



1	APPROPRIATION SUMMARY:	
2	Full-time equated classified positions.....1.0	
3	GROSS APPROPRIATION.....	\$ 1,698,585,600
4	Interdepartmental grant revenues:	
5	Total interdepartmental grants and intradepartmental	
6	transfers.....	0
7	ADJUSTED GROSS APPROPRIATION.....	\$ 1,698,585,600
8	Federal revenues:	
9	Total federal revenues.....	4,500,000
10	Special revenue funds:	
11	Total local revenues.....	0
12	Total private revenues.....	0
13	Total other state restricted revenues.....	90,750,000
14	State general fund/general purpose.....	\$ 1,603,335,600
15	<b>Sec. 102. CENTRAL MICHIGAN UNIVERSITY</b>	
16	Operations.....	\$ 75,018,300
17	Tuition restraint incentive.....	<u>4,892,600</u>
18	GROSS APPROPRIATION.....	\$ 79,910,900
19	Appropriated from:	
20	Special revenue funds:	
21	Michigan merit award trust fund.....	538,440
22	State general fund/general purpose.....	\$ 79,372,460
23	<b>Sec. 103. EASTERN MICHIGAN UNIVERSITY</b>	
24	Operations.....	\$ 72,563,400
25	Tuition restraint incentive.....	<u>4,732,400</u>
26	GROSS APPROPRIATION.....	\$ 77,295,800
27	Appropriated from:	

1	State general fund/general purpose.....	\$	77,295,800
2	<b>Sec. 104. FERRIS STATE UNIVERSITY</b>		
3	Operations.....	\$	45,970,800
4	Tuition restraint incentive.....		<u>2,998,000</u>
5	GROSS APPROPRIATION.....	\$	48,968,800
6	Appropriated from:		
7	State general fund/general purpose.....	\$	48,968,800
8	<b>Sec. 105. GRAND VALLEY STATE UNIVERSITY</b>		
9	Operations.....	\$	54,358,900
10	Tuition restraint incentive.....		<u>3,545,200</u>
11	GROSS APPROPRIATION.....	\$	57,904,100
12	Appropriated from:		
13	Special revenue funds:		
14	Michigan merit award trust fund.....		5,000,000
15	State general fund/general purpose.....	\$	52,904,100
16	<b>Sec. 106. LAKE SUPERIOR STATE UNIVERSITY</b>		
17	Operations.....	\$	11,814,400
18	Tuition restraint incentive.....		<u>770,600</u>
19	GROSS APPROPRIATION.....	\$	12,585,000
20	Appropriated from:		
21	State general fund/general purpose.....	\$	12,585,000
22	<b>Sec. 107. MICHIGAN STATE UNIVERSITY</b>		
23	Operations.....	\$	269,913,000
24	Tuition restraint incentive.....		17,603,000
25	Agricultural experiment station.....		33,163,800
26	Cooperative extension service.....		<u>28,604,300</u>
27	GROSS APPROPRIATION.....	\$	349,284,100

1	Appropriated from:		
2	State general fund/general purpose.....	\$	349,284,100
3	<b>Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY</b>		
4	Operations.....	\$	45,740,000
5	Tuition restraint incentive.....		<u>2,983,000</u>
6	GROSS APPROPRIATION.....	\$	48,723,000
7	Appropriated from:		
8	State general fund/general purpose.....	\$	48,723,000
9	<b>Sec. 109. NORTHERN MICHIGAN UNIVERSITY</b>		
10	Operations.....	\$	43,066,600
11	Tuition restraint incentive.....		<u>2,808,600</u>
12	GROSS APPROPRIATION.....	\$	45,875,200
13	Appropriated from:		
14	State general fund/general purpose.....	\$	45,875,200
15	<b>Sec. 110. OAKLAND UNIVERSITY</b>		
16	Operations.....	\$	45,160,900
17	Tuition restraint incentive.....		<u>2,945,200</u>
18	GROSS APPROPRIATION.....	\$	48,106,100
19	Appropriated from:		
20	Special revenue funds:		
21	Michigan merit award trust fund.....		1,941,768
22	State general fund/general purpose.....	\$	46,164,332
23	<b>Sec. 111. SAGINAW VALLEY STATE UNIVERSITY</b>		
24	Operations.....	\$	24,539,800
25	Tuition restraint incentive.....		<u>1,600,400</u>
26	GROSS APPROPRIATION.....	\$	26,140,200
27	Appropriated from:		

1	Special revenue funds:	
2	Michigan merit award trust fund.....	2,019,792
3	State general fund/general purpose..... \$	24,120,408
4	<b>Sec. 112. UNIVERSITY OF MICHIGAN-ANN ARBOR</b>	
5	Operations..... \$	301,029,600
6	Tuition restraint incentive.....	<u>19,632,400</u>
7	GROSS APPROPRIATION..... \$	320,662,000
8	Appropriated from:	
9	State general fund/general purpose..... \$	320,662,000
10	<b>Sec. 113. UNIVERSITY OF MICHIGAN-DEARBORN</b>	
11	Operations..... \$	23,178,400
12	Tuition restraint incentive.....	<u>1,511,600</u>
13	GROSS APPROPRIATION..... \$	24,690,000
14	Appropriated from:	
15	State general fund/general purpose..... \$	24,690,000
16	<b>Sec. 114. UNIVERSITY OF MICHIGAN-FLINT</b>	
17	Operations..... \$	19,928,400
18	Tuition restraint incentive.....	<u>1,299,600</u>
19	GROSS APPROPRIATION..... \$	21,228,000
20	Appropriated from:	
21	State general fund/general purpose..... \$	21,228,000
22	<b>Sec. 115. WAYNE STATE UNIVERSITY</b>	
23	Operations..... \$	210,017,500
24	Tuition restraint incentive.....	<u>13,696,800</u>
25	GROSS APPROPRIATION..... \$	223,714,300
26	Appropriated from:	
27	State general fund/general purpose..... \$	223,714,300

1	<b>Sec. 116. WESTERN MICHIGAN UNIVERSITY</b>	
2	Operations.....	\$ 104,060,500
3	Tuition restraint incentive.....	<u>6,786,600</u>
4	GROSS APPROPRIATION.....	\$ 110,847,100
5	Appropriated from:	
6	State general fund/general purpose.....	\$ 110,847,100
7	<b>Sec. 117. STATE AND REGIONAL PROGRAMS</b>	
8	Full-time equated positions.....	1.0
9	Higher education database modernization and	
10	conversion--1.0 FTE positions.....	\$ 200,000
11	Midwestern higher education compact.....	<u>100</u>
12	GROSS APPROPRIATION.....	\$ 200,100
13	Appropriated from:	
14	State general fund/general purpose.....	\$ 200,100
15	<b>Sec. 118. MARTIN LUTHER KING, JR. - CESAR CHAVEZ</b>	
16	<b>- ROSA PARKS PROGRAM</b>	
17	Select student supportive services.....	\$ 1,956,100
18	Michigan college/university partnership program.....	586,800
19	Morris Hood, Jr. educator development program.....	<u>148,600</u>
20	GROSS APPROPRIATION.....	\$ 2,691,500
21	Appropriated from:	
22	State general fund/general purpose.....	\$ 2,691,500
23	<b>Sec. 119. GRANTS AND FINANCIAL AID</b>	
24	State competitive scholarships.....	\$ 35,630,500
25	Tuition grants.....	64,768,100
26	Michigan work-study program.....	7,326,300
27	Part-time independent student program.....	2,653,300



1	Michigan education opportunity grant.....	932,900
2	Michigan work-study.....	<u>1,570,500</u>
3	TOTAL..... \$	3,759,100

4       Sec. 202. The appropriations authorized under this act are  
5 subject to the management and budget act, 1984 PA 431, MCL 18.1101 to  
6 18.1594.

7       Sec. 208. Unless otherwise specified, the institutions of higher  
8 education receiving appropriations in part 1 shall use the Internet to  
9 fulfill the reporting requirements of this act. This requirement may  
10 include transmission of reports via electronic mail to the recipients  
11 identified for each reporting requirement, or it may include placement  
12 of reports on an Internet or Intranet site.

13       Sec. 209. Funds appropriated in part 1 shall not be used for the  
14 purchase of foreign goods or services, or both, if competitively  
15 priced and of comparable quality American goods and services, or both,  
16 are available. Preference should be given to goods or services, or  
17 both, manufactured or provided by Michigan businesses if they are  
18 competitively priced and of comparable value.

19       Sec. 212. (1) The funds appropriated in part 1 to state  
20 institutions of higher education shall be paid out of the state  
21 treasury and distributed by the state treasurer to the respective  
22 institutions in 11 equal monthly installments on the sixteenth of each  
23 month, or the next succeeding business day, beginning with October 16,  
24 2004. Except for Wayne State University, each institution shall  
25 accrue its July and August 2005 payments to its institutional fiscal  
26 year ending June 30, 2005.

27       (2) All universities shall submit higher education institutional

1 data inventory (HEIDI) data and associated financial and program  
2 information requested by and in a manner prescribed by the state  
3 budget director. For universities with fiscal years ending June 30,  
4 2004, these data shall be submitted to the state budget director by  
5 October 15, 2004. Universities with a fiscal year ending September  
6 30, 2004 shall submit preliminary HEIDI data by November 15, 2004 and  
7 final data by December 15, 2004. If a university fails to submit  
8 HEIDI data and associated financial aid program information in  
9 accordance with this reporting schedule, the state treasurer shall  
10 withhold the monthly installments under subsection (1) to the  
11 university until those data are submitted.

12 (3) A detailed description of procedures utilized to arrive at the  
13 amounts appropriated in part 1 shall be submitted to each institution  
14 by the senate and house fiscal agencies.

15 Sec. 213. Funds received by the state from the federal  
16 government or private sources for the use of a college or university  
17 are appropriated for the purposes for which they are provided. The  
18 acceptance and use of federal or private funds do not place an  
19 obligation upon the legislature to continue the purposes for which the  
20 funds are made available.

21 Sec. 214. If section 274 of the income tax act of 1967, 1967  
22 PA 281, MCL 206.274, is not repealed and if a state institution of  
23 higher education that receives funds under this act notifies the  
24 department of treasury regarding its tuition and fee rates in order to  
25 qualify as an eligible institution for the Michigan tuition tax credit  
26 under section 274 of the income tax act of 1967, 1967 PA 281,  
27 MCL 206.274, the institution shall also submit the notification and

1 applicable documentation of tuition and fee changes to the house and  
2 senate fiscal agencies.

3       Sec. 215. A state institution of higher education that receives  
4 funds under this act shall furnish all program and financial  
5 information that is required by and in a manner prescribed by the  
6 state budget director or the house or senate appropriations  
7 committee.

### 8 GRANTS AND FINANCIAL AID

9       Sec. 301. (1) Payments of the amounts included in part 1 for the  
10 state competitive scholarship program shall be distributed pursuant to  
11 1964 PA 208, MCL 390.971 to 390.981.

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

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

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

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

4           (2) Tuition grant awards shall be made to all eligible Michigan  
5 residents who apply before July 15, 2004 and who are qualified.  
6 Tuition grant awards shall not be made to students newly enrolled in a  
7 juris doctor law degree program after the 1995-96 academic year.

8           (3) The Michigan higher education assistance authority shall  
9 determine an actual maximum tuition grant award per student that  
10 ensures that the aggregate payments for the tuition grant program do  
11 not exceed the appropriation contained in part 1 for the state tuition  
12 grant program. By December 15, 2004, and again by February 1, 2005,  
13 the authority shall analyze the status of award commitments, shall  
14 make any necessary adjustments, and shall confirm that those award  
15 commitments will not exceed the appropriation contained in part 1 for  
16 the tuition grant program. The determination and actions shall be  
17 reported to the state budget director and the house and senate fiscal  
18 agencies no later than February 15, 2005. If award adjustments are  
19 necessary, the students shall be notified of the adjustment by the  
20 third Monday in February.

21           (4) Any unexpended and unencumbered funds remaining on  
22 September 30, 2005 from the amounts appropriated in part 1 for the  
23 tuition grant program shall not lapse on September 30, 2005, but shall  
24 continue to be available for expenditure for tuition grants provided  
25 in the 2005-2006 fiscal year. The use of these unexpended fiscal year  
26 2004-2005 funds shall terminate at the end of the 2005-2006 fiscal  
27 year.

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

4 (6) If the Michigan higher education assistance authority  
5 increases the maximum award per eligible student from that provided in  
6 the previous fiscal year, it shall not have the effect of reducing the  
7 number of eligible students receiving awards in relation to the total  
8 number of eligible applicants. Any increase in the maximum grant  
9 shall be proportional for all eligible students receiving awards for  
10 fiscal year 2004-2005.

11 (7) All Ferris State University students enrolled at Kendall  
12 College of Art and Design prior to January 1, 2001 who were qualified  
13 for the state tuition grant shall continue to receive the dollar  
14 amount of the state tuition grant for which they were eligible until  
15 they graduate or are no longer enrolled in the Kendall College of Art  
16 and Design at Ferris State University.

17 Sec. 303. (1) Included in the appropriation in part 1 is funding  
18 for the Michigan work-study program established under 1986 PA 288,  
19 MCL 390.1371 to 390.1382, and 1986 PA 303, MCL 390.1321 to 390.1332.  
20 An effort should be made by each institution participating in the  
21 Michigan work-study program to assure that not less than 10% of those  
22 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

1 upon each institution's specific Pell grant index and each  
2 institution's utilization rate of work-study funds for the 3 most  
3 recent years for which statistics are available.

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

9 Sec. 307. The auditor general may audit selected enrollments,  
10 degrees, and awards at selected independent colleges and universities  
11 receiving awards administered by the department of treasury. The  
12 audits shall be based upon definitions and requirements established by  
13 the Michigan higher education assistance authority, the state budget  
14 director, and the senate and house fiscal agencies. The auditor  
15 general shall accept the Free Application for Federal Student Aid  
16 (FAFSA) form as the standard of residency documentation. The auditor  
17 general shall submit a report of findings to the senate and house  
18 appropriations committees and state budget director by May 1, 2005.

19 Sec. 308. The sums appropriated in part 1 for the student  
20 financial aid programs shall be paid out of the state treasury and  
21 shall be distributed to the respective institutions under a quarterly  
22 payment system as follows:

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

1 state's fourth fiscal quarter.

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

4 (c) For the part-time independent student program and the Michigan  
5 education opportunity grant program, 50% shall be paid at the  
6 beginning of the state's first fiscal quarter, 25% at the beginning of  
7 the state's second fiscal quarter, and 25% at the beginning of the  
8 state's third fiscal quarter.

9 (d) For the dental clinics grant program and Robert C. Byrd honors  
10 scholarship program, 50% shall be paid at the beginning of the state's  
11 first fiscal quarter and 50% at the beginning of the state's second  
12 fiscal quarter.

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

18 Sec. 310. (1) The funds appropriated in part 1 for the tuition  
19 incentive program/high school completion program shall be distributed  
20 as provided in this section and pursuant to the administrative  
21 procedures for the tuition incentive program/high school completion  
22 program of the department of treasury.

23 (2) As used in this section:

24 (a) "Phase I" means the first part of the tuition incentive  
25 assistance program defined as the academic period of 80 semester or  
26 120 term credits, or less, leading to an associate degree or  
27 certificate.

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

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

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

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

9 (i) Apply for certification to the department before graduating  
10 from high school or completing the general education development (GED)  
11 certificate.

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

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

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

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

22 (i) Complete at least 56 transferable semester or 84 transferable  
23 term credits.

24 (ii) Obtain an associate degree or certificate at a participating  
25 institution.

26 (c) To be eligible for phase I or phase II, a person must be  
27 financially eligible as determined by the department. A person is

1 financially eligible for the tuition incentive program if that person  
2 was Medicaid eligible for 24 months within the 36 months before  
3 application. Certification of eligibility may begin in the sixth  
4 grade.

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

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

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

13 (b) For persons enrolled at a Michigan community college, the  
14 department shall pay the current in-district tuition and mandatory  
15 fees. For persons residing in an area that is not included in any  
16 community college district, the out-of-district tuition rate may be  
17 authorized.

18 (c) For persons enrolled at a Michigan public university, the  
19 department shall pay lower division resident tuition and mandatory  
20 fees for the current year.

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

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

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

7 (b) The tuition reimbursement is for coursework completed within  
8 30 months of completion of the phase I requirements.

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

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

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

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

26 (11) Any unexpended and unencumbered funds remaining on September  
27 30, 2005 from the amounts appropriated in part 1 for the tuition

1 incentive program shall not lapse on September 30, 2005, but shall  
2 continue to be available for expenditure for the tuition incentive  
3 program in the fiscal year ending September 30, 2006.

4       Sec. 311. To enable the legislature and the state budget  
5 director to evaluate the appropriation needs of higher education, each  
6 independent college and university shall make available to the  
7 legislature or state budget director, upon request, data regarding  
8 grants for the preceding, current, and ensuing fiscal years.

9       Sec. 312. From the funds appropriated in part 1, the Michigan  
10 higher education assistance authority shall administer the nursing  
11 scholarship program pursuant to 2002 PA 591, MCL 390.1181 to  
12 390.1189.

13       Sec. 315. Included in part 1 is funding for the dental clinics  
14 grant. This appropriation is for the University of Detroit Mercy to  
15 support dental clinical services provided by its school of dentistry  
16 to low-income residents in southeastern Michigan.

#### 17 **STATE UNIVERSITIES**

18       Sec. 401. (1) Included in part 1 is \$5,605,992.00 to Wayne State  
19 University for the Joseph F. Young, Sr. psychiatric research and  
20 training program. Wayne State University shall use these funds for  
21 psychiatric laboratory and clinical research, training, and treatment  
22 services. Within the available appropriation, services shall not be  
23 denied to any patient who meets established research guidelines for  
24 treatment on the basis of personal financial circumstances, age,  
25 geographic residence, or projected/actual length of treatment as  
26 medically warranted.

27       (2) Wayne State University shall report the following information

1 to the department of community health by November 1, 2005:

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

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

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

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

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

13 Sec. 402. The University of Michigan biological station at  
14 Douglas Lake in Cheboygan County is regarded as a unique resource and  
15 is designated as a special research reserve. It is the intent of the  
16 legislature to protect and preserve the unique long-term research  
17 value and capabilities of the biological station area and Douglas  
18 Lake. The legislature further intends that no state programs or  
19 policies be developed that would have a deleterious impact on the  
20 research value of Douglas Lake.

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

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

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

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

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

4 (2) The committee shall be responsible for maintaining and  
5 enhancing the state higher education database for which funding is  
6 included in part 1.

7 Sec. 421. (1) Central Michigan University shall report by  
8 September 30, 2005 to the state budget director, house and senate  
9 appropriations committees, and the house and senate fiscal agencies  
10 information on the activities and effectiveness of the national  
11 charter schools institute for which an appropriation is provided in  
12 part 1. Included in the report shall be an accounting of all revenues  
13 and expenditures of the institute, the names of the public school  
14 academies served, and the type of assistance provided to each public  
15 school academy.

16 (2) All funds received under part 1 for the national charter  
17 schools institute are intended to be expended on activities of that  
18 institute.

19 Sec. 426. It is the legislative intent that private bookstores  
20 that sell textbooks to university students and student governments  
21 that provide a book swap for university students have accurate and  
22 timely access to lists of universities' required textbooks in order to  
23 provide prompt and efficient service for students. It is further the  
24 legislative intent that each state university allow students who are  
25 on financial aid or are receiving tuition grants to decide where to  
26 purchase their textbooks.

27 Sec. 433. (1) Included in part 1 is \$2,953,400.00 for the

1 agricultural experiment station and \$2,619,000.00 for the cooperative  
2 extension service for project GREEN. Project GREEN is intended to  
3 address critical regulatory, food safety, economic, and environmental  
4 problems faced by this state's plant-based agriculture, forestry, and  
5 processing industries. "GREEN" is an acronym for generating research  
6 and extension to meet environmental and economic needs.

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

11 (3) Not later than September 30, 2005, a report shall be submitted  
12 by Michigan State University to the state budget director, the house  
13 and senate appropriations subcommittees on agriculture and on higher  
14 education, and the house and senate fiscal agencies for the preceding  
15 fiscal year regarding project GREEN projects. The report shall  
16 include, but is not limited to, the dollar amount of each project and  
17 a review of each project's performance and accomplishments.

18 Sec. 436. (1) The amounts appropriated in part 1 for state  
19 university tuition restraint incentives shall only be paid to a state  
20 university certifying to the state budget director by June 30, 2004,  
21 that it did not adopt an increase in tuition and fee rates for  
22 resident undergraduate students after December 1, 2003, for the  
23 2003-2004 academic year and that it will not adopt tuition and fee  
24 rate increases for resident undergraduate students for the 2004-2005  
25 academic year that exceed the projected 2005 increase in the Detroit  
26 consumer price index as determined at the January 14, 2004 consensus  
27 revenue estimating conference.

1           (2) For the purposes of subsection 1, a state university that  
2 adopted an increase in tuition and fee rates for resident  
3 undergraduate students after December 1, 2003, for the 2003-2004  
4 academic year, but subsequently rebated to its resident undergraduate  
5 students an amount equal to this increase prior to June 30, 2004,  
6 shall be considered to have not adopted a tuition and fee increase for  
7 the 2003-2004 academic year.

8           (3) The state budget director shall implement a reporting  
9 requirement based on definitions and uniform reporting requirements  
10 established by the state budget director and the house and senate  
11 fiscal agencies, to ensure that a state university receiving an  
12 appropriation under sections 102 through 116 has satisfied the tuition  
13 restraint requirements of this section.

14           (4) If a state university complies with the tuition restraint  
15 requirements described in this section, its state appropriation will  
16 not be reduced by executive order or any other manner during the  
17 2004-2005 fiscal year.

18           Sec. 437. It is the intent of the legislature that funds in a  
19 Michigan public school employee retirement system (MPSERS)  
20 stabilization subaccount be used for fiscal year 2004-2005 to provide  
21 at least a \$4,900,000.00 subsidy of the payroll contribution rate for  
22 the 7 state universities that have employees in the MPSERS system.

23           Sec. 440. All universities shall submit the amount of tuition  
24 and fees to be charged a full-time resident undergraduate student for  
25 academic year 2004-2005 as part of their higher education  
26 institutional data inventory (HEIDI) data by August 31, 2004. A  
27 university shall report any revisions to the reported academic year

1 2004-2005 tuition and fee charges to HEIDI within 15 days of being  
2 adopted.

3       Sec. 450. (1) For the fiscal year ending September 30, 2005, it  
4 is the intent of the legislature that an amount calculated under  
5 subsection (2) be allocated for per-student floor funding from the  
6 general fund/general purpose unreserved balances at the close of the  
7 2003-2004 fiscal year.

8       (2) The amount allocated under subsection (1) for per-student  
9 floor funding is equal to \$3,800.00 per 2002-2003 fiscal-year-equated  
10 student at each university. The number of 2002-2003  
11 fiscal-year-equated students at a university is determined by  
12 reference to the higher education institutional data inventory  
13 (HEIDI).

14       Sec. 460. By January 10, 2005, each state institution of higher  
15 education receiving an appropriation under part 1 shall report to the  
16 chairperson of the senate and house appropriations committees, the  
17 state budget director, and the senate and house fiscal agencies  
18 concerning the present condition of facilities for student housing and  
19 the present condition of any housing facilities provided to the  
20 institution's president or chancellor. The report shall include, but  
21 not be limited to, all of the following:

22       (a) Concerning student housing, all of the following:

23       (i) An assessment of the physical condition of student housing  
24 facilities.

25       (ii) An assessment of special maintenance needs and costs for  
26 each facility.

27       (iii) An assessment of the availability of student housing and

1 whether there is adequate capacity to meet demand.

2 (iv) If there are shortages in availability of student housing,  
3 any action being considered to address the shortages.

4 (b) Concerning the president's or chancellor's housing, all of  
5 the following:

6 (i) The type of residence, if any, provided to the institution's  
7 president or chancellor.

8 (ii) The value at the time of the report of the residence,  
9 including both the land and the structure.

10 (iii) The cost of any renovations and maintenance done at the  
11 residence for the immediately preceding 5 years.

12 (iv) The annual cost of operating the residence.

13 (v) The fiscal year 2004-2005 compensation of the president or  
14 chancellor, including fringe benefits and bonuses.

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

16 **PROGRAMS**

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

25 (2) The program shall be administered by each university in a  
26 manner prescribed by the Michigan department of labor and economic

1 growth. The Michigan department of labor and economic growth shall  
2 use a good faith effort standard to evaluate whether a fellowship is  
3 in default.

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

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

18 (3) The program shall be administered by each university in a  
19 manner prescribed by the Michigan department of labor and economic  
20 growth.

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

26 (2) An award made under this program to any 1 institution shall  
27 not be greater than \$150,000.00, and the amount awarded shall be

1 matched on a 70% state, 30% college or university basis.

2 (3) The program shall be administered by the Michigan department  
3 of labor and economic growth.

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

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

16 (3) The program shall be administered by the Michigan department  
17 of labor and economic growth.

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

24 (2) The program shall be administered by the Michigan department  
25 of labor and economic growth.

26 Sec. 506. (1) Included in the appropriation in part 1 is funding  
27 under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks

1 initiative for the Morris Hood, Jr. educator development program which  
2 is intended to increase the number of minority students, especially  
3 males, who enroll in and complete K-12 teacher education programs at  
4 the baccalaureate level.

5 (2) The program shall be administered by each state-approved  
6 teacher education institution in a manner prescribed by the Michigan  
7 department of labor and economic growth.

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

11 Sec. 507. Each state institution of higher education receiving  
12 funds under section 503, 504, or 506 shall notify the Michigan  
13 department of labor and economic growth by April 15, 2005 as to  
14 whether it will expend by the end of its fiscal year the funds  
15 received under section 503, 504, or 506. Notwithstanding the award  
16 limitations in sections 503 and 504, the amount of funding reported as  
17 not being expended will be reallocated to the institutions that intend  
18 to expend all funding received under section 503, 504, or 506.

#### 19 **STUDENT PERFORMANCE REPORTING**

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

26 (2) The Michigan high schools shall systematically inform the

1 state universities about the use of information received under this  
2 section in a manner prescribed by the Michigan association of  
3 secondary school principals in cooperation with the presidents  
4 council, state universities of Michigan.

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

#### 11 GENERAL REPORTS AND AUDITS

12       Sec. 701. (1) The auditor general shall review higher education  
13 institutional data inventory (HEIDI) enrollment data submitted by all  
14 public universities and may perform audits of selected public  
15 universities if determined necessary. The review and audits shall be  
16 based upon the definitions, requirements, and uniform reporting  
17 categories established by the state budget director and the senate and  
18 house fiscal agencies. The auditor general shall submit a report of  
19 findings to the house and senate appropriations committees and the  
20 state budget director no later than July 1, 2005.

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

22       (a) Student credit hours generated through instructional activity  
23 by faculty or staff in classrooms located outside Michigan, with the  
24 exception of instructional activity related to study-abroad programs.

25       (b) Student credit hours generated through distance learning  
26 instruction for students not paying the institution's resident tuition

1 rate.

2 (c) Student credit hours generated through credit by examination.

3 (d) Student credit hours generated through inmate prison programs  
4 regardless of teaching location.

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

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

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

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

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

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

22 (3) The auditor general shall periodically audit higher education  
23 institutional data inventory (HEIDI) data as submitted by the state  
24 universities for compliance with the definitions approved by the HEIDI  
25 advisory committee for the HEIDI database.

26 (4) "Distance learning instruction" as used in subsection (2)  
27 means instruction that occurs in other than a traditional classroom

1 setting where the student and instructor are in the same physical  
2 location and for which a student receives course credits and is  
3 charged tuition and fees. Examples of distance learning instruction  
4 are instruction delivered solely through the Internet, cable  
5 television, teleconference, or mail.

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

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

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

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

20 Sec. 708. The auditor general may conduct performance audits of  
21 state universities during the fiscal year ending September 30, 2005 as  
22 the auditor general considers necessary.

23 Sec. 709. An institution receiving funds under this bill and  
24 also subject to the student right-to-know and campus security act,  
25 Public Law 101-522, 104 Stat. 2381, shall make a copy of all material  
26 prepared pursuant to the public information reporting requirements  
27 under the crime awareness and campus security act of 1990, title II of

1 the student right-to-know and campus security act, Public Law 101-542,  
2 104 Stat. 2381, available in electronic Internet format on their  
3 websites.

4 PART 2A

5 PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2003-2004

6 GENERAL SECTIONS

7 Sec. 1201. (1) A state university certifying to the state budget  
8 director by June 30, 2004 that it did not adopt an increase in tuition  
9 and fee rates for resident undergraduate students after December 1,  
10 2003 for the 2003-2004 academic year and that it will not adopt  
11 tuition and fee rate increases for resident undergraduate students for  
12 the 2004-2005 academic year that exceed the projected 2005 increase in  
13 the Detroit consumer price index as determined at the January 14, 2004  
14 consensus revenue estimating conference shall be paid in the fiscal  
15 year ending September 30, 2004 from state general fund/general purpose  
16 revenues an additional state appropriation as follows:

17	Central Michigan University.....	\$	2,446,300
18	Eastern Michigan University.....		2,366,200
19	Ferris State University.....		1,499,000
20	Grand Valley State University.....		1,772,600
21	Lake Superior State University.....		385,300
22	Michigan State University.....		8,801,500
23	Michigan Technological University.....		1,491,500
24	Northern Michigan University.....		1,404,300
25	Oakland University.....		1,472,600

1	Saginaw Valley State University.....	800,200
2	University of Michigan - Ann Arbor.....	9,816,200
3	University of Michigan - Dearborn.....	755,800
4	University of Michigan - Flint.....	649,800
5	Wayne State University.....	6,848,400
6	Western Michigan University.....	<u>3,393,300</u>
7	Total..... \$	43,903,000

8           (2) For the purposes of subsection (1), a state university that  
 9 adopted an increase in tuition and fee rates for resident  
 10 undergraduate students after December 1, 2003, for the 2003-2004  
 11 academic year, but subsequently rebated to its resident undergraduate  
 12 students an amount equal to this increase prior to June 30, 2004,  
 13 shall be considered to have not adopted a tuition and fee increase for  
 14 the 2003-2004 academic year.

15           (3) The state budget director shall implement a reporting  
 16 requirement based on definitions and uniform reporting requirements  
 17 established by the state budget director and the house and senate  
 18 fiscal agencies, to ensure that a state university receiving an  
 19 appropriation under this section has satisfied its tuition restraint  
 20 requirements.

21           Sec. 1302. It is the intent of the legislature that Michigan  
 22 competitive scholarship award applicants and Michigan tuition grant  
 23 applicants be notified not later than June 30, 2004 of the status of  
 24 their awards.

25 **REPEALERS**

26           Enacting section 1. Section 452 of 2003 PA 237 is repealed.