

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 1099

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, 2009; 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:

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ARTICLE 1

SUMMARY AND GENERAL PROVISIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this act are appropriated for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2009, from

1 the funds indicated in this act. The following is a summary of the  
 2 appropriations in this act:

3 **HIGHER EDUCATION**

4 APPROPRIATION SUMMARY:

5	Full-time equated classified positions.....	1.0	
6	GROSS APPROPRIATION.....	\$	1,799,426,000
7	Interdepartmental grant revenues:		
8	Total interdepartmental grants and intradepartmental		
9	transfers .....		0
10	ADJUSTED GROSS APPROPRIATION.....	\$	1,799,426,000
11	Federal revenues:		
12	Total federal revenues.....		7,400,000
13	Special revenue funds:		
14	Total local revenues.....		0
15	Total private revenues.....		0
16	Total other state restricted revenues.....		116,100,000
17	State general fund/general purpose.....	\$	1,675,926,000
18	Sec. 201. Pursuant to section 30 of article IX of the state		
19	constitution of 1963, total state spending from state resources		
20	under this act for fiscal year 2008-2009 is \$1,792,026,000.00 and		
21	state spending from state resources to be paid to local units of		
22	government for fiscal year 2008-2009 is \$3,759,100.00. The itemized		
23	statement below identifies the estimated appropriations from which		
24	spending to local units of government will occur:		
25	Part-time independent student program.....	\$	1,255,700
26	Michigan education opportunity grants.....		932,900
27	Michigan work-study.....		<u>1,570,500</u>

1 TOTAL..... \$ 3,759,100

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

5 ARTICLE 2  
6 RESEARCH UNIVERSITIES  
7 PART 1  
8 LINE-ITEM APPROPRIATIONS

9 Sec. 101. Subject to the conditions set forth in this act, the  
10 amounts listed in this part are appropriated for research  
11 universities for the fiscal year ending September 30, 2009, from  
12 the funds indicated in this part.

13 **Sec. 102. MICHIGAN STATE UNIVERSITY**

14 Operations..... \$ 298,246,700  
15 Agricultural experiment station..... 34,908,100  
16 Cooperative extension service..... 30,108,800  
17 GROSS APPROPRIATION..... \$ 363,263,600

18 Appropriated from:

19 State general fund/general purpose..... \$ 363,263,600

20 **Sec. 103. UNIVERSITY OF MICHIGAN - ANN ARBOR**

21 Operations..... \$ 332,356,800  
22 GROSS APPROPRIATION..... \$ 332,356,800

23 Appropriated from:

24 State general fund/general purpose..... \$ 332,356,800

25 **Sec. 104. WAYNE STATE UNIVERSITY**

1	Operations.....	\$	<u>225,023,000</u>
2	GROSS APPROPRIATION.....	\$	225,023,000
3	Appropriated from:		
4	State general fund/general purpose.....	\$	225,023,000

5 PART 2

6 PROVISIONS CONCERNING APPROPRIATIONS

7 GENERAL SECTIONS

8 Sec. 203. As used in this act, "research university" means a  
 9 public university classified as a "research university (very high  
 10 research activity)" under the 2005 classification of institutions  
 11 of higher education conducted by the Carnegie foundation for the  
 12 advancement of teaching.

13 Sec. 208. Unless otherwise specified, the institutions of  
 14 higher education receiving appropriations in part 1 shall use the  
 15 Internet to fulfill the reporting requirements of this act. This  
 16 requirement may include transmission of reports via electronic mail  
 17 to the recipients identified for each reporting requirement, or it  
 18 may include placement of reports on an Internet or Intranet site.

19 Sec. 209. Funds appropriated in part 1 shall not be used for  
 20 the purchase of foreign goods or services, or both, if  
 21 competitively priced and of comparable quality American goods and  
 22 services, or both, are available. Preference should be given to  
 23 goods or services, or both, manufactured or provided by Michigan  
 24 businesses if they are competitively priced and of comparable  
 25 value. In addition, preference should be given to goods or

1 services, or both, that are manufactured or provided by Michigan  
2 businesses owned and operated by veterans, if they are  
3 competitively priced and of comparable quality.

4 Sec. 210. It is the intent of the legislature that the funds  
5 appropriated in part 1 to state institutions of higher education  
6 shall not be used to enter into a lease or to purchase a vehicle  
7 assembled or manufactured outside of the United States, and that  
8 preference be given to vehicles assembled or manufactured in  
9 Michigan.

10 Sec. 212. (1) The funds appropriated in part 1 to state  
11 institutions of higher education shall be paid out of the state  
12 treasury and distributed by the state treasurer to the respective  
13 institutions in 11 equal monthly installments on the sixteenth of  
14 each month, or the next succeeding business day, beginning with  
15 October 16, 2008. Except for Wayne State University, each  
16 institution shall accrue its July and August 2009 payments to its  
17 institutional fiscal year ending June 30, 2009.

18 (2) All universities shall submit higher education  
19 institutional data inventory (HEIDI) data and associated financial  
20 and program information requested by and in a manner prescribed by  
21 the state budget director. For universities with fiscal years  
22 ending June 30, 2008, these data shall be submitted to the state  
23 budget director by October 15, 2008. Universities with a fiscal  
24 year ending September 30, 2008 shall submit preliminary HEIDI data  
25 by November 15, 2008 and final data by December 15, 2008. If a  
26 university fails to submit HEIDI data and associated financial aid  
27 program information in accordance with this reporting schedule, the

1 state treasurer shall withhold the monthly installments under  
2 subsection (1) to the university until those data are submitted.

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

6 Sec. 213. Funds received by the state from the federal  
7 government or private sources for the use of a college or  
8 university are appropriated for the purposes for which they are  
9 provided. The acceptance and use of federal or private funds do not  
10 place an obligation upon the legislature to continue the purposes  
11 for which the funds are made available.

12 Sec. 214. If section 274 of the income tax act of 1967, 1967  
13 PA 281, MCL 206.274, is not repealed and if a state institution of  
14 higher education that receives funds under this act notifies the  
15 department of treasury regarding its tuition and fee rates in order  
16 to qualify as an eligible institution for the Michigan tuition tax  
17 credit under section 274 of the income tax act of 1967, 1967 PA  
18 281, MCL 206.274, the institution shall also submit the  
19 notification and applicable documentation of tuition and fee  
20 changes to the house and senate fiscal agencies.

21 Sec. 215. A state institution of higher education that  
22 receives funds under this act shall furnish all program and  
23 financial information that is required by and in a manner  
24 prescribed by the state budget director or the house or senate  
25 appropriations committee.

26 Sec. 216. It is the intent of the legislature that  
27 universities receiving funds in part 1 collaborate with the center

1 for educational performance and information established in section  
2 94a of the state school aid act of 1979, 1979 PA 94, MCL 388.1694a,  
3 to develop a comprehensive preschool through postsecondary student  
4 data system that will allow analysis of student-level educational  
5 data to ensure that Michigan's education and training systems are  
6 preparing students for success in their adult careers.

7       Sec. 217. It is the intent of the legislature that the  
8 governing board of each state university examine university  
9 operations for potential conflicts of interest.

#### 10 **UNIVERSITY OPERATIONS**

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

19       Sec. 426. (1) It is the legislative intent that private  
20 bookstores that sell textbooks to university students and student  
21 governments that provide a book swap for university students have  
22 accurate and timely access to lists of universities' required  
23 textbooks in order to provide prompt and efficient service for  
24 students. It is further the legislative intent that each state  
25 university allow students who are on financial aid or are receiving  
26 tuition grants to decide where to purchase their textbooks.

1           (2) It is the intent of the legislature that each state  
2 university that provides for the use of funds in a university-  
3 administered account or financial aid for the purchase of required  
4 textbooks and supplies at bookstores operated by or affiliated with  
5 the university also provide for the use of funds in a university-  
6 administered account or financial aid at bookstores providing  
7 required textbooks or supplies that are not operated by or  
8 affiliated with the university. A state university may require  
9 bookstores not operated by or affiliated with the university to  
10 reimburse the university for any reasonable costs attributable to  
11 these transactions and to pay a reasonable rate or commission to  
12 the university.

13           Sec. 433. (1) Included in part 1 is \$3,033,100.00 for the  
14 agricultural experiment station and \$2,689,700.00 for the  
15 cooperative extension service for project GREEN. Project GREEN is  
16 intended to address critical regulatory, food safety, economic, and  
17 environmental problems faced by this state's plant-based  
18 agriculture, forestry, and processing industries. "GREEN" is an  
19 acronym for generating research and extension to meet environmental  
20 and economic needs.

21           (2) The department of agriculture and Michigan State  
22 University, in consultation with agricultural commodity groups and  
23 other interested parties, shall develop project GREEN and its  
24 program priorities.

25           (3) Not later than September 30, 2009, a report shall be  
26 submitted by Michigan State University to the state budget  
27 director, the house and senate appropriations subcommittees on



1 agriculture and on higher education, and the house and senate  
2 fiscal agencies for the preceding fiscal year regarding project  
3 GREEN projects. The report shall include, but is not limited to,  
4 the dollar amount of each project and a review of each project's  
5 performance and accomplishments.

6 Sec. 434. Included in the appropriation in part 1 for Michigan  
7 State University is \$80,000.00 for the Michigan future farmers of  
8 America association. This \$80,000.00 appropriation shall not  
9 supplant any existing support that Michigan State University  
10 provides to the Michigan future farmers of America association.

11 Sec. 436. It is the intent of the legislature that if any  
12 state university increases its resident undergraduate tuition and  
13 required fees from academic year 2007-2008 to academic year 2008-  
14 2009, then that university shall increase its fiscal year 2008-2009  
15 general fund expenditures for student financial aid by at least the  
16 same percentage as the percentage change in resident undergraduate  
17 tuition and required fees. Each state university shall report its  
18 proposed fiscal year 2008-2009 general fund expenditures for  
19 student financial aid compared to its projected fiscal year 2007-  
20 2008 general fund expenditures for student financial aid, and its  
21 projected academic year 2008-2009 resident undergraduate tuition  
22 and required fee changes from academic year 2007-2008, to the state  
23 budget director and the house and senate appropriations  
24 subcommittees on higher education by November 15, 2008.

25 Sec. 440. All universities shall submit the amount of tuition  
26 and fees actually charged to a full-time resident undergraduate  
27 student for academic year 2008-2009 as part of their higher

1 education institutional data inventory (HEIDI) data by August 31,  
2 2008. A university shall report any revisions for any semester of  
3 the reported academic year 2008-2009 tuition and fee charges to  
4 HEIDI within 15 days of being adopted.

5       Sec. 462. It is the intent of the legislature that each state  
6 university receiving an appropriation in part 1 consider developing  
7 an education program on recognizing depression and mental health  
8 disorders and preventing suicide and violence and providing that  
9 program annually to students, beginning with any freshman  
10 orientation.

11       Sec. 463. Not later than February 1, 2009, each of the state  
12 universities receiving appropriations in part 1 shall submit to the  
13 state budget director, members of the house of representatives and  
14 the senate, and the house and senate fiscal agencies a report on  
15 the number of residents from an eligible county enrolled at the  
16 university and the quantifiable increase from the 2007-2008  
17 academic year to the 2008-2009 academic year in outreach efforts to  
18 enroll students at the university from an eligible county. As used  
19 in this section, "eligible county" means a county in this state  
20 that meets both of the following:

21       (a) Has a population of not less than 700,000 and not more  
22 than 1,000,000 according to the most recent federal decennial  
23 census.

24       (b) Does not contain the main campus of a 4-year public  
25 university within its boundaries.

26       Sec. 464. Each state university receiving an appropriation in  
27 part 1 shall submit a plan by January 15, 2009 to the state budget

1 director, the house and senate appropriations subcommittees on  
2 higher education, and the house and senate fiscal agencies on its  
3 process to inform both the private and public sectors regarding  
4 research and technology that could be developed commercially.

5       Sec. 466. State universities shall coordinate their purchases  
6 of goods and services whenever possible. This may include, but is  
7 not limited to, group purchases for vehicles, utilities, supplies,  
8 electronic equipment, maintenance equipment, books, and contractual  
9 services. To the extent possible, the state universities shall use  
10 both the "Michigan delivering extended agreements locally" (MiDEAL)  
11 purchasing services of the state department of management and  
12 budget that makes state contracts available to local units of  
13 government, colleges, and universities and the purchasing services  
14 available through the state's membership in the Midwestern Higher  
15 Education Compact (MHEC). Not later than January 1 of each year,  
16 the presidents council, state universities of Michigan shall submit  
17 to the members of the house and senate appropriations subcommittees  
18 on higher education, the house and senate fiscal agencies, and the  
19 state budget director a report on group or pooled purchases and the  
20 savings achieved by the state universities in the previous  
21 fiscal year.

22       Sec. 467. It is the intent of the legislature to establish  
23 performance standards for the research universities receiving  
24 appropriations in part 1.

25       Sec. 469. By November 14, 2008, each university receiving an  
26 appropriation in part 1 shall report the number of students who  
27 graduated in academic year 2007-2008 and received a Pell grant at

1 any time during their enrollment at that university to the members  
2 of the house and senate appropriations subcommittees on higher  
3 education, the house and senate fiscal agencies, and the state  
4 budget director.

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

6 Sec. 501. (1) Included in the appropriation for each state  
7 university in part 1 is funding for the Martin Luther King, Jr. -  
8 Cesar Chavez - Rosa Parks future faculty program, that is intended  
9 to increase the pool of academically or economically disadvantaged  
10 candidates pursuing faculty teaching careers in postsecondary  
11 education. Preference may not be given to applicants on the basis  
12 of race, color, ethnicity, gender, or national origin. Institutions  
13 should encourage applications from applicants who would otherwise  
14 not adequately be represented in the graduate student and faculty  
15 populations. Each state university shall apply the percentage  
16 change applicable to every state university in the calculation of  
17 appropriations in part 1 to the amount of funds allocated to the  
18 future faculty program.

19 (2) The program shall be administered by each state university  
20 in a manner prescribed by the Michigan department of labor and  
21 economic growth. The Michigan department of labor and economic  
22 growth shall use a good faith effort standard to evaluate whether a  
23 fellowship is in default.

24 Sec. 502. (1) Included in the appropriation for each state  
25 university in part 1 is funding for the Martin Luther King, Jr. -  
26 Cesar Chavez - Rosa Parks college day program that is intended to

1 introduce academically or economically disadvantaged schoolchildren  
2 to the potential of a college education. Preference may not be  
3 given to participants on the basis of race, color, ethnicity,  
4 gender, or national origin. Institutions should encourage  
5 participation from those who would otherwise not adequately be  
6 represented in the student population.

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

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

20 Sec. 505. (1) Included in the appropriation for each state  
21 university in part 1 is funding for the Martin Luther King, Jr. -  
22 Cesar Chavez - Rosa Parks visiting professors program which is  
23 intended to increase the number of instructors in the classroom to  
24 provide role models for academically or economically disadvantaged  
25 students. Preference may not be given to participants on the basis  
26 of race, color, ethnicity, gender, or national origin. Institutions  
27 should encourage participation from those who would otherwise not

adequately be represented in the student population.

(2) The program described in this section shall be administered by the Michigan department of labor and economic growth.

#### **STUDENT PERFORMANCE REPORTING**

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

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

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

Sec. 603. State universities shall work with the state community colleges to encourage the transfer of students from the community colleges to the state universities and to facilitate the transfer of credits from the community colleges to the state

1 universities.

2 **GENERAL REPORTS AND AUDITS**

3       Sec. 701. (1) The auditor general shall review higher  
4 education institutional data inventory (HEIDI) enrollment data  
5 submitted by all state universities and may perform audits of  
6 selected state universities if determined necessary. The review and  
7 audits shall be based upon the definitions, requirements, and  
8 uniform reporting categories established by the state budget  
9 director and the senate and house fiscal agencies. The auditor  
10 general shall submit a report of findings to the house and senate  
11 appropriations committees and the state budget director no later  
12 than July 1, 2009.

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

15       (a) Student credit hours generated through instructional  
16 activity by faculty or staff in classrooms located outside  
17 Michigan, with the exception of instructional activity related to  
18 study-abroad programs or field programs.

19       (b) Student credit hours generated through distance learning  
20 instruction for students not eligible for the institution's in-  
21 state main campus resident tuition rate. However, in instances  
22 where a student is enrolled in distance education and non-distance  
23 education credit hours in a given term and the student's non-  
24 distance education enrollment is at a campus or site located within  
25 Michigan, student credit hours per the student's eligibility for  
26 in-state or out-of-state tuition rates may be reported.

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

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

5 (e) Student credit hours generated in new degree programs  
6 after January 1, 1975, that have not been specifically authorized  
7 for funding by the legislature, except spin-off programs converted  
8 from 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  
17 or field.

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

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

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



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

6 Sec. 701a. (1) Pursuant to section 701(2)(e), the institutions  
7 of higher education receiving appropriations in part 1 may  
8 establish the following degree programs:

9 (a) Bachelor's degree programs:

10 University of Michigan - Ann Arbor, Concentration in  
11 Informatics, B.A./B.S.

12 University of Michigan - Ann Arbor, Concentration in Polish,  
13 B.A./B.S.

14 University of Michigan - Ann Arbor, Joint Bachelor of Fine  
15 Arts Degree Program, B.F.A.

16 Wayne State University, Biochemistry and Chemical Biology,  
17 B.S.

18 Wayne State University, Biomedical Physics, B.S.

19 Wayne State University, Urban Studies, B.A.

20 (b) Master's degree programs:

21 Michigan State University, Public Health, M.P.H.

22 University of Michigan - Ann Arbor, M.B.A./M.P.H. Dual-Degree,  
23 M.B.A./M.P.H.

24 Wayne State University, Joint Degree: M.Ed. in Social  
25 Studies, M.A. in History, M.A./M.Ed.

26 Wayne State University, Marriage and Family Psychology, M.A.

27 Wayne State University, Radiologist and Assistant Studies,

1 M.S.

2 (c) Doctoral degree programs:

3 Wayne State University, Doctor of Nursing Practice, D.N.P.

4 (2) The listing of degree programs in subsection (1) does not  
5 constitute legislative intent to provide additional dollars for  
6 those programs.

7 (3) When submitting the listing of new degree programs for  
8 purposes of section 701(2)(e) in fiscal years after 2008-2009, the  
9 presidents council of state universities shall also provide a  
10 listing of degree programs that these institutions of higher  
11 education will no longer offer in subsequent academic years.

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

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

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

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

27 Sec. 708. The auditor general may conduct performance audits

1 of state universities during the fiscal year ending September 30,  
2 2009 as the auditor general considers necessary.

3 Sec. 709. An institution of higher education receiving funds  
4 under this act and also subject to the student right-to-know and  
5 campus security act, Public Law 101-522, 104 Stat. 2381, shall make  
6 a copy of all material prepared pursuant to the public information  
7 reporting requirements under the crime awareness and campus  
8 security act of 1990, title II of the student right-to-know and  
9 campus security act, Public Law 101-542, 104 Stat. 2381, available  
10 in electronic Internet format on their websites.

11 Sec. 714. It is the intent of the legislature that an  
12 institution receiving funds under this act and also subject to the  
13 family educational rights and privacy act (FERPA), 20 USC section  
14 1232g, 34 CFR part 99, shall, when requested, provide information  
15 from the records of a student to any person or persons to whom the  
16 student has authorized disclosure on a written consent form  
17 pursuant to 34 CFR 99.30.

### 18 ARTICLE 3

### 19 STATE UNIVERSITIES

### 20 PART 1

### 21 LINE-ITEM APPROPRIATIONS

22 Sec. 101. Subject to the conditions set forth in this act, the  
23 amounts listed in this part are appropriated for state universities  
24 for the fiscal year ending September 30, 2009, from the funds  
25 indicated in this part.

1	<b>Sec. 102. CENTRAL MICHIGAN UNIVERSITY</b>	
2	Operations.....	\$ <u>84,447,900</u>
3	GROSS APPROPRIATION.....	\$ 84,447,900
4	Appropriated from:	
5	State general fund/general purpose.....	\$ 84,447,900
6	<b>Sec. 103. EASTERN MICHIGAN UNIVERSITY</b>	
7	Operations.....	\$ <u>80,003,300</u>
8	GROSS APPROPRIATION.....	\$ 80,003,300
9	Appropriated from:	
10	State general fund/general purpose.....	\$ 80,003,300
11	<b>Sec. 104. FERRIS STATE UNIVERSITY</b>	
12	Operations.....	\$ <u>51,166,600</u>
13	GROSS APPROPRIATION.....	\$ 51,166,600
14	Appropriated from:	
15	State general fund/general purpose.....	\$ 51,166,600
16	<b>Sec. 105. GRAND VALLEY STATE UNIVERSITY</b>	
17	Operations.....	\$ <u>65,389,500</u>
18	GROSS APPROPRIATION.....	\$ 65,389,500
19	Appropriated from:	
20	State general fund/general purpose.....	\$ 65,389,500
21	<b>Sec. 106. LAKE SUPERIOR STATE UNIVERSITY</b>	
22	Operations.....	\$ <u>13,549,300</u>
23	GROSS APPROPRIATION.....	\$ 13,549,300
24	Appropriated from:	
25	State general fund/general purpose.....	\$ 13,549,300
26	<b>Sec. 107. MICHIGAN TECHNOLOGICAL UNIVERSITY</b>	
27	Operations.....	\$ <u>50,482,300</u>

1	GROSS APPROPRIATION.....	\$	50,482,300
2	Appropriated from:		
3	State general fund/general purpose.....	\$	50,482,300
4	<b>Sec. 108. NORTHERN MICHIGAN UNIVERSITY</b>		
5	Operations.....	\$	<u>47,585,400</u>
6	GROSS APPROPRIATION.....	\$	47,585,400
7	Appropriated from:		
8	State general fund/general purpose.....	\$	47,585,400
9	<b>Sec. 109. OAKLAND UNIVERSITY</b>		
10	Operations.....	\$	<u>53,460,800</u>
11	GROSS APPROPRIATION.....	\$	53,460,800
12	Appropriated from:		
13	State general fund/general purpose.....	\$	53,460,800
14	<b>Sec. 110. SAGINAW VALLEY STATE UNIVERSITY</b>		
15	Operations.....	\$	<u>29,126,600</u>
16	GROSS APPROPRIATION.....	\$	29,126,600
17	Appropriated from:		
18	State general fund/general purpose.....	\$	29,126,600
19	<b>Sec. 111. UNIVERSITY OF MICHIGAN - DEARBORN</b>		
20	Operations.....	\$	<u>26,027,100</u>
21	GROSS APPROPRIATION.....	\$	26,027,100
22	Appropriated from:		
23	State general fund/general purpose.....	\$	26,027,100
24	<b>Sec. 112. UNIVERSITY OF MICHIGAN - FLINT</b>		
25	Operations.....	\$	<u>21,975,100</u>
26	GROSS APPROPRIATION.....	\$	21,975,100
27	Appropriated from:		

1	State general fund/general purpose .....	\$	21,975,100
2	<b>Sec. 113. WESTERN MICHIGAN UNIVERSITY</b>		
3	Operations .....	\$	<u>115,269,800</u>
4	GROSS APPROPRIATION .....	\$	115,269,800
5	Appropriated from:		
6	State general fund/general purpose .....	\$	115,269,800

7 PART 2

8 PROVISIONS CONCERNING APPROPRIATIONS

9 GENERAL SECTIONS

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

16 Sec. 209. Funds appropriated in part 1 shall not be used for  
 17 the purchase of foreign goods or services, or both, if  
 18 competitively priced and of comparable quality American goods and  
 19 services, or both, are available. Preference should be given to  
 20 goods or services, or both, manufactured or provided by Michigan  
 21 businesses if they are competitively priced and of comparable  
 22 value. In addition, preference should be given to goods or  
 23 services, or both, that are manufactured or provided by Michigan  
 24 businesses owned and operated by veterans, if they are  
 25 competitively priced and of comparable quality.

1       Sec. 210. It is the intent of the legislature that the funds  
2 appropriated in part 1 to state institutions of higher education  
3 shall not be used to enter into a lease or to purchase a vehicle  
4 assembled or manufactured outside of the United States, and that  
5 preference be given to vehicles assembled or manufactured in  
6 Michigan.

7       Sec. 212. (1) The funds appropriated in part 1 to state  
8 institutions of higher education shall be paid out of the state  
9 treasury and distributed by the state treasurer to the respective  
10 institutions in 11 equal monthly installments on the sixteenth of  
11 each month, or the next succeeding business day, beginning with  
12 October 16, 2008. Each institution shall accrue its July and August  
13 2009 payments to its institutional fiscal year ending June 30,  
14 2009.

15       (2) All universities shall submit higher education  
16 institutional data inventory (HEIDI) data and associated financial  
17 and program information requested by and in a manner prescribed by  
18 the state budget director by October 15, 2008. If a university  
19 fails to submit HEIDI data and associated financial aid program  
20 information in accordance with this reporting schedule, the state  
21 treasurer shall withhold the monthly installments under subsection  
22 (1) to the university until those data are submitted.

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

26       Sec. 213. Funds received by the state from the federal  
27 government or private sources for the use of a college or

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

5       Sec. 214. If section 274 of the income tax act of 1967, 1967  
6 PA 281, MCL 206.274, is not repealed and if a state institution of  
7 higher education that receives funds under this act notifies the  
8 department of treasury regarding its tuition and fee rates in order  
9 to qualify as an eligible institution for the Michigan tuition tax  
10 credit under section 274 of the income tax act of 1967, 1967 PA  
11 281, MCL 206.274, the institution shall also submit the  
12 notification and applicable documentation of tuition and fee  
13 changes to the house and senate fiscal agencies.

14       Sec. 215. A state institution of higher education that  
15 receives funds under this act shall furnish all program and  
16 financial information that is required by and in a manner  
17 prescribed by the state budget director or the house or senate  
18 appropriations committee.

19       Sec. 216. It is the intent of the legislature that  
20 universities receiving funds in part 1 collaborate with the center  
21 for educational performance and information established in section  
22 94a of the state school aid act of 1979, 1979 PA 94, MCL 388.1694a,  
23 to develop a comprehensive preschool through postsecondary student  
24 data system that will allow analysis of student-level educational  
25 data to ensure that Michigan's education and training systems are  
26 preparing students for success in their adult careers.

27       Sec. 217. It is the intent of the legislature that the



1 governing board of each state university examine university  
2 operations for potential conflicts of interest.

3 **UNIVERSITY OPERATIONS**

4       Sec. 426. (1) It is the legislative intent that private  
5 bookstores that sell textbooks to university students and student  
6 governments that provide a book swap for university students have  
7 accurate and timely access to lists of universities' required  
8 textbooks in order to provide prompt and efficient service for  
9 students. It is further the legislative intent that each state  
10 university allow students who are on financial aid or are receiving  
11 tuition grants to decide where to purchase their textbooks.

12       (2) It is the intent of the legislature that each state  
13 university that provides for the use of funds in a university-  
14 administered account or financial aid for the purchase of required  
15 textbooks and supplies at bookstores operated by or affiliated with  
16 the university also provide for the use of funds in a university-  
17 administered account or financial aid at bookstores providing  
18 required textbooks or supplies that are not operated by or  
19 affiliated with the university. A state university may require  
20 bookstores not operated by or affiliated with the university to  
21 reimburse the university for any reasonable costs attributable to  
22 these transactions and to pay a reasonable rate or commission to  
23 the university.

24       Sec. 436. It is the intent of the legislature that if any  
25 state university increases its resident undergraduate tuition and  
26 required fees from academic year 2007-2008 to academic year 2008-

1 2009, then that university shall increase its fiscal year 2008-2009  
2 general fund expenditures for student financial aid by at least the  
3 same percentage as the percentage change in resident undergraduate  
4 tuition and required fees. Each state university shall report its  
5 proposed fiscal year 2008-2009 general fund expenditures for  
6 student financial aid compared to its projected fiscal year 2007-  
7 2008 general fund expenditures for student financial aid, and its  
8 projected academic year 2008-2009 resident undergraduate tuition  
9 and required fee changes from academic year 2007-2008, to the state  
10 budget director and the house and senate appropriations  
11 subcommittees on higher education by November 15, 2008.

12 Sec. 440. All universities shall submit the amount of tuition  
13 and fees actually charged to a full-time resident undergraduate  
14 student for academic year 2008-2009 as part of their higher  
15 education institutional data inventory (HEIDI) data by August 31,  
16 2008. A university shall report any revisions for any semester of  
17 the reported academic year 2008-2009 tuition and fee charges to  
18 HEIDI within 15 days of being adopted.

19 Sec. 461. From the amount appropriated in part 1 to Lake  
20 Superior State University for operations, \$100,000.00 shall be paid  
21 to Bay Mills Community College for the costs of waiving tuition for  
22 North American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

23 Sec. 462. It is the intent of the legislature that each state  
24 university receiving an appropriation in part 1 consider developing  
25 an education program on recognizing depression and mental health  
26 disorders and preventing suicide and violence and providing that  
27 program annually to students, beginning with any freshman

1 orientation.

2       Sec. 463. Not later than February 1, 2009, each of the state  
3 universities receiving appropriations in part 1 shall submit to the  
4 state budget director, members of the house of representatives and  
5 the senate, and the house and senate fiscal agencies a report on  
6 the number of residents from an eligible county enrolled at the  
7 university and the quantifiable increase from the 2007-2008  
8 academic year to the 2008-2009 academic year in outreach efforts to  
9 enroll students at the university from an eligible county. As used  
10 in this section, "eligible county" means a county in this state  
11 that meets both of the following:

12       (a) Has a population of not less than 700,000 and not more  
13 than 1,000,000 according to the most recent federal decennial  
14 census.

15       (b) Does not contain the main campus of a 4-year public  
16 university within its boundaries.

17       Sec. 464. Each state university receiving an appropriation in  
18 part 1 shall submit a plan by January 15, 2009 to the state budget  
19 director, the house and senate appropriations subcommittees on  
20 higher education, and the house and senate fiscal agencies on its  
21 process to inform both the private and public sectors regarding  
22 research and technology that could be developed commercially.

23       Sec. 466. State universities shall coordinate their purchases  
24 of goods and services whenever possible. This may include, but is  
25 not limited to, group purchases for vehicles, utilities, supplies,  
26 electronic equipment, maintenance equipment, books, and contractual  
27 services. To the extent possible, the state universities shall use

1 both the "Michigan delivering extended agreements locally" (MiDEAL)  
2 purchasing services of the state department of management and  
3 budget that makes state contracts available to local units of  
4 government, colleges, and universities and the purchasing services  
5 available through the state's membership in the Midwestern Higher  
6 Education Compact (MHEC). Not later than January 1 of each year,  
7 the presidents council, state universities of Michigan shall submit  
8 to the members of the house and senate appropriations subcommittees  
9 on higher education, the house and senate fiscal agencies, and the  
10 state budget director a report on group or pooled purchases and the  
11 savings achieved by the state universities in the previous  
12 fiscal year.

13       Sec. 467. It is the intent of the legislature to establish  
14 performance standards for the state universities receiving  
15 appropriations in part 1.

16       Sec. 469. By November 14, 2008, each university receiving an  
17 appropriation in part 1 shall report the number of students who  
18 graduated in academic year 2007-2008 and received a Pell grant at  
19 any time during their enrollment at that university to the members  
20 of the house and senate appropriations subcommittees on higher  
21 education, the house and senate fiscal agencies, and the state  
22 budget director.

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

24       Sec. 501. (1) Included in the appropriation for each state  
25 university in part 1 is funding for the Martin Luther King, Jr. -  
26 Cesar Chavez - Rosa Parks future faculty program, that is intended

1 to increase the pool of academically or economically disadvantaged  
2 candidates pursuing faculty teaching careers in postsecondary  
3 education. Preference may not be given to applicants on the basis  
4 of race, color, ethnicity, gender, or national origin. Institutions  
5 should encourage applications from applicants who would otherwise  
6 not adequately be represented in the graduate student and faculty  
7 populations. Each state university shall apply the percentage  
8 change applicable to every state university in the calculation of  
9 appropriations in part 1 to the amount of funds allocated to the  
10 future faculty program.

11 (2) The program shall be administered by each state university  
12 in a manner prescribed by the Michigan department of labor and  
13 economic growth. The Michigan department of labor and economic  
14 growth shall use a good faith effort standard to evaluate whether a  
15 fellowship is in default.

16 Sec. 502. (1) Included in the appropriation for each state  
17 university in part 1 is funding for the Martin Luther King, Jr. -  
18 Cesar Chavez - Rosa Parks college day program that is intended to  
19 introduce academically or economically disadvantaged schoolchildren  
20 to the potential of a college education. Preference may not be  
21 given to participants on the basis of race, color, ethnicity,  
22 gender, or national origin. Institutions should encourage  
23 participation from those who would otherwise not adequately be  
24 represented in the student population.

25 (2) Individual program plans of each state university shall  
26 include a budget of equal contributions from this program, the  
27 participating state university, the participating school district,

1 and the participating independent degree-granting college. College  
2 day funds shall not be expended to cover indirect costs. Not more  
3 than 20% of the university match shall be attributable to indirect  
4 costs. Each state university shall apply the percentage change  
5 applicable to every state university in the calculation of  
6 appropriations in part 1 to the amount of funds allocated to the  
7 college day program.

8 (3) The program described in this section shall be  
9 administered by each state university in a manner prescribed by the  
10 Michigan department of labor and economic growth.

11 Sec. 505. (1) Included in the appropriation for each state  
12 university in part 1 is funding for the Martin Luther King, Jr. -  
13 Cesar Chavez - Rosa Parks visiting professors program which is  
14 intended to increase the number of instructors in the classroom to  
15 provide role models for academically or economically disadvantaged  
16 students. Preference may not be given to participants on the basis  
17 of race, color, ethnicity, gender, or national origin. Institutions  
18 should encourage participation from those who would otherwise not  
19 adequately be represented in the student population.

20 (2) The program described in this section shall be  
21 administered by the Michigan department of labor and economic  
22 growth.

### 23 STUDENT PERFORMANCE REPORTING

24 Sec. 601. (1) From the amount appropriated in part 1 for state  
25 universities, the state universities shall systematically inform  
26 Michigan high schools regarding the academic status of students

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

4 (2) The Michigan high schools shall systematically inform the  
5 state universities about the use of information received under this  
6 section in a manner prescribed by the Michigan association of  
7 secondary school principals in cooperation with the presidents  
8 council, state universities of Michigan.

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

15 Sec. 603. State universities shall work with the state  
16 community colleges to encourage the transfer of students from the  
17 community colleges to the state universities and to facilitate the  
18 transfer of credits from the community colleges to the state  
19 universities.

## 20 **GENERAL REPORTS AND AUDITS**

21 Sec. 701. (1) The auditor general shall review higher  
22 education institutional data inventory (HEIDI) enrollment data  
23 submitted by all state universities and may perform audits of  
24 selected state universities if determined necessary. The review and  
25 audits shall be based upon the definitions, requirements, and  
26 uniform reporting categories established by the state budget

1 director and the senate and house fiscal agencies. The auditor  
2 general shall submit a report of findings to the house and senate  
3 appropriations committees and the state budget director no later  
4 than July 1, 2009.

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

7 (a) Student credit hours generated through instructional  
8 activity by faculty or staff in classrooms located outside  
9 Michigan, with the exception of instructional activity related to  
10 study-abroad programs or field programs.

11 (b) Student credit hours generated through distance learning  
12 instruction for students not eligible for the institution's in-  
13 state main campus resident tuition rate. However, in instances  
14 where a student is enrolled in distance education and non-distance  
15 education credit hours in a given term and the student's non-  
16 distance education enrollment is at a campus or site located within  
17 Michigan, student credit hours per the student's eligibility for  
18 in-state or out-of-state tuition rates may be reported.

19 (c) Student credit hours generated through credit by  
20 examination.

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

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

27 (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 the  
5 institution.

6 (iv) Do not require a new degree level beyond that which the  
7 institution is currently authorized to grant within that discipline  
8 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 (3) The auditor general shall periodically audit higher  
14 education institutional data inventory (HEIDI) data as submitted by  
15 the state universities for compliance with the definitions approved  
16 by the HEIDI advisory committee for the HEIDI database.

17 (4) "Distance learning instruction" as used in subsection (2)  
18 means instruction that occurs solely in other than a traditional  
19 classroom setting where the student and instructor are in the same  
20 physical location and for which a student receives course credits  
21 and is charged tuition and fees. Examples of distance learning  
22 instruction are instruction delivered solely through the Internet,  
23 cable television, teleconference, or mail.

24 Sec. 701a. (1) Pursuant to section 701(2)(e), state  
25 universities may establish the following degree programs:

26 (a) Bachelor's degree programs:

27 Central Michigan University, Construction Management Major,

1 B.A., B.A.A., B.S.  
 2 Central Michigan University, Music Education Major: General  
 3 Music Option: General Music Minor, B.M.E.  
 4 Central Michigan University, Real Estate: Development and  
 5 Finance Major, B.S. in Business Administration  
 6 Eastern Michigan University, International Affairs, B.A./B.S.  
 7 Ferris State University, Dental Hygiene, B.S.  
 8 Ferris State University, Digital Media Software Engineering,  
 9 B.S.  
 10 Ferris State University, Information Security and  
 11 Intelligence, B.S.  
 12 Grand Valley State University, Art History, B.A.  
 13 Michigan Technological University, Theatre and Electronic  
 14 Media Performance, B.A.  
 15 Northern Michigan University, Loss Prevention Management,  
 16 Bachelor's  
 17 Oakland University, Applied Health Sciences, B.S. in Health  
 18 Sciences  
 19 Oakland University, B.F.A. in Theatre: Acting, Musical  
 20 Theatre, Design and Technology, B.F.A.  
 21 Oakland University, Dance, B.F.A.  
 22 Oakland University, Engineering Biology, B.S.  
 23 Oakland University, Liberal Arts Major in International  
 24 Relations, B.A.  
 25 Oakland University, Social Work Program, B.S.W.  
 26 University of Michigan - Flint, Journalism, B.A.  
 27 University of Michigan - Flint, Mechanical Engineering, B.S.

1 Western Michigan University, Social Studies Secondary  
2 Education, B.A.

3 (b) Master's degree programs:

4 Central Michigan University, Apparel Product Development and  
5 Merchandising Technology, M.S.

6 Eastern Michigan University, Autism Spectrum Disorders, M.A.

7 Eastern Michigan University, English Studies for Teachers,  
8 M.A.

9 Eastern Michigan University, Health Administration, Master's

10 Ferris State University, Art Education, Master's

11 Saginaw Valley State University, E-Learning, M.A.

12 University of Michigan - Flint, B.S./M.S. in Chemistry or  
13 Biochemistry, B.S./M.S.

14 (c) Doctoral degree programs:

15 Central Michigan University, Science of Advanced Materials,  
16 Ph.D.

17 Eastern Michigan University, Educational Studies, Ph.D.

18 Oakland University, Computer Science and Informatics, Ph.D.

19 University of Michigan - Flint, Doctor of Nursing Practice,  
20 D.N.P.

21 (2) The listing of degree programs in subsection (1) does not  
22 constitute legislative intent to provide additional dollars for  
23 those programs.

24 (3) When submitting the listing of new degree programs for  
25 purposes of section 701(2)(e) in fiscal years after 2008-2009, the  
26 presidents council of state universities shall also provide a  
27 listing of degree programs that institutions of higher education

1 will no longer offer in subsequent academic years.

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

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

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

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

17       Sec. 708. The auditor general may conduct performance audits  
18 of state universities during the fiscal year ending September 30,  
19 2009 as the auditor general considers necessary.

20       Sec. 709. An institution of higher education receiving funds  
21 under this act and also subject to the student right-to-know and  
22 campus security act, Public Law 101-522, 104 Stat. 2381, shall make  
23 a copy of all material prepared pursuant to the public information  
24 reporting requirements under the crime awareness and campus  
25 security act of 1990, title II of the student right-to-know and  
26 campus security act, Public Law 101-542, 104 Stat. 2381, available  
27 in electronic Internet format on their websites.

Sec. 714. It is the intent of the legislature that an institution receiving funds under this act and also subject to the family educational rights and privacy act (FERPA), 20 USC section 1232g, 34 CFR part 99, shall, when requested, provide information from the records of a student to any person or persons to whom the student has authorized disclosure on a written consent form pursuant to 34 CFR 99.30.

#### ARTICLE 4

#### STATE AND REGIONAL PROGRAMS, GRANTS, AND FINANCIAL AID

#### PART 1

#### LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this article are appropriated for certain state purposes related to education for the fiscal year ending September 30, 2009, from the funds indicated in this part.

#### **Sec. 102. STATE AND REGIONAL PROGRAMS**

Full-time equated position ..... 1.0

Higher education database modernization and

conversion--1.0 FTE positions.....	\$	199,900
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Midwestern higher education compact.....		<u>95,100</u>
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GROSS APPROPRIATION.....	\$	295,000
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Appropriated from:

State general fund/general purpose.....	\$	295,000
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#### **Sec. 103. MARTIN LUTHER KING, JR. - CESAR CHAVEZ -**

#### **ROSA PARKS PROGRAM**

1	Select student supportive services .....	\$	1,956,000
2	Michigan college/university partnership program .....		586,900
3	Morris Hood, Jr. educator development program .....		<u>148,500</u>
4	GROSS APPROPRIATION .....	\$	2,691,400
5	Appropriated from:		
6	State general fund/general purpose .....	\$	2,691,400
7	<b>Sec. 104. GRANTS AND FINANCIAL AID</b>		
8	State competitive scholarships .....	\$	37,930,500
9	Tuition grants .....		56,668,200
10	Michigan work-study program .....		7,326,200
11	Part-time independent student program .....		2,653,400
12	Michigan education opportunity grants .....		2,084,100
13	Robert C. Byrd honors scholarship program .....		1,500,000
14	Nursing scholarship and grant programs .....		4,250,100
15	Michigan merit award program .....		5,199,900
16	Michigan promise grant program .....		90,500,100
17	Tuition incentive program .....		25,199,900
18	Children of veterans tuition grant program .....		1,000,100
19	Project gear-up .....		<u>3,000,000</u>
20	GROSS APPROPRIATION .....	\$	237,312,500
21	Appropriated from:		
22	Federal revenues:		
23	Higher education act of 1965, title IV, 20 USC .....		2,900,000
24	Higher education act of 1965, title IV, part A .....		1,500,000
25	United States department of education, office of		
26	elementary and secondary education, gear-up .....		3,000,000
27	Special revenue funds:		

1	Michigan merit award trust fund.....	115,800,000
2	Contributions to children of veterans tuition grant	
3	program .....	300,000
4	State general fund/general purpose.....	\$ 113,812,500

5 PART 2

6 PROVISIONS CONCERNING APPROPRIATIONS

7 GRANTS AND FINANCIAL AID

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

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

15 (3) If a student who receives an award under this section has  
 16 his or her tuition and fees paid under the Michigan educational  
 17 trust program, pursuant to the Michigan education trust act, 1986  
 18 PA 316, MCL 390.1421 to 390.1442, and still has financial need, the  
 19 funds awarded under this section may be used for educational  
 20 expenses other than tuition and fees.

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

1 in the maximum grant shall be proportional for all eligible  
2 students receiving awards.

3 (5) Students who receive aid under 1964 PA 208, MCL 390.971 to  
4 390.981, shall be awarded scholarships on the basis of merit and  
5 financial need. Veterans administration benefits shall not be  
6 considered in determining eligibility under 1964 PA 208, MCL  
7 390.971 to 390.981.

8 (6) It is the intent of the legislature that the maximum  
9 scholarship level established for state competitive scholarships by  
10 the Michigan higher education assistance authority for purposes of  
11 section 6 of 1964 PA 208, MCL 390.976, is at least \$1,400.00 for  
12 academic year 2008-2009.

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

16 (2) Tuition grant awards shall be made to all eligible  
17 Michigan residents who apply before July 1, 2008 and who are  
18 qualified. Tuition grant awards shall not be made to students newly  
19 enrolled in a juris doctor law degree program after the 1995-1996  
20 academic year.

21 (3) The Michigan higher education assistance authority shall  
22 determine an actual maximum tuition grant award per student that  
23 ensures that the aggregate payments for the tuition grant program  
24 do not exceed the appropriation contained in part 1 for the state  
25 tuition grant program. By December 15, 2008, and again by February  
26 1, 2009, the authority shall analyze the status of award  
27 commitments, shall make any necessary adjustments, and shall



1 confirm that those award commitments will not exceed the  
2 appropriation contained in part 1 for the tuition grant program.  
3 The determination and actions shall be reported to the state budget  
4 director and the house and senate fiscal agencies no later than  
5 February 15, 2009. If award adjustments are necessary, the students  
6 shall be notified of the adjustment by the third Monday in  
7 February.

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

12 (5) If the Michigan higher education assistance authority  
13 increases the maximum award per eligible student from that provided  
14 in the previous fiscal year, it shall not have the effect of  
15 reducing the number of eligible students receiving awards in  
16 relation to the total number of eligible applicants. Any increase  
17 in the maximum grant shall be proportional for all eligible  
18 students receiving awards for fiscal year 2008-2009.

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

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

6           (3) The Michigan higher education assistance authority shall  
7 set aside not more than 5% of the total work-study appropriation to  
8 process requests from participating institutions for allocation  
9 adjustments. Allocation adjustments shall be based on criteria set  
10 by the authority prior to making the allocations under subsection  
11 (2).

12           Sec. 307. The auditor general may audit selected enrollments,  
13 degrees, and awards at selected independent colleges and  
14 universities receiving awards administered by the department of  
15 treasury. The audits shall be based upon definitions and  
16 requirements established by the Michigan higher education  
17 assistance authority, the state budget director, and the senate and  
18 house fiscal agencies. The auditor general shall accept the Free  
19 Application for Federal Student Aid (FAFSA) form as the standard of  
20 residency documentation. The auditor general shall submit a report  
21 of findings to the senate and house appropriations committees and  
22 state budget director by May 1, 2009.

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

27           (a) For the state competitive scholarship, nursing

1 scholarship, tuition incentive, and tuition grant programs, 40%  
2 shall be paid at the beginning of the state's first fiscal quarter,  
3 40% at the beginning of the state's second fiscal quarter, 10% at  
4 the beginning of the state's third fiscal quarter, and 10% at the  
5 beginning of the state's fourth fiscal quarter.

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

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

13 (d) For the Robert C. Byrd honors scholarship program, 50%  
14 shall be paid at the beginning of the state's first fiscal quarter  
15 and 50% at the beginning of the state's second fiscal quarter.

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

22 Sec. 310. (1) The funds appropriated in part 1 for the tuition  
23 incentive program shall be distributed as provided in this section  
24 and pursuant to the administrative procedures for the tuition  
25 incentive program of the department of treasury.

26 (2) As used in this section:

27 (a) "Phase I" means the first part of the tuition incentive

1 assistance program defined as the academic period of 80 semester or  
2 120 term credits, or less, leading to an associate degree or  
3 certificate.

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

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

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

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

12 (i) Apply for certification to the department before graduating  
13 from high school or completing the general education development  
14 (GED) certificate.

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

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

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

23 (v) Request information on filing a FAFSA.

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

27 (i) Complete at least 56 transferable semester or 84

1 transferable term credits.

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

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

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

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

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

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

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

26 (d) For persons enrolled at a Michigan independent, nonprofit  
27 degree-granting college or university, or a Michigan federal

1 tribally controlled community college, or Focus: HOPE, the  
2 department shall pay mandatory fees for the current year and a per-  
3 credit payment that does not exceed the average community college  
4 in-district per-credit tuition rate as reported on August 1, for  
5 the immediately preceding academic year.

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

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

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

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

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

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

1           (10) The department shall ensure that the tuition incentive  
2 program is well publicized and that potentially eligible Medicaid  
3 clients are provided information on the program. The department  
4 shall provide the necessary funding and staff to fully operate the  
5 program.

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

11          Sec. 312. From the funds appropriated in part 1 for nursing  
12 scholarship and grant programs, the Michigan higher education  
13 assistance authority shall administer any nursing scholarship or  
14 nursing school grant programs authorized under the Michigan nursing  
15 scholarship act, 2002 PA 591, MCL 390.1181 to 390.1189.

16          Sec. 314. By December 1 of each year, the Michigan higher  
17 education assistance authority shall submit a report to the state  
18 budget director, the house and senate appropriations subcommittees  
19 on higher education, and the house and senate fiscal agencies for  
20 the preceding fiscal year on the children of veterans tuition grant  
21 program. The report shall include, but is not limited to, the total  
22 number of tuition grants paid by the authority in the preceding  
23 fiscal year, the total dollar amount of those tuition grants, and  
24 the number of students receiving tuition grants and the total  
25 amount of those tuition grants at each eligible institution.

26          Sec. 315. By January 15 of each year, the department of  
27 treasury shall submit a report to the state budget director, the

1 house and senate appropriations subcommittees on higher education,  
2 and the house and senate fiscal agencies for the preceding fiscal  
3 year on all student financial aid programs for which funds are  
4 appropriated in part 1. For each student financial aid program, the  
5 report shall include, but is not limited to, the total number of  
6 awards paid in the preceding fiscal year, the total dollar amount  
7 of those awards, and the number of students receiving awards and  
8 the total amount of those awards at each eligible postsecondary  
9 institution. To the extent information is available, the report  
10 shall also include information on the average exam performance,  
11 household income, and other demographic characteristics of students  
12 receiving awards under each program and historical information on  
13 the number of awards and total award amounts for each program.

14       Sec. 316. It is the intent of the legislature that all  
15 postsecondary institutions whose students are eligible for  
16 financial aid awards under appropriations contained in part 1  
17 collaborate with the center for educational performance and  
18 information established in section 94a of the state school aid act  
19 of 1979, 1979 PA 94, MCL 388.1694a, to develop a comprehensive  
20 preschool through postsecondary student data system that will allow  
21 analysis of student-level educational data to ensure that  
22 Michigan's education and training systems are preparing students  
23 for success in their adult careers.

#### 24    STATE AND REGIONAL PROGRAMS

25       Sec. 405. The funds appropriated in part 1 for higher  
26 education database modernization and conversion shall be expended



1 to maintain, coordinate, and improve the higher education  
2 institutional data inventory (HEIDI) established under section 1299  
3 of the management and budget act, 1984 PA 431, MCL 18.1299. The  
4 advisory committee established under that section shall meet  
5 regularly to review data definitions and requirements in order to  
6 advise the state budget director regarding changes to those  
7 definitions and requirements that would result in more useful and  
8 reliable data being provided to state policymakers and university  
9 officials.

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

11 Sec. 503. (1) Included in part 1 is funding for the Martin  
12 Luther King, Jr. - Cesar Chavez - Rosa Parks select student support  
13 services program for developing academically or economically  
14 disadvantaged student retention programs for 4-year state and  
15 independent educational institutions in this state. Preference may  
16 not be given to participants on the basis of race, color,  
17 ethnicity, gender, or national origin. Institutions should  
18 encourage participation from those who would otherwise not  
19 adequately be represented in the student population.

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

23 (3) The program described in this section shall be  
24 administered by the Michigan department of labor and economic  
25 growth.

26 Sec. 504. (1) Included in part 1 is funding for the Martin

1 Luther King, Jr. - Cesar Chavez - Rosa Parks college/university  
2 partnership program between 4-year state and independent colleges  
3 and universities and public community colleges, which is intended  
4 to increase the number of academically or economically  
5 disadvantaged students who transfer from community colleges into  
6 baccalaureate programs. Preference may not be given to participants  
7 on the basis of race, color, ethnicity, gender, or national origin.  
8 Institutions should encourage participation from those who would  
9 otherwise not adequately be represented in the transfer student  
10 population.

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

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

19 Sec. 506. (1) Included in the appropriation in part 1 is  
20 funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa  
21 Parks initiative for the Morris Hood, Jr. educator development  
22 program which is intended to increase the number of academically or  
23 economically disadvantaged students who enroll in and complete K-12  
24 teacher education programs at the baccalaureate level. Preference  
25 may not be given to participants on the basis of race, color,  
26 ethnicity, gender, or national origin. Institutions should  
27 encourage participation from those who would otherwise not

1 adequately be represented in the teacher education student  
2 population.

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

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

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, 2009 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  
17 as not being expended will be reallocated to the state institutions  
18 of higher education that intend to expend all funding received  
19 under section 503, 504, or 506.