

SENATE BILL No. 1105

February 13, 2002, Introduced by Senators Schwarz, McManus and Smith 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, 2003; 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. Subject to the conditions set forth in this bill, the amounts listed in this part are appropriated for the state

1 institutions of higher education and certain other state purposes
 2 related to education for the fiscal year ending September 30,
 3 2003, from the funds indicated in this part. The following is a
 4 summary of the appropriations in this part:

5 **HIGHER EDUCATION**

6 APPROPRIATION SUMMARY:

7	GROSS APPROPRIATION	\$ 1,939,071,166
8	Interdepartmental grant revenues:	
9	Total interdepartmental grants and	
10	intradepartmental transfers	0
11	ADJUSTED GROSS APPROPRIATION	\$ 1,939,071,166
12	Federal revenues:	
13	Total federal revenues	5,500,000
14	Special revenue funds:	
15	Total local revenues	0
16	Total private revenues	0
17	Total other state restricted revenues	121,573,850
18	State general fund/general purpose	\$ 1,811,997,316
19	Sec. 102. CENTRAL MICHIGAN UNIVERSITY	
20	Operations	<u>\$ 90,003,800</u>
21	GROSS APPROPRIATION	\$ 90,003,800
22	Appropriated from:	
23	State general fund/general purpose	\$ 90,003,800
24	Sec. 103. EASTERN MICHIGAN UNIVERSITY	
25	Operations	<u>\$ 87,637,200</u>
26	GROSS APPROPRIATION	\$ 87,637,200
27	Appropriated from:	
28	State general fund/general purpose	\$ 87,637,200

1	Sec. 104. FERRIS STATE UNIVERSITY	
2	Operations	\$ <u>55,520,300</u>
3	GROSS APPROPRIATION	\$ 55,520,300
4	Appropriated from:	
5	State general fund/general purpose	\$ 55,520,300
6	Sec. 105. GRAND VALLEY STATE UNIVERSITY	
7	Operations	\$ <u>60,095,400</u>
8	GROSS APPROPRIATION	\$ 60,095,400
9	Appropriated from:	
10	State general fund/general purpose	\$ 60,095,400
11	Sec. 106. LAKE SUPERIOR STATE UNIVERSITY	
12	Operations	\$ <u>14,268,700</u>
13	GROSS APPROPRIATION	\$ 14,268,700
14	Appropriated from:	
15	State general fund/general purpose	\$ 14,268,700
16	Sec. 107. MICHIGAN STATE UNIVERSITY	
17	Operations	\$ <u>325,982,300</u>
18	GROSS APPROPRIATION	\$ 325,982,300
19	Appropriated from:	
20	State general fund/general purpose	\$ 325,982,300
21	Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY	
22	Operations	\$ <u>55,241,600</u>
23	GROSS APPROPRIATION	\$ 55,241,600
24	Appropriated from:	
25	State general fund/general purpose	\$ 55,241,600
26	Sec. 109. NORTHERN MICHIGAN UNIVERSITY	
27	Operations	\$ <u>52,012,900</u>
28	GROSS APPROPRIATION	\$ 52,012,900

1	Appropriated from:	
2	State general fund/general purpose	\$ 52,012,900
3	Sec. 110. OAKLAND UNIVERSITY	
4	Operations	<u>\$ 52,384,700</u>
5	GROSS APPROPRIATION	\$ 52,384,700
6	Appropriated from:	
7	State general fund/general purpose	\$ 52,384,700
8	Sec. 111. SAGINAW VALLEY STATE UNIVERSITY	
9	Operations	<u>\$ 27,393,300</u>
10	GROSS APPROPRIATION	\$ 27,393,300
11	Appropriated from:	
12	State general fund/general purpose	\$ 27,393,300
13	Sec. 112. UNIVERSITY OF MICHIGAN-ANN ARBOR	
14	Operations	<u>\$ 363,562,700</u>
15	GROSS APPROPRIATION	\$ 363,562,700
16	Appropriated from:	
17	State general fund/general purpose	\$ 363,562,700
18	Sec. 113. UNIVERSITY OF MICHIGAN-DEARBORN	
19	Operations	<u>\$ 27,993,300</u>
20	GROSS APPROPRIATION	\$ 27,993,300
21	Appropriated from:	
22	State general fund/general purpose	\$ 27,993,300
23	Sec. 114. UNIVERSITY OF MICHIGAN-FLINT	
24	Operations	<u>\$ 24,068,100</u>
25	GROSS APPROPRIATION	\$ 24,068,100
26	Appropriated from:	
27	State general fund/general purpose	\$ 24,068,100
28	Sec. 115. WAYNE STATE UNIVERSITY	

1	Operations	\$ 253,644,700
2	GROSS APPROPRIATION	\$ 253,644,700
3	Appropriated from:	
4	State general fund/general purpose	\$ 253,644,700
5	Sec. 116. WESTERN MICHIGAN UNIVERSITY	
6	Operations	\$ 125,677,200
7	GROSS APPROPRIATION	\$ 125,677,200
8	Appropriated from:	
9	State general fund/general purpose	\$ 125,677,200
10	Sec. 117. STATE AND REGIONAL PROGRAMS	
11	Agricultural experiment station	\$ 36,747,200
12	Cooperative extension service	31,692,600
13	Rare isotope accelerator	2,000,000
14	Japan center for Michigan universities	305,300
15	Higher education database modernization	
16	and conversion	<u>250,000</u>
17	GROSS APPROPRIATION	\$ 70,995,100
18	Appropriated from:	
19	Michigan tobacco settlement trust fund	2,000,000
20	State general fund/general purpose	\$ 68,995,100
21	Sec. 118. MARTIN LUTHER KING, JR.-CESAR CHAVEZ-ROSA	
22	PARKS PROGRAM	
23	Select student supportive services	\$ 2,173,450
24	Michigan college/university partnership program	652,050
25	Morris Hood, Jr. educator development program .	<u>165,100</u>
26	GROSS APPROPRIATION	\$ 2,990,600
27	Appropriated from:	
28	State general fund/general purpose	\$ 2,990,600

2	State competitive scholarships	\$ 36,654,616
3	Tuition grants	66,100,200
4	Michigan work-study program	8,015,800
5	Part-time independent student program	2,903,000
6	Grant for Michigan resident dental graduates .	5,052,300
7	Grant for general degree graduates	6,184,100
8	Grant for allied health graduates	935,100
9	Michigan education opportunity grants	2,280,300
0	Robert C. Byrd honors scholarship program . . .	1,900,000
1	Michigan merit award program	114,323,850
2	Tuition incentive program	<u>5,250,000</u>
3	GROSS APPROPRIATION	\$ 249,599,266

1.5 Federal revenues:

7	20 U.S.C.	3,600,000
8	Higher education act of 1965, title IV, part A	1,900,000

10	Michigan merit award trust fund		119,573,850
11	State general fund/general purpose	\$	124,525,416

23 PROVISIONS CONCERNING APPROPRIATIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2002-2003 is \$1,933,571,166.00 and state spending from state resources to be paid to local units of

1 government for fiscal year 2002-2003 is \$4,029,061.00. The
 2 itemized statement below identifies appropriations from which
 3 spending to units of local government will occur:

4	Part-time independent student program	\$	1,345,831
5	Michigan education opportunity grant		999,912
6	Michigan work-study		1,683,318
7	TOTAL	\$	4,029,061

8 Sec. 202. The appropriations authorized under this bill are
 9 subject to the management and budget act, 1984 PA 431, MCL 18.1101
 10 to 18.1594.

11 Sec. 208. Unless otherwise specified, the institutions of
 12 higher education shall use the Internet to fulfill the reporting
 13 requirements of this bill. This may include transmission of
 14 reports via electronic mail to the recipients identified for each
 15 reporting requirement, or it may include placement of reports on
 16 an Internet or Intranet site.

17 Sec. 210. (1) The funds appropriated in part 1 to state
 18 institutions of higher education shall be paid out of the state
 19 treasury and distributed by the state treasurer to the respective
 20 institutions in 11 equal monthly installments on the sixteenth of
 21 each month, or the next succeeding business day, beginning with
 22 October 16, 2002. Except for Wayne State University, each
 23 institution shall accrue its July and August 2003 payments to its
 24 institutional fiscal year ending June 30, 2003.

25 (2) All universities shall submit higher education
 26 institutional data inventory (HEIDI) data and associated financial
 27 and program information requested by and in a manner prescribed by
 28 the state budget director. For universities with fiscal years

1 ending June 30, 2002, these data shall be submitted to the state
2 budget director by October 15, 2002. Universities with a fiscal
3 year ending September 30, 2002 shall submit preliminary HEIDI data
4 by November 15, 2002 and final data by December 15, 2002. If a
5 university fails to submit HEIDI data and associated financial aid
6 program information in accordance with this reporting schedule,
7 the state treasurer shall withhold the monthly installments under
8 subsection (1) to the university until those data are submitted.

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

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

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

23 GRANTS AND FINANCIAL AID

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

27 (2) The Michigan higher education assistance authority shall
28 implement a proportional competitive scholarship maximum award

1 level for recipients enrolled less than full-time in a given
2 semester or term.

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

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

16 Sec. 302. (1) The amounts appropriated in part 1 for the state
17 tuition grant program shall be distributed pursuant to 1966 PA
18 313, MCL 390.991 to 390.997a.

19 (2) Tuition grant awards shall be made to all eligible
20 Michigan residents who apply before September 1, 2002 and who are
21 qualified. Tuition grant awards shall not be made to students
22 newly enrolled in a juris doctor law degree program after the
23 1995-96 academic year.

24 (3) The Michigan higher education assistance authority shall
25 determine an actual maximum tuition grant award per student that
26 ensures that the aggregate payments for the tuition grant program
27 do not exceed the appropriation contained in part 1 for the state
28 tuition grant program. By December 15, 2002, and again by

1 February 1, 2003, the authority shall analyze the status of award
2 commitments, shall make any necessary adjustments, and shall
3 confirm that those award commitments will not exceed the
4 appropriation contained in part 1 for the tuition grant program.
5 The determination and actions shall be reported to the state
6 budget director and the house and senate fiscal agencies no later
7 than February 15, 2003. If award adjustments are necessary, the
8 students shall be notified of the adjustment by the third Monday
9 in February.

10 (4) Any unexpended and unencumbered funds remaining on
11 September 30, 2003 from the amounts appropriated in part 1 for the
12 tuition grant program shall not lapse on September 30, 2003, but
13 shall continue to be available for expenditure for tuition grants
14 provided in the 2003-2004 fiscal year. The use of these
15 unexpended fiscal year 2002-2003 funds shall terminate at the end
16 of the 2003-2004 fiscal year.

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

21 (6) If the Michigan higher education assistance authority
22 increases the maximum award per eligible student from that
23 provided in the previous fiscal year, it shall not have the effect
24 of reducing the number of eligible students receiving awards in
25 relation to the total number of eligible applicants. Any increase
26 in the maximum grant shall be proportional for all eligible
27 students receiving awards for fiscal year 2002-2003.

28 (7) All Ferris State University students enrolled at Kendall

1 College of Art and Design prior to January 1, 2001 who were
2 qualified for the state tuition grant shall continue to receive
3 the dollar amount of the state tuition grant for which they were
4 eligible until they graduate or are no longer enrolled at Ferris
5 State University.

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

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

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

26 Sec. 304. (1) Payments of the amounts included in part 1 for
27 the general degree reimbursement program established under 1974 PA
28 75, MCL 390.1021 to 390.1027, shall be made for all degrees

1 identified in section 1(1) of 1974 PA 75, MCL 390.1021, except
2 doctor of dental surgery, doctor of dental medicine, juris doctor
3 law, and allied health degrees.

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

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

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

15 (5) From the general degree reimbursement program, \$50,000.00
16 shall be provided to Finlandia University for career education
17 programs.

18 Sec. 305. The reimbursement rate per eligible degree under the
19 allied health degree reimbursement program established under 1974
20 PA 75, MCL 390.1021 to 390.1027, shall be the equally prorated
21 amount permitted by the appropriation included in part 1.

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

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

1 requirements established by the Michigan higher education
2 assistance authority, the state budget director, and the senate
3 and house fiscal agencies. The auditor general shall accept the
4 Free Application for Federal Student Aid (FAFSA) form as the
5 standard of residency documentation. The auditor general shall
6 submit a report of findings to the senate and house appropriations
7 committees and state budget director by May 1, 2003.

8 Sec. 308. The sums appropriated in part 1 for the student
9 financial aid and degree reimbursement programs shall be paid out
10 of the state treasury and shall be distributed to the respective
11 institutions under a quarterly payment system as follows:

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

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

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

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

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

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

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

15 (2) As used in this section:

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

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

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

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

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

1 (i) Apply for certification to the department before
2 graduating from high school or completing the general education
3 development (GED) certificate.

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

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

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

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

15 (i) Complete at least 56 transferable semester or 84
16 transferable term credits.

17 (ii) Obtain an associate degree or certificate at a
18 participating institution.

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

26 (4) For phase I, the department shall provide payment on
27 behalf of a person eligible under subsection (3). The department
28 shall reject billings that are excessive or outside the guidelines

1 for the type of educational institution.

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

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

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

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

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

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

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

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

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

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

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

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

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

22 (12) Any unexpended and unencumbered funds remaining on
23 September 30, 2003 from the amounts appropriated in part 1 for the
24 tuition incentive program shall not lapse on September 30, 2003,
25 but shall continue to be available for expenditure for the tuition
26 incentive program in the fiscal year ending September 30, 2004.

27 Sec. 311. To enable the legislature and the state budget
28 director to evaluate the appropriation needs of higher education,

1 each independent college and university shall make available to
2 the legislature or state budget director, upon request, data
3 regarding grants for the preceding, current, and ensuing fiscal
4 years.

5 **STATE UNIVERSITIES**

6 Sec. 401. (1) Included in part 1 is \$6,356,023.00 to Wayne
7 State University for the Joseph F. Young, Sr. psychiatric research
8 and training program. Wayne State University shall use these funds
9 for psychiatric laboratory and clinical research, training, and
10 treatment services. Within the available appropriation, services
11 shall not be denied to any patient who meets established research
12 guidelines for treatment on the basis of personal financial
13 circumstances, age, geographic residence, or projected/actual
14 length of treatment as medically warranted.

15 (2) Wayne State University shall report the following
16 information to the department of community health by November 1,
17 2003:

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

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

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

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

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

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

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

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

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

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

13 (2) The committee shall provide for the general scope and
14 direction for implementing the conversion and modernization of the
15 state's higher education databases, for which funding is provided
16 in part 1.

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

20 (a) The development of a data dictionary/glossary.

21 (b) The integration of appropriate federal, national,
22 regional, and state databases.

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

24 Sec. 409. The amounts included in part 1 for public
25 universities recognize 4 separate university groupings. Funding
26 floors for the 4 groupings are established as follows:

27 (a) Funding floor of \$4,600.00 per fiscal-year-equated student
28 for Eastern Michigan University, Ferris State University, Grand

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

4 (b) Funding floor of \$4,800.00 per fiscal-year-equated student
5 for Central Michigan University, Oakland University, and the
6 University of Michigan-Dearborn.

7 (c) Funding floor of \$5,800.00 per fiscal-year-equated student
8 for Michigan Technological University and Western Michigan
9 University.

10 (d) Funding floor of \$9,100.00 per fiscal-year-equated student
11 for Michigan State University, the University of Michigan-Ann
12 Arbor, and Wayne State University.

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

17 Sec. 421. Central Michigan University shall report by
18 September 30, 2003 to the state budget director, house and senate
19 appropriations committees, and the house and senate fiscal
20 agencies information on the activities and effectiveness of the
21 charter schools development and performance institute for which an
22 appropriation is provided in part 1. Included in the report shall
23 be an accounting of all revenues and expenditures of the
24 institute, the names of the public school academies served, and
25 the type of assistance provided to each public school academy.

26 Sec. 433. (1) Included in part 1 is \$3,180,000.00 for the
27 agricultural experiment station and \$2,820,000.00 for the
28 cooperative extension service for project GREEN. Project GREEN

1 is intended to address critical regulatory, food safety, economic,
2 and environmental problems faced by this state's plant-based
3 agriculture, forestry, and processing industries. GREEN is an
4 acronym for generating research and extension to meet
5 environmental and economic needs.

6 (2) The department of agriculture and Michigan State
7 University, in consultation with agricultural commodity groups and
8 other interested parties, shall develop project GREEN and its
9 program priorities.

10 (3) Not later than September 30, 2003, a report shall be
11 submitted by Michigan State University to the state budget
12 director, the house and senate appropriations subcommittees on
13 agriculture and on higher education, and the house and senate
14 fiscal agencies for the preceding fiscal year regarding project
15 GREEN projects. The report shall include, but is not limited to,
16 the dollar amount of each project and a review of each project's
17 performance and accomplishments.

18 Sec. 434. All state universities shall work with the Michigan
19 economic development corporation (MEDC) to foster the state's
20 economic development. The presidents council shall meet quarterly
21 with the MEDC or its representative to discuss potential
22 cooperative efforts and examine any strategies or issues of
23 concern related to advancement of Michigan's economic development.
24 The state universities, through its presidents council, shall
25 submit a report that summarizes the discussion and identifies any
26 conclusions or recommendations of the participants at each
27 quarterly meeting. The quarterly report shall be submitted to the
28 state budget director, the house and senate appropriations

1 subcommittees on higher education, and the house and senate fiscal
2 agencies no later than 30 days after each quarterly meeting.

3 Sec. 435. Each institution of higher education shall conduct a
4 study on the installation of automatic sprinkler and other fire
5 safety systems in dormitories, and shall report to the legislature
6 on or before January 1, 2003 the existence or nonexistence of such
7 systems and the estimated cost of installing automatic sprinkler
8 systems where they do not exist.

9 Sec. 436. (1) It is the intent of the legislature to recognize
10 and maintain the quality of Michigan's colleges and universities
11 by allowing the higher education appropriations for the 2002-2003
12 fiscal year to remain at the same level as the appropriations for
13 fiscal year 2001-2002, with no reductions. It is also the intent
14 of the legislature to recognize the need for tuition restraint on
15 the part of Michigan's public universities, in order to maintain
16 access and affordability at Michigan's colleges and universities
17 for students and parents. It is further the intent of the
18 legislature to reduce appropriations for any college or university
19 that does not exercise tuition restraint for the 2002-2003
20 academic year, as outlined in subsection (2) below.

21 (2) The appropriation for any university in part 1 of this
22 bill shall not be reduced if that university adopts a tuition and
23 fee rate increase for resident undergraduate students that is 8.5
24 percent or less over the prior year, or a total increase of
25 \$425.00 or less over the prior year, whichever is greater, and if
26 a university reports to the state budget director and the
27 appropriations committees of the house and senate any cost
28 increases in excess of the increase over the prior year in the

1 Detroit consumer price index, for utilities, retirement, health
2 care, or technology.

3 (3) It is the intent of the legislature that the presidents
4 and chancellors of Michigan's 15 public universities voluntarily
5 agree to the conditions outlined in subsection (2), and that a
6 letter signed by the presidents and chancellors confirming this
7 agreement would be transmitted to the legislature by February 28,
8 2002.

9 (4) If a university does not exercise the tuition restraint as
10 outlined in subsections (2) and (3) above, the legislature
11 authorizes the state budget director to withhold funds
12 appropriated for that university by an amount equal to the amount
13 in excess of the desired restraint and to notify the
14 appropriations committees of the house and senate. It is the
15 intent of the legislature to redistribute these funds, based on
16 each university's percentage share of the fiscal year 2001-2002
17 base appropriations, to those universities that honor the tuition
18 restraint commitment.

19 Sec. 437. Included in part 1 is \$2,000,000.00 for design and
20 architectural studies related to the rare isotope accelerator
21 facilities to be located at Michigan State University. This
22 appropriation is for the development of a program statement and
23 preliminary design documents for the rare isotope accelerator
24 office building and for evaluation and prototyping of the rare
25 isotope accelerator design elements.

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

27 Sec. 501. (1) Included in the appropriation for each public
28 university in part 1 is funding for the Martin Luther King, Jr. -

1 Cesar Chavez - Rosa Parks future faculty program, that is intended
2 to increase the pool of minority candidates pursuing faculty
3 teaching careers in postsecondary education. Each university
4 shall apply the percentage increase applicable to every university
5 in the calculation of appropriations in part 1 to the amount of
6 funds allocated to the future faculty program.

7 (2) The program shall be administered by each university in a
8 manner prescribed by the Michigan department of career
9 development. The Michigan department of career development shall
10 use a good faith effort standard to evaluate whether a fellowship
11 is in default.

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

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

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

1 development.

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

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

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

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

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

24 Sec. 506. (1) Included in the appropriation in part 1 is
25 funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa
26 Parks initiative for the Morris Hood, Jr. educator development
27 program which is intended to increase the number of minority
28 students, especially males, who enroll in and complete K-12

1 teacher education programs at the baccalaureate level.

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

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

9 Sec. 507. Each state institution of higher education receiving
10 funds under section 503, 504, 505, or 506 shall notify the
11 Michigan department of career development by April 15, 2003 as to
12 whether it will expend by the end of its fiscal year the funds
13 received under section 503, 504, 505, or 506. Notwithstanding the
14 award limitations in sections 503 and 504, the amount of funding
15 reported as not being expended will be reallocated to the
16 institutions that intend to expend all funding received under
17 section 503, 504, 505, or 506.

18 **STUDENT PERFORMANCE REPORTING**

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

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

1 council, state universities of Michigan.

2 Sec. 602. From the amount appropriated in part 1 for state
3 universities, the state universities shall inform Michigan
4 community colleges regarding the academic status of community
5 college transfer students in a manner prescribed by the presidents
6 council, state universities of Michigan in cooperation with the
7 Michigan community college association.

8 **GENERAL REPORTS AND AUDITS**

9 Sec. 701. (1) The auditor general shall review higher
10 education institutional data inventory (HEIDI) enrollment data
11 submitted by 5 randomly selected public universities and may
12 perform field audits if determined necessary. The review and
13 audits shall be based upon the definitions and requirements
14 established by the state budget director and the senate and house
15 fiscal agencies and shall be based on uniform reporting
16 categories. The auditor general shall submit a report of findings
17 to the house and senate appropriations committees and the state
18 budget director no later than July 1, 2003.

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

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

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

28 (i) Represent new options, fields, or concentrations within

1 existing programs.

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

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

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

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

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

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

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

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

28 Sec. 705. (1) As part of the higher education data inventory

1 (HEIDI) submission, each state university shall report the
2 following information for the 2001-2002 academic year on or before
3 October 15, 2002:

4 (a) Separately, the number of full-time equated tenured
5 faculty, tenure-track faculty, nontenure-track faculty, and
6 instruction/research assistants who taught an undergraduate class
7 section.

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

10 (i) Tenured faculty.

11 (ii) Tenure-track faculty.

12 (iii) Nontenure-track faculty.

13 (iv) Instruction/research assistants.

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

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

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

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

22 (d) "Instruction/research assistant" means an individual who
23 is a master's or doctoral degree candidate.

24 (3) Each state university shall also report the following
25 information for the 2001-2002 academic year, as part of the higher
26 education data inventory (HEIDI) submission, on or before October
27 15, 2002:

28 (a) Separately, the fall term number (headcount) of part-time

1 and full-time faculty.

2 (b) Separately, the fall term number (headcount) of tenured
3 and nontenured faculty

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

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

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

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

12 (d) "Nontenured faculty" means an individual who has not
13 earned tenure.

14 Sec. 708. The auditor general shall conduct performance audits
15 of not fewer than 3 state universities during the fiscal year
16 ending September 30, 2003.

17 Sec. 709. (1) An institution receiving funds under this bill
18 and also subject to the student right-to-know and campus security
19 act, Public Law 101-522, 104 Stat. 2381, shall furnish by October
20 15, 2002 to the Michigan department of education, a copy of all
21 material prepared pursuant to the public information reporting
22 requirements under the crime awareness and campus security act of
23 1990, title II of the student right-to-know and campus security
24 act, Public Law 101-542, 104 Stat. 2381.

25 (2) Each institution shall make this information available in
26 electronic Internet format on their websites.