17 (6) If the Michigan higher education assistance authority increases
18 the maximum award per eligible student from that provided in the
19 previous fiscal year, it shall not have the effect of reducing the
20 number of eligible students receiving awards in relation to the total
21 number of eligible applicants. Any increase in the maximum grant shall
22 be proportional for all eligible students receiving awards.

23 Sec. 303. (1) Included in the appropriation in section 120 is
24 funding for the Michigan work-study program established under 1986 PA
25 288, MCL 390.1371 to 390.1382, and 1986 PA 303, MCL 390.1321 to
26 390.1332. An effort should be made by each institution participating
27 in the Michigan work-study program to assure that not less than 10% of
28 those undergraduate, graduate, and professional students eligible to
29 participate in the program are placed with for-profit employers no
30 later than December 31 of each year for which funding is provided under
31 this act.

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

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

Sec. 304. (1) Payments of the amounts included in section 120 for the general degree reimbursement program established under 1974 PA 75, MCL 390.1021 to 390.1027, shall be made for all degrees identified in section 1(1) of 1974 PA 75, MCL 390.1021, except doctor of dental surgery, doctor of dental medicine, juris doctor law, and allied health degrees.

(2) The reimbursement rate per eligible degree shall be the equally prorated amount permitted by the appropriation, except that the amount of the reimbursement for each associate degree shall be $\frac{1}{2}$ of the rate of reimbursement for the other degrees eligible under subsection (1) for the general degree reimbursement program.

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

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

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

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

(7) The appropriation in section 120 for tuition restraint incentive grants for independent colleges and universities is contingent upon the repeal of the Michigan college tuition and fees credit, section 274 of the income tax act, 1967 PA 281, MCL 206.274, for the 1999 tax year, and shall be allocated on a proportionate basis to independent colleges and universities using the general degree reimbursement program. However, the distribution of the allocation to each independent college or university determined under this subsection shall be made only if the independent college or university adopts a resident undergraduate tuition and fee increase for the 1999-2000

1 academic year of 3% or less and certifies such to the state budget
2 director.

3 Sec. 305. The reimbursement rate per eligible degree under the
4 allied health degree reimbursement program established under 1974 PA
5 75, MCL 390.1021 to 390.1027, shall be the equally prorated amount
6 permitted by the appropriation included in section 120.

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

10 Sec. 307. The auditor general shall audit selected enrollments,
11 degrees, and awards at selected independent colleges and universities
12 receiving awards administered by the department of treasury. The
13 audits shall be based upon definitions and requirements established by
14 the state budget director and the senate and house fiscal agencies. The
15 auditor general shall submit a report of findings to the senate and
16 house appropriations committees not later than May 1, 2000.

17 Sec. 308. The sums appropriated in section 120 for the student
18 financial aid and degree reimbursement programs shall be paid out of
19 the state treasury and shall be distributed to the respective
20 institutions under a quarterly payment system as follows:

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

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

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

33 (d) For the general degree reimbursement program, allied health
34 degree reimbursement program, Michigan resident dental grant program,
35 and the Robert C. Byrd honors scholarship program, 50% shall be paid at
36 the beginning of the state's first fiscal quarter and 50% at the

1 beginning of the state's second fiscal quarter after the number of
2 earned degrees conferred and total amounts to be paid are certified.

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

8 Sec. 310. (1) The funds appropriated in section 120 for the tuition
9 incentive program/high school completion program shall be distributed
10 as provided in this section and pursuant to the administrative
11 procedures for the tuition incentive program/high school completion
12 program of the family independence agency.

13 (2) As used in this section:

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

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

20 (c) "Department" means the family independence agency.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24 (12) Any unexpended and unencumbered funds remaining on September
25 30, 2000 from the amounts appropriated in section 120 for the tuition
26 incentive program shall not lapse on September 30, 2000, but shall
27 continue to be available for expenditure for the tuition incentive
28 program in the fiscal year ending September 30, 2001.

29 Sec. 311. To enable the legislature to evaluate the appropriation
30 needs of higher education, each independent college and university
31 shall make available to the legislature and the state budget director,
32 upon request, data regarding grants for the preceding, current, and
33 ensuing fiscal years.

34 Sec. 312. The funds appropriated in section 120 for the center for
35 advanced technologies - engineering program provided in conjunction
36 with the coalition for new manufacturing education are designated to

1 focus:hope to reimburse the costs of the manufacturing-based education.
2 Sec. 313. In addition to the funds appropriated in part 1, there
3 is hereby appropriated from the Michigan merit award trust fund a sum
4 sufficient to fund the Michigan merit award program pursuant to
5 guidelines established by the Michigan Merit Award Commission.

6 **STATE UNIVERSITIES**

7 Sec. 401. (1) Included in section 115 is \$5,861,708.00 to Wayne
8 State University for the Joseph F. Young, Sr. psychiatric research and
9 training program. Wayne State University shall use these funds for
10 psychiatric laboratory and clinical research, training, and treatment
11 services. Within the available appropriation, services shall not be
12 denied to any patient who meets established research guidelines for
13 treatment on the basis of personal financial circumstances, age,
14 geographic residence, or projected/actual length of treatment as
15 medically warranted.

16 (2) Wayne State University shall report the following information
17 to the department of community health by November 1, 2000:

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

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

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

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

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

29 Sec. 402. (1) There is created the higher education institutional
30 data inventory advisory committee. The committee shall be appointed by
31 the state budget director and shall consist of the following members:

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

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

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

35 (d) Three representatives of the presidents council of state
36 universities. The presidents council shall appoint 1 representative

1 each from a masters, a doctoral, and a research university.

2 (2) The committee shall provide for the general scope and direction
3 for implementing the conversion and modernization of the state's higher
4 education databases, for which funding is provided in section 118.

5 (3) The committee shall prepare a plan for the conversion and
6 modernization effort. The plan shall include, but is not limited to,
7 all of the following:

8 (a) The development of a data dictionary.

9 (b) The integration of appropriate federal, national, regional, and
10 state databases.

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

12 (4) The committee shall consider inclusion of data items that are
13 currently reported under section 703.

14 Sec. 403. The amounts included in part 1 for public universities
15 recognize four separate university groupings reflecting comparable
16 instructional costs assuming systemwide average expenditures for each
17 instructional program for each student level as reported by each
18 university in HEIDI. Funding floors for the four classifications are
19 established as follows:

20 (a) Funding floor of \$4,500 per resident student -- Grand Valley
21 State University, Lake Superior State University, Northern Michigan
22 University, Saginaw Valley State University, and University of Michigan
23 - Flint;

24 (b) Funding floor of \$4,600 per resident student -- Central
25 Michigan University, Eastern Michigan University, and Ferris State
26 University;

27 (c) Funding floor of \$4,700 per resident student -- Oakland
28 University, University of Michigan - Dearborn, and Western Michigan
29 University; and,

30 (d) Funding floor of \$8,500 per resident student -- Michigan
31 Technological University, Michigan State University, University of
32 Michigan - Ann Arbor, and Wayne State University.

33 Sec. 404. From the funds appropriated in part 1, each state
34 university shall establish a system to track students that graduate
35 from the university. The system shall minimally provide information on
36 the students' field of study and year of graduation, whether they are

employed or continuing their education, the field in which they are employed or their subsequent field of academic study, their job title, their salary, and their city, town, or other place of residence.

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

Sec. 501. (1) Included in the appropriation for each public university in part 1 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks future faculty program, that is intended to increase the pool of minority candidates pursuing full-time faculty teaching careers in postsecondary education in this state. Each university shall apply the percentage increase applicable to every university in the calculation of appropriations in part 1 to the amount of funds allocated to the future faculty program.

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

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

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

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

Sec. 503. (1) Included in section 119 is funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks select student support services program for developing academically and economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state.

(2) An award made under this program to any 1 institution shall not

1 be greater than \$150,000.00, and the amount awarded shall be matched on
2 a 70% state, 30% college or university basis.

3 (3) The program shall be administered by the Michigan department of
4 education.

5 Sec. 504. (1) Included in section 119 is funding for the Martin
6 Luther King, Jr. - Cesar Chavez - Rosa Parks college/university
7 partnership program between 4-year universities and public community
8 colleges, which is intended to increase the number of underrepresented
9 minority students who transfer from community colleges into
10 baccalaureate programs.

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

15 (3) The program shall be administered by the Michigan department of
16 education.

17 Sec. 505. (1) Included in the appropriation in section 119 is
18 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
19 visiting professors program which is intended to increase the number of
20 minority instructors in the classroom and provide role models for
21 underrepresented minority students.

22 (2) The program shall be administered by the Michigan department of
23 education.

24 Sec. 506. Each state institution of higher education receiving
25 funds under section 503, 504, 505, or 507 shall notify the Michigan
26 department of education by April 15, 2000 as to whether it will expend
27 by the end of its fiscal year the funds received under section 503,
28 504, 505, or 507. Notwithstanding the award limitations in sections
29 503 and 504, the amount of funding reported as not being expended will
30 be reallocated to the institutions that intend to expend all funding
31 received under section 503, 504, 505, or 507.

32 Sec. 507. (1) Included in the appropriation in section 119 is
33 funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
34 initiative for the Morris Hood, Jr. educator development program which
35 is intended to increase the number of minority students, especially
36 males, who enroll in and complete K-12 teacher education programs at

1 the baccalaureate level.

2 (2) The program shall be administered by each state-approved
3 teacher education institution in a manner prescribed by the Michigan
4 department of education.

5 **UNIVERSITY SERVICE TO K-12 EDUCATION**

6 Sec. 601. (1) From the amount appropriated in part 1 for state
7 universities, the state universities shall systematically inform
8 Michigan high schools regarding the academic status of students from
9 each high school in a manner prescribed by the presidents council,
10 state universities of Michigan in cooperation with the Michigan
11 association of secondary school principals.

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

17 (3) The Michigan association of secondary school principals in
18 cooperation with the presidents council, state universities of Michigan
19 shall provide a summary report to the house and senate fiscal agencies
20 and the state budget director about the use of the student achievement
21 information received by Michigan high schools under this section.

22 **GENERAL REPORTS AND AUDITS**

23 Sec. 701. (1) The auditor general shall audit enrollments at 5
24 randomly selected public universities. The audits shall be based upon
25 the definitions and requirements established by the state budget
26 director and the senate and house fiscal agencies. The audits shall be
27 based on uniform reporting categories and shall include higher
28 education institutional data inventory (HEIDI) data. The auditor
29 general shall submit a report of findings to the house and senate
30 appropriations committees and the state budget director no later than
31 July 1, 2000.

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

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

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

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

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

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

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

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

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

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

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

(c) The rationale for not implementing a recommendation of the auditor general or of implementing a recommendation as modified.

Sec. 703. (1) Each state university shall report the following information for the 1998-99 academic year to the house and senate fiscal agencies and the state budget director on or before October 31, 1999:

(a) Separately, the number of tenured faculty, tenure-track faculty, nontenure-track faculty, and graduate assistants who taught an

1 undergraduate class section.

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

4 (i) Tenured faculty.

5 (ii) Tenure-track faculty.

6 (iii) Nontenure-track faculty.

7 (iv) Graduate assistants.

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

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

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

13 (c) "Nontenure-track faculty" means a faculty member who is not
14 eligible to earn tenure.

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

17 (3) Each state university shall report the following information
18 for the 1998-99 academic year to the house and senate fiscal agencies
19 and the state budget director on or before October 31, 1999:

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

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

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

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

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

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

30 (d) "Nontenured faculty" means an individual who has not earned
31 tenure.

32 Sec. 704. The auditor general shall conduct not less than 3
33 performance audits of the state universities during the fiscal year
34 ending September 30, 2000.

final page