

SENATE BILL No. 967

EXECUTIVE BUDGET BILL

February 3, 2000, Introduced by Senators SCHWARZ, MC MANUS, A. SMITH,
HOFFMAN and JOHNSON 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, 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:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. The amounts listed in this part are appropriated for the state institutions of higher education and certain other state

1 purposes related to education, subject to the conditions set forth in
 2 this bill, for the fiscal year ending September 30, 2001, from the
 3 funds indicated in this part. The following is a summary of the
 4 appropriations in this part:

5 **HIGHER EDUCATION**

6 APPROPRIATION SUMMARY:

7 GROSS APPROPRIATION \$ 1,838,900,562

8 Interdepartmental grant revenues:

9 Total interdepartmental grants and

10 intradepartmental transfers 0

11 ADJUSTED GROSS APPROPRIATION \$ 1,838,900,562

12 Federal revenues:

13 Total federal revenues 3,900,000

14 Special revenue funds:

15 Total local revenues 0

16 Total private revenues 0

17 Total other state restricted revenues 105,250,000

18 State general fund/general purpose \$ 1,729,750,562

19 **Sec. 102. CENTRAL MICHIGAN UNIVERSITY**

20 Operations \$ 83,512,286

21 GROSS APPROPRIATION \$ 83,512,286

22 Appropriated from:

23 State general fund/general purpose \$ 83,512,286

24 **Sec. 103. EASTERN MICHIGAN UNIVERSITY**

25 Operations \$ 84,930,550

26 GROSS APPROPRIATION \$ 84,930,550

27 Appropriated from:

28 State general fund/general purpose \$ 84,930,550

29 **Sec. 104. FERRIS STATE UNIVERSITY**

1	Operations	\$ <u>53,413,160</u>
2	GROSS APPROPRIATION	\$ 53,413,160
3	Appropriated from:	
4	State general fund/general purpose	\$ 53,413,160
5	Sec. 105. GRAND VALLEY STATE UNIVERSITY	
6	Operations	\$ <u>55,799,930</u>
7	GROSS APPROPRIATION	\$ 55,799,930
8	Appropriated from:	
9	State general fund/general purpose	\$ 55,799,930
10	Sec. 106. LAKE SUPERIOR STATE UNIVERSITY	
11	Operations	\$ <u>13,727,087</u>
12	GROSS APPROPRIATION	\$ 13,727,087
13	Appropriated from:	
14	State general fund/general purpose	\$ 13,727,087
15	Sec. 107. MICHIGAN STATE UNIVERSITY	
16	Operations	\$ <u>313,576,982</u>
17	GROSS APPROPRIATION	\$ 313,576,982
18	Appropriated from:	
19	State general fund/general purpose	\$ 313,576,982
20	Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY	
21	Operations	\$ <u>53,144,996</u>
22	GROSS APPROPRIATION	\$ 53,144,996
23	Appropriated from:	
24	State general fund/general purpose	\$ 53,144,996
25	Sec. 109. NORTHERN MICHIGAN UNIVERSITY	
26	Operations	\$ <u>50,038,900</u>
27	GROSS APPROPRIATION	\$ 50,038,900
28	Appropriated from:	
29	State general fund/general purpose	\$ 50,038,900

1 **Sec. 110. OAKLAND UNIVERSITY**2 Operations \$ 48,987,163

3 GROSS APPROPRIATION \$ 48,987,163

4 Appropriated from:

5 State general fund/general purpose \$ 48,987,163

6 **Sec. 111. SAGINAW VALLEY STATE UNIVERSITY**7 Operations \$ 25,899,169

8 GROSS APPROPRIATION \$ 25,899,169

9 Appropriated from:

10 State general fund/general purpose \$ 25,899,169

11 **Sec. 112. UNIVERSITY OF MICHIGAN-ANN ARBOR**12 Operations \$ 347,332,770

13 GROSS APPROPRIATION \$ 347,332,770

14 Appropriated from:

15 State general fund/general purpose \$ 347,332,770

16 **Sec. 113. UNIVERSITY OF MICHIGAN-DEARBORN**17 Operations \$ 26,728,504

18 GROSS APPROPRIATION \$ 26,728,504

19 Appropriated from:

20 State general fund/general purpose \$ 26,728,504

21 **Sec. 114. UNIVERSITY OF MICHIGAN-FLINT**22 Operations \$ 23,006,194

23 GROSS APPROPRIATION \$ 23,006,194

24 Appropriated from:

25 State general fund/general purpose \$ 23,006,194

26 **Sec. 115. WAYNE STATE UNIVERSITY**27 Operations \$ 244,018,391

28 GROSS APPROPRIATION \$ 244,018,391

29 Appropriated from:

1	State general fund/general purpose	\$ 244,018,391
2	Sec. 116. WESTERN MICHIGAN UNIVERSITY	
3	Operations	\$ <u>120,605,996</u>
4	GROSS APPROPRIATION	\$ 120,605,996
5	Appropriated from:	
6	State general fund/general purpose	\$ 120,605,996
7	Sec. 117. STATE AND REGIONAL PROGRAMS	
8	Agricultural experiment station	\$ 32,442,069
9	Cooperative extension service	27,905,339
10	Michigan molecular institute	228,979
11	Japan center for Michigan universities	409,126
12	Higher education database modernization	
13	and conversion	275,000
14	Midwestern higher education compact	<u>75,000</u>
15	GROSS APPROPRIATION	\$ 61,335,513
16	Appropriated from:	
17	Special revenue funds:	
18	State general fund/general purpose	\$ 61,335,513
19	Sec. 118. MARTIN LUTHER KING, JR.-CESAR CHAVEZ-ROSA	
20	PARKS PROGRAM	
21	Select student supportive services	\$ 2,101,149
22	Michigan college/university partnership program	630,345
23	Morris Hood, Jr. educator development program .	<u>159,598</u>
24	GROSS APPROPRIATION	\$ 2,891,092
25	Appropriated from:	
26	State general fund/general purpose	\$ 2,891,092
27	Sec. 119. GRANTS AND FINANCIAL AID	
28	State competitive scholarships	\$ 34,331,468
29	Tuition grants	64,108,914

1	Michigan work-study program	7,767,630
2	Part-time independent student program	2,813,139
3	Grant for Michigan resident dental graduates . .	4,895,843
4	Grant for general degree graduates	6,069,081
5	Grant for allied health graduates	906,113
6	Michigan education opportunity grants	2,209,691
7	Robert C. Byrd honors scholarship program . . .	1,600,000
8	Michigan merit award program	100,000,000
9	Tuition incentive program	<u>5,250,000</u>
10	GROSS APPROPRIATION	\$ 229,951,879
11	Appropriated from:	
12	Federal revenues:	
13	Higher education act of 1965, title IV, 20 U.S.C.	\$ 2,300,000
14	Higher education act of 1965, title IV, part A .	1,600,000
15	Special revenue funds:	
16	Michigan merit award trust fund	105,250,000
17	State general fund/general purpose	\$ 120,801,879
18	PART 2	
19	PROVISIONS CONCERNING APPROPRIATIONS	
20	GENERAL SECTIONS	
21	Sec. 201. (1) Pursuant to section 30 of article IX of the state	
22	constitution of 1963, total state spending under part 1 for fiscal	
23	year 2000-2001 is \$1,835,000,562.00 and state appropriations to be	
24	paid to local units of government are as follows:	
25	GRANTS AND FINANCIAL AID	
26	Part-time independent student program	\$ 1,346,087
27	Michigan education opportunity grant	1,064,187
28	Michigan work-study	2,260,380
29	TOTAL	\$ 4,670,654

1 (2) If it appears to the principal executive officer of a
2 department or branch that state spending to local units of government
3 will be less than the amount that was projected to be expended for any
4 quarter under subsection (1), the principal executive officer shall
5 immediately give notice of the approximate shortfall to the state
6 budget director, the senate and house of representatives standing
7 committees on appropriations, and the senate and house fiscal
8 agencies.

9 Sec. 202. (1) The funds appropriated in part 1 to state
10 institutions of higher education shall be paid out of the state
11 treasury and distributed by the state treasurer to the respective
12 institutions in 11 equal monthly installments on the sixteenth of each
13 month, or the next succeeding business day, beginning with October 16,
14 2000. Except for Wayne State University, each institution shall accrue
15 its July and August 2001 payments to its institutional fiscal year
16 ending June 30, 2001.

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

20 (3) All universities shall submit higher education institutional
21 data inventory (HEIDI) data and associated financial and program
22 information requested by and in a manner prescribed by the state
23 budget director. For universities with fiscal years ending June 30,
24 2000, these data shall be submitted to the state budget director by
25 October 15, 2000. Universities with a fiscal year ending September
26 30, 2000 shall submit preliminary HEIDI data by November 15, 2000 and
27 final data by December 15, 2000. However, if a university fails to
28 submit HEIDI data and associated financial and program information in
29 accordance with this reporting schedule, the monthly installments
30 pursuant to subsection 1 shall be withheld from that university until

1 those data are submitted.

2 Sec. 203. Funds received by the state from the federal government
3 or private sources for the use of a college or university are
4 appropriated for the purposes for which they are provided. The
5 acceptance and use of federal or private funds does not place an
6 obligation upon the legislature to continue the purposes for which the
7 funds are made available.

8 Sec. 204. The expenditures and funding sources authorized under
9 this bill are subject to the management and budget act, 1984 PA 431,
10 MCL 18.1101 to 18.1594.

11 Sec. 205. A state institution of higher education that receives
12 funds under this act shall furnish all program and financial
13 information that is required by and in a manner prescribed by the
14 state budget director or the house or senate appropriations committee.

15 Sec. 206. All funds received under part 1 for the charter schools
16 development and performance institute are intended to be expended on
17 activities of that institute.

18 **GRANTS AND FINANCIAL AID**

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

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

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

1 than tuition and fees.

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

8 Sec. 302. (1) The amounts appropriated in section 119 for the
9 state tuition grant program shall be distributed pursuant to 1966 PA
10 313, MCL 390.991 to 390.997a.

11 (2) Tuition grant awards shall be made to all eligible Michigan
12 residents who apply before September 1, 2000 and who are qualified.
13 Tuition grant awards shall not be made to students newly enrolled in a
14 juris doctor law degree program after the 1995-96 academic year.

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

28 (4) Any unexpended and unencumbered funds remaining on September
29 30, 2001 from the amounts appropriated in section 119 for the tuition
30 grant program shall not lapse on September 30, 2001, but shall

1 continue to be available for expenditure for tuition grants provided
2 in the 2001-2002 fiscal year. The use of these unexpended fiscal year
3 2000-2001 funds shall terminate at the end of the 2001-2002 fiscal
4 year.

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

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

14 (7) Students enrolled in instructional programs provided by the
15 Kendall college of art and design of Ferris State University shall be
16 eligible to receive tuition grant awards.

17 Sec. 303. (1) Included in the appropriation in section 119 is
18 funding for the Michigan work-study program established under 1986 PA
19 288, MCL 390.1371 to 390.1382, and 1986 PA 303, MCL 390.1321 to
20 390.1332. An effort should be made by each institution participating
21 in the Michigan work-study program to assure that not less than 10% of
22 those undergraduate, graduate, and professional students eligible to
23 participate in the program are placed with for-profit employers no
24 later than December 31 of each year for which funding is provided
25 under this act.

26 (2) The Michigan higher education assistance authority shall
27 allocate funds to institutions eligible for work-study money based
28 upon each institution's specific Pell grant index and each
29 institution's utilization rate of work-study funds.

30 (3) The Michigan higher education assistance authority shall set

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

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

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

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

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

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

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

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 119.

30 Sec. 306. Funds disbursed through the degree reimbursement

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

3 Sec. 307. The auditor general may 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 Michigan higher education assistance authority, the state budget
8 director, and the senate and house fiscal agencies. The auditor
9 general shall accept the Free Application for Federal Student Aid
10 (FAFSA) form as the standard of residency documentation.

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

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

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

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

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

1 the beginning of the state's first fiscal quarter and 50% at the
2 beginning of the state's second fiscal quarter after the number of
3 earned degrees conferred and total amounts to be paid are certified.

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

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

14 (2) As used in this section:

15 (a) "Phase I" means the first part of the tuition incentive
16 assistance program defined as the academic period of 80 semester or
17 120 term credits, or less, leading to an associate degree or
18 certificate.

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

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

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

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

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

30 (ii) Be less than 20 years of age at the time of high school

1 graduation or GED completion.

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

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

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

10 (i) Complete at least 56 transferable semester or 84 transferable
11 term credits.

12 (ii) Obtain an associate degree or certificate at a participating
13 institution.

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

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

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

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

29 (b) For persons enrolled at a Michigan community college, the
30 department shall pay the current in-district tuition and mandatory

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

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

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

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

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

19 (b) The tuition reimbursement is for coursework completed within
20 30 months of completion of the phase I requirements.

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

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

27 (9) New application approvals for the tuition incentive program
28 shall not be made after September 30, 2000. If a determination of
29 financial eligibility is made prior to September 30, 2000, that
30 determination is valid as long as the student meets all other program

1 requirements and conditions.

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

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

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

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

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

22 **STATE UNIVERSITIES**

23 Sec. 401. (1) Included in section 115 is \$6,114,800.00 to Wayne
24 State University for the Joseph F. Young, Sr. psychiatric research and
25 training program. Wayne State University shall use these funds for
26 psychiatric laboratory and clinical research, training, and treatment
27 services. Within the available appropriation, services shall not be
28 denied to any patient who meets established research guidelines for
29 treatment on the basis of personal financial circumstances, age,
30 geographic residence, or projected/actual length of treatment as

1 medically warranted.

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

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

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

8 (c) Demographic data regarding the number and profile of patients
9 to receive psychiatric services funded by the appropriation and a
10 profile of the services provided.

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

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

15 Sec. 402. (1) Any public university receiving funds under part 1
16 of this act that adopts a resident undergraduate tuition and fee
17 increase for the 2000-2001 academic year of 3% or less shall retain in
18 its base for calculation of its appropriation for the fiscal year
19 ending September 30, 2002 an amount equal to 1.5% of its base
20 appropriations for the fiscal year ending September 30, 2001.

21 (2) Any public university receiving funds under part 1 of this act
22 that adopts a resident undergraduate tuition and fee increase for the
23 2000-2001 academic year of more than 3% shall have its base for
24 calculation of its appropriation for the fiscal year ending September
25 30, 2002 reduced by an amount equal to 1.5% of its base appropriations
26 for the fiscal year ending September 30, 2001.

27 (3) An amount equal to the reductions to base calculations of
28 universities for the fiscal year ending September 30, 2002, as
29 determined under subsection (2), shall be added to the base for
30 calculating the 2001-2002 fiscal year appropriations of those

1 universities that adopt a resident undergraduate tuition and fee
2 increase of 3% or less for the 2000-2001 academic year and that have
3 not achieved their per-student floor specified in section 404. The
4 amount shall be distributed to each eligible university on a per-
5 fiscal-year equated student basis.

6 Sec. 403. (1) There is created the higher education institutional
7 data inventory advisory committee. The committee shall be appointed by
8 the state budget director and shall consist of the following members:

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

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

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

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

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

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

22 (a) The development of a data dictionary.

23 (b) The integration of appropriate federal, national, regional,
24 and state databases.

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

26 Sec. 404. The amounts included in part 1 for public universities
27 recognize 5 separate university groupings. Funding floors for the 5
28 groupings are established as follows:

29 (a) Funding floor of \$4,500.00 per fiscal-year-equated student for
30 Grand Valley State University, Lake Superior State University,

1 Northern Michigan University, Saginaw Valley State University, and the
2 University of Michigan-Flint.

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

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

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

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

13 Sec. 405. From the funds appropriated in part 1, each state
14 university shall establish a system to track students that graduate
15 from the university. The system shall minimally provide information on
16 the students' field of study and year of graduation, whether they are
17 employed or continuing their education, the field in which they are
18 employed or their subsequent field of academic study, their job title,
19 their salary, and their city, town, or other place of residence.

20 Sec. 406. No state funds shall be used by any state university to
21 undertake a collaborative effort with any other university that would
22 have the effect of increasing its enrollment of first-time
23 professional law degree seeking students

24 Sec. 407. Central Michigan University shall report by September
25 30, 2001 to the house and senate appropriations committees and the
26 house and senate fiscal agencies information on the activities and
27 effectiveness of the charter schools development and performance
28 institute for which an appropriation is provided in section 102.
29 Included in the report shall be an accounting of all revenues and
30 expenditures of the institute, the names of the public school

1 academies served, and the type of assistance provided to each public
2 school academy.

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

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

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

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

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

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

30 Sec. 503. (1) Included in section 118 is funding for the Martin

1 Luther King, Jr. - Cesar Chavez - Rosa Parks select student support
2 services program for developing academically and economically
3 disadvantaged student retention programs for 4-year public and
4 independent educational institutions in this state.

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

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

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

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

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

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

28 (2) The program shall be administered the Michigan department of
29 career development.

30 Sec. 506. Each state institution of higher education receiving

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

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

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

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

20 **STUDENT PERFORMANCE REPORTING**

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

27 (2) The Michigan high schools shall systematically inform the
28 state universities about the use of information received under this
29 section in a manner prescribed by the Michigan association of
30 secondary school principals in cooperation with the presidents

1 council, state universities of Michigan.

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

8 **GENERAL REPORTS AND AUDITS**

9 Sec. 701. (1) The auditor general shall audit enrollments at 5
10 randomly selected public universities. The audits shall be based upon
11 the definitions and requirements established by the state budget
12 director and the senate and house fiscal agencies. The audits shall be
13 based on uniform reporting categories and shall include higher
14 education institutional data inventory (HEIDI) data. The auditor
15 general shall submit a report of findings to the house and senate
16 appropriations committees and the state budget director no later than
17 July 1, 2001.

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

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

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

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

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

30 (iii) Are accommodated within the continuing funding base of the

1 institution.

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

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

9 (3) The auditor general shall periodically audit higher education
10 institutional data inventory (HEIDI) data as submitted by the state
11 universities for compliance with the definitions in the HEIDI data
12 dictionary.

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

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

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

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

27 Sec. 703. (1) Each state university shall annually submit a report
28 to the state budget director and house and senate fiscal agencies on
29 specific programs to ensure the English language oral proficiency of
30 teaching faculty.

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

3 Sec. 704. (1) As part of the higher education data inventory
4 submission, each state university shall report the following
5 information for the 1999-2000 academic year on or before October 31,
6 2000:

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

10 (b) The total number of undergraduate credit hours taught by each
11 of the following:

12 (i) Tenured faculty.

13 (ii) Tenure-track faculty.

14 (iii) Nontenure-track faculty.

15 (iv) Graduate assistants.

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

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

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

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

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

25 (3) Each state university shall also report the following
26 information for the 1999-2000 academic year on or before October 31,
27 2000:

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

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

30 (4) For the purposes of subsection (3), the following definitions

1 apply:

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

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

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

8 (d) "Nontenured faculty" means an individual who has not earned
9 tenure.

10 Sec. 705. The auditor general shall conduct not less than 3
11 performance audits of the state universities during the fiscal year
12 ending September 30, 2001.

13 Sec. 706. (1) An institution receiving funds under this act and
14 also subject to the student right-to-know and campus security act,
15 Public Law 101-522, 104 Stat. 2381, shall make all material prepared
16 pursuant to the public information reporting requirements under the
17 crime awareness and campus security act of 1990, title II of the
18 student right-to-know and campus security act, Public Law 101-542, 104
19 Stat. 2381, available in electronic internet format on their websites.

20 Sec. 707. State universities shall continue to pilot the use of
21 the Internet to fulfill the reporting requirements in this bill. This
22 may include transmission of reports via electronic mail to the
23 recipients identified for each reporting requirement or it may include
24 placement of reports on the Internet or on the Intranet. The
25 appropriations subcommittee shall be notified in writing of the
26 Internet/Intranet site of any such report.