

SENATE BILL NO. 367

EXECUTIVE BUDGET BILL

February 23, 1999, Introduced by Senators SCHWARZ, A. SMITH, MC MANUS,
HOFFMAN, GOUGEON, STEIL and GOSCHKA and referred to the Committee
on Appropriations.

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,

1 for the fiscal year ending September 30, 2000. The following is a
2 summary of the appropriations in this part:

3 **HIGHER EDUCATION**

4 APPROPRIATION SUMMARY:

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

6 Interdepartmental grant revenues:

7 Total interdepartmental grants and

8 intradepartmental transfers 0

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

10 Federal revenues:

11 Total federal revenues 3,600,000

12 Special revenue funds:

13 Total local revenues 0

14 Total private revenues 0

15 Total other state restricted revenues 5,250,000

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

17 **Sec. 102. CENTRAL MICHIGAN UNIVERSITY**

18 Operations \$ 78,992,204

19 GROSS APPROPRIATION \$ 78,992,204

20 Appropriated from:

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

22 **Sec. 103. EASTERN MICHIGAN UNIVERSITY**

23 Operations \$ 79,476,067

24 GROSS APPROPRIATION \$ 79,476,067

25 Appropriated from:

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

27 **Sec. 104. FERRIS STATE UNIVERSITY**

28 Operations \$ 50,699,829

29 GROSS APPROPRIATION \$ 50,699,829

30 Appropriated from:

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

1 **Sec. 105. GRAND VALLEY STATE UNIVERSITY**2 Operations \$ 52,702,676

3 GROSS APPROPRIATION \$ 52,702,676

4 Appropriated from:

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

6 **Sec. 106. LAKE SUPERIOR STATE UNIVERSITY**7 Operations \$ 13,015,011

8 GROSS APPROPRIATION \$ 13,015,011

9 Appropriated from:

10 State general fund/general purpose \$ 13,015,011

11 **Sec. 107. MICHIGAN STATE UNIVERSITY**12 Operations \$ 295,224,423

13 GROSS APPROPRIATION \$ 295,224,423

14 Appropriated from:

15 State general fund/general purpose \$ 295,224,423

16 **Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY**17 Operations \$ 49,754,962

18 GROSS APPROPRIATION \$ 49,754,962

19 Appropriated from:

20 State general fund/general purpose \$ 49,754,962

21 **Sec. 109. NORTHERN MICHIGAN UNIVERSITY**22 Operations \$ 47,956,518

23 GROSS APPROPRIATION \$ 47,956,518

24 Appropriated from:

25 State general fund/general purpose \$ 47,956,518

26 **Sec. 110. OAKLAND UNIVERSITY**27 Operations \$ 46,315,722

28 GROSS APPROPRIATION \$ 46,315,722

29 Appropriated from:

30 State general fund/general purpose \$ 46,315,722

31 **Sec. 111. SAGINAW VALLEY STATE UNIVERSITY**

1	Operations	\$	<u>23,709,893</u>
2	GROSS APPROPRIATION	\$	23,709,893
3	Appropriated from:		
4	State general fund/general purpose	\$	23,709,893
5	Sec. 112. UNIVERSITY OF MICHIGAN - ANN ARBOR		
6	Operations	\$	<u>328,337,052</u>
7	GROSS APPROPRIATION	\$	328,337,052
8	Appropriated from:		
9	State general fund/general purpose	\$	328,337,052
10	Sec. 113. UNIVERSITY OF MICHIGAN - DEARBORN		
11	Operations	\$	<u>25,290,019</u>
12	GROSS APPROPRIATION	\$	25,290,019
13	Appropriated from:		
14	State general fund/general purpose	\$	25,290,019
15	Sec. 114. UNIVERSITY OF MICHIGAN - FLINT		
16	Operations	\$	<u>21,604,275</u>
17	GROSS APPROPRIATION	\$	21,604,275
18	Appropriated from:		
19	State general fund/general purpose	\$	21,604,275
20	Sec. 115. WAYNE STATE UNIVERSITY		
21	Operations	\$	<u>233,121,094</u>
22	GROSS APPROPRIATION	\$	233,121,094
23	Appropriated from:		
24	State general fund/general purpose	\$	233,121,094
25	Sec. 116. WESTERN MICHIGAN UNIVERSITY		
26	Operations	\$	112,668,316
27	School of aviation sciences		<u>500,000</u>
28	GROSS APPROPRIATION	\$	113,168,316
29	Appropriated from:		
30	State general fund/general purpose	\$	113,168,316
31	SEC. 117. TUITION RESTRAINT INCENTIVE GRANTS		

1	Tuition restraint incentive grants	\$	<u>22,000,000</u>
2	GROSS APPROPRIATION	\$	22,000,000
3	Appropriated from:		
4	State general fund/general purpose	\$	22,000,000
5	Sec. 118. STATE AND REGIONAL PROGRAMS		
6	Agricultural experiment station	\$	31,025,008
7	Cooperative extension service		26,684,294
8	Michigan molecular institute		70,000
9	Japan center for Michigan universities		394,335
10	Higher education database modernization and		
11	conversion		275,000
12	Midwestern higher education compact		<u>75,000</u>
13	GROSS APPROPRIATION	\$	58,523,637
14	Appropriated from:		
15	State general fund/general purpose	\$	58,523,637
16	Sec. 119. MARTIN LUTHER KING, JR. - CESAR		
17	CHAVEZ - ROSA PARKS PROGRAM		
18	Select student supportive services	\$	2,024,152
19	Michigan college/university partnership program .		607,246
20	Morris Hood, Jr. educator development program . .		153,750
21	Visiting professors program		<u>170,585</u>
22	GROSS APPROPRIATION	\$	2,955,733
23	Appropriated from:		
24	State general fund/general purpose	\$	2,955,733
25	Sec. 120. GRANTS AND FINANCIAL AID		
26	State competitive scholarships	\$	33,157,672
27	Tuition grants		60,599,096
28	Michigan work-study program		7,482,984
29	Part-time independent student program		2,710,052
30	Grant for Michigan resident dental graduates . . .		4,716,435
31	Grant for general degree graduates		5,419,613

1	Tuition restraint incentive grants for independent	
2	colleges and universities	1,600,000
3	Grant for allied health graduates	872,908
4	Michigan education opportunity grants	2,128,717
5	Robert C. Byrd honors scholarship program	1,300,000
6	Center for advanced technologies	4,194,300
7	Tuition incentive program	<u>5,250,000</u>
8	GROSS APPROPRIATION	\$ 129,431,777

9 Appropriated from:

10 Federal revenues:

11	Higher education act of 1965, title IV, 20 U.S.C.	2,300,000
12	Higher education act of 1965, title IV, part A . .	1,300,000

13 Special revenue funds:

14	Michigan merit award trust fund	5,250,000
15	State general fund/general purpose	\$ 120,581,777

16 PART 2

17 PROVISIONS CONCERNING APPROPRIATIONS

18 GENERAL SECTIONS

19 Sec. 201. (1) Pursuant to section 30 of article IX of the state
20 constitution of 1963, total state spending under part 1 for fiscal year
21 1999-2000 is \$1,668,679,208.00 and state appropriations to be paid to
22 local units of government are as follows:

23 GRANTS AND FINANCIAL AID

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

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

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

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

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

14 (3) All universities shall submit higher education institutional
15 data inventory (HEIDI) data and associated financial and program
16 information requested by and in a manner prescribed by the state budget
17 director. For universities with fiscal years ending June 30, 1999,
18 these data shall be submitted to the state budget director by October
19 15, 1999. Universities with a fiscal year ending September 30, 1999
20 shall submit preliminary HEIDI data by November 15, 1999, and final
21 data by December 15, 1999.

22 Sec. 204. Funds received by the state from the federal government
23 or private sources for the use of a college or university are

1 appropriated for the purpose for which provided. The acceptance and
 2 use of federal or private funds does not place an obligation upon the
 3 legislature to continue the purposes for which the funds are made
 4 available.

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

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

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

31

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

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

GRANTS AND FINANCIAL AID

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

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

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

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

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

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

5 (3) The Michigan higher education assistance authority shall
6 determine an actual maximum tuition grant award per student that
7 ensures that the aggregate payments for the tuition grant program do
8 not exceed the appropriation contained in section 120 for the state
9 tuition grant program. By October 15, 1999, and again by December 15,
10 1999, the authority shall analyze the status of award commitments,
11 shall make any necessary adjustments, and shall confirm that those
12 award commitments will not exceed the appropriation contained in
13 section 120 for the tuition grant program. The determination and
14 actions shall be reported to the state budget director and the house
15 and senate fiscal agencies no later than December 15, 1999. If award
16 adjustments are necessary, the students shall be notified of the
17 adjustment by the third Monday in January.

18 (4) Any unexpended and unencumbered funds remaining on September
19 30, 2000 from the amounts appropriated in section 120 for the tuition
20 grant program shall not lapse on September 30, 2000, but shall continue
21 to be available for expenditure for tuition grants provided in the
22 2000-2001 fiscal year. The use of these unexpended fiscal year-1999-
23 2000 funds shall terminate at the end of the 2000-2001 fiscal year.

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

27 (6) If the Michigan higher education assistance authority increases
28 the maximum award per eligible student from that provided in the
29 previous fiscal year, it shall not have the effect of reducing the

1 number of eligible students receiving awards in relation to the total
2 number of eligible applicants. Any increase in the maximum grant shall
3 be proportional for all eligible students receiving awards.

4 Sec. 303. (1) Included in the appropriation in section 120 is
5 funding for the Michigan work-study program established under 1986 PA
6 288, MCL 390.1371 to 390.1382, and 1986 PA 303, MCL 390.1321 to
7 390.1332. An effort should be made by each institution participating
8 in the Michigan work-study program to assure that not less than 10% of
9 those undergraduate, graduate, and professional students eligible to
10 participate in the program are placed with for-profit employers no
11 later than December 31 of each year for which funding is provided under
12 this act.

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

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 120 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
27 surgery, doctor of dental medicine, juris doctor law, and allied health
28 degrees.

29 (2) The reimbursement rate per eligible degree shall be the equally
30 prorated amount permitted by the appropriation, except that

1 the amount of the reimbursement for each associate degree shall be $\frac{1}{2}$ of
2 the rate of reimbursement for the other degrees eligible under
3 subsection (1) for the general degree reimbursement program.

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

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

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

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

14 (7) The appropriation in section 120 for tuition restraint
15 incentive grants for independent colleges and universities is
16 contingent upon the repeal of the Michigan college tuition and fees
17 credit, section 274 of the income tax act, 1967 PA 281, MCL 206.274,
18 for the 1999 tax year, and shall be allocated on a proportionate basis
19 to independent colleges and universities using the general degree
20 reimbursement program. However, the distribution of the allocation to
21 each independent college or university determined under this subsection
22 shall be made only if the independent college or university adopts a
23 resident undergraduate tuition and fee increase for the 1999-2000
24 academic year of 3% or less and certifies such to the state budget
25 director.

26 Sec. 305. The reimbursement rate per eligible degree under the
27 allied health degree reimbursement program established under 1974 PA
28 75, MCL 390.1021 to 390.1027, shall be the equally prorated amount
29 permitted by the appropriation included in section 120.

30 Sec. 306. Funds disbursed through the degree reimbursement

1 programs shall not be used by any recipient institution for theology or
2 divinity programs.

3 Sec. 307. The auditor general shall audit selected enrollments,
4 degrees, and awards at selected independent colleges and universities
5 receiving awards administered by the department of treasury. The
6 audits shall be based upon definitions and requirements established by
7 the state budget director and the senate and house fiscal agencies. The
8 auditor general shall submit a report of findings to the senate and
9 house appropriations committees not later than May 1, 2000.

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

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

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

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

26 (d) For the general degree reimbursement program, allied health
27 degree reimbursement program, Michigan resident dental grant program,
28 and the Robert C. Byrd honors scholarship program, 50% shall be paid at
29 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.

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
13 financially eligible as determined by the department. A person is
14 financially eligible for the tuition incentive program if that person
15 was medicaid eligible for 24 months within the 36 months before
16 application. Certification of eligibility may begin in the sixth grade
17 and continue until the time of enrollment in a participating
18 institution.

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

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

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

27 (b) For persons enrolled at a Michigan community college, the
28 department shall pay the current in-district tuition and mandatory
29 fees. For persons residing in an area that is not included in any

1 community college district, the out-of-district tuition rate may be
2 authorized.

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

6 (d) For persons enrolled at a Michigan independent, nonprofit
7 degree granting college or university or a Michigan federal tribally
8 controlled community college, the department shall pay mandatory fees
9 for the current year and a per credit payment that does not exceed the
10 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
13 additional funds not to exceed \$500.00 per semester or \$400.00 per term
14 up to 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
20 theology or divinity courses.

21 (8) The department shall work closely with participating
22 institutions to develop an application and eligibility determination
23 process that will provide the highest level of participation and ensure
24 that all 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
27 determination of financial eligibility is made, that determination is
28 valid as long as the student meets all other program requirements and
29 conditions.

30 (10) Each institution shall ensure that all known available

1 restricted grants for tuition and fees are used prior to billing the
2 tuition incentive program for any portion of a student's tuition and
3 fees.

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

8 (12) Any unexpended and unencumbered funds remaining on September
9 30, 2000 from the amounts appropriated in section 120 for the tuition
10 incentive program shall not lapse on September 30, 2000, but shall
11 continue to be available for expenditure for the tuition incentive
12 program in the fiscal year ending September 30, 2001.

13 Sec. 311. To enable the legislature to evaluate the appropriation
14 needs of higher education, each independent college and university
15 shall make available to the legislature and the state budget director,
16 upon request, data regarding grants for the preceding, current, and
17 ensuing fiscal years.

18 Sec. 312. The funds appropriated in section 120 for the center for
19 advanced technologies - engineering program provided in conjunction
20 with the coalition for new manufacturing education are designated to
21 focus:hope to reimburse the costs of the manufacturing-based education.

22 Sec. 313. In addition to the funds appropriated in part 1, there
23 is hereby appropriated from the Michigan merit award trust fund a sum
24 sufficient to fund the Michigan merit award program pursuant to
25 guidelines established by the Michigan Merit Award Commission.

26 **STATE UNIVERSITIES**

27 Sec. 401. (1) Included in section 115 is \$5,861,708.00 to Wayne
28 State University for the Joseph F. Young, Sr. psychiatric research and
29 training program. Wayne State University shall use these funds for

1 psychiatric laboratory and clinical research, training, and treatment
2 services. Within the available appropriation, services shall not be
3 denied to any patient who meets established research guidelines for
4 treatment on the basis of personal financial circumstances, age,
5 geographic residence, or projected/actual length of treatment as
6 medically warranted.

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

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

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

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

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

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

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

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

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

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

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

29 (2) The committee shall provide for the general scope and direction
30 for implementing the conversion and modernization of the

1 state's higher education databases, for which funding is provided in
2 section 118.

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

6 (a) The development of a data dictionary.

7 (b) The integration of appropriate federal, national, regional, and
8 state databases.

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

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

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

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

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

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

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

1 Sec. 404. From the funds appropriated in part 1, each state
2 university shall establish a system to track students that graduate
3 from the university. The system shall minimally provide information on
4 the students' field of study and year of graduation, whether they are
5 employed or continuing their education, the field in which they are
6 employed or their subsequent field of academic study, their job title,
7 their salary, and their city, town, or other place of residence.

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

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

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

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

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

1 university shall apply the percentage increase applicable to every
2 university in the calculation of appropriations in part 1 to the amount
3 of funds allocated to the college day program.

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

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

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

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

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

22 (2) The grants shall be made under this program to Michigan public
23 universities. An award to any 1 institution shall not be greater than
24 \$150,000.00, and the amount awarded shall be matched on a 70% state,
25 30% university basis.

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

28 Sec. 505. (1) Included in the appropriation in section 119 is
29 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
30 visiting professors program which is intended to increase the number

1 of minority instructors in the classroom and provide role models for
2 underrepresented minority students.

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

5 Sec. 506. Each state institution of higher education receiving
6 funds under section 503, 504, 505, or 507 shall notify the Michigan
7 department of education by April 15, 2000 as to whether it will expend
8 by the end of its fiscal year the funds received under section 503,
9 504, 505, or 507. Notwithstanding the award limitations in sections
10 503 and 504, the amount of funding reported as not being expended will
11 be reallocated to the institutions that intend to expend all funding
12 received under section 503, 504, 505, or 507.

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

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

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

23 Sec. 601. (1) From the amount appropriated in part 1 for state
24 universities, the state universities shall systematically inform
25 Michigan high schools regarding the academic status of students from
26 each high school in a manner prescribed by the presidents council,
27 state universities of Michigan in cooperation with the Michigan
28 association of secondary school principals.

29 (2) The Michigan high schools shall systematically inform the state
30 universities about the use of information received under this

1 section in a manner prescribed by the Michigan association of secondary
2 school principals in cooperation with the presidents council, state
3 universities of Michigan.

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

9 **GENERAL REPORTS AND AUDITS**

10 Sec. 701. (1) The auditor general shall audit enrollments at 5
11 randomly selected public universities. The audits shall be based upon
12 the definitions and requirements established by the state budget
13 director and the senate and house fiscal agencies. The audits shall be
14 based on uniform reporting categories and shall include higher
15 education institutional data inventory (HEIDI) data. The auditor
16 general shall submit a report of findings to the house and senate
17 appropriations committees and the state budget director no later than
18 July 1, 2000.

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

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

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

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

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

1 mission.

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

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

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

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

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

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

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

24 Sec. 703. (1) Each state university shall report the following
25 information for the 1998-99 academic year to the house and senate
26 fiscal agencies and the state budget director on or before October 31,
27 1999:

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

1 an 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.

1 (d) "Nontenured faculty" means an individual who has not earned
2 tenure.

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

Final page.