

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4441

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, 2010; 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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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for higher education for the fiscal year ending September 30, 2010, from the funds indicated in this part.

HIGHER EDUCATION

2	GROSS APPROPRIATION.....	\$<<1,609,743,500>>
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4 Total interdepartmental grants and intradepartmental

6	ADJUSTED GROSS APPROPRIATION.....	\$<<1,609,743,500>>
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8	Total federal revenues.....	75,638,000
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10	Total local revenues	0
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11	Total private revenues.....	0
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12	Total other state restricted revenues	<<26,400,200>>
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13	State general fund/general purpose	\$<<1,507,705,300>>
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15 Sec. 102. MICHIGAN STATE UNIVERSITY

16	Operations.....	\$	291,841,700
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17	Agricultural experiment station.....	34,198,900
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18	Cooperative extension service.....	29,497,000
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19	GROSS APPROPRIATION.....	\$	355,537,600
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20 Appropriated from:

21 Federal revenues:

22 DED - state fiscal stabilization fund - education

23	(ARRA)	35,687,600
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24	State general fund/general purpose	\$	319,850,000
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1 Sec. 103. UNIVERSITY OF MICHIGAN - ANN ARBOR

2	Operations.....	\$	<u>325,347,400</u>
3	GROSS APPROPRIATION.....	\$	325,347,400
4	Appropriated from:		
5	Federal revenues:		
6	DED - state fiscal stabilization fund - education		
7	(ARRA)		8,775,400
8	State general fund/general purpose	\$	316,572,000

9 Sec. 104. WAYNE STATE UNIVERSITY

10	Operations.....	\$	<u>220,329,200</u>
11	GROSS APPROPRIATION.....	\$	220,329,200
12	Appropriated from:		
13	Federal revenues:		
14	DED - state fiscal stabilization fund - education		
15	(ARRA)		6,003,800
16	State general fund/general purpose	\$	214,325,400

17 SUBPART B - STATE UNIVERSITIES

18 Sec. 105. CENTRAL MICHIGAN UNIVERSITY

19	Operations.....	\$	<u>82,436,000</u>
20	GROSS APPROPRIATION.....	\$	82,436,000
21	Appropriated from:		
22	Federal revenues:		
23	DED - state fiscal stabilization fund - education		
24	(ARRA)		2,342,100

1	State general fund/general purpose	\$	80,093,900
2	Sec. 106. EASTERN MICHIGAN UNIVERSITY		
3	Operations	\$	<u>78,212,100</u>
4	GROSS APPROPRIATION	\$	78,212,100
5	Appropriated from:		
6	Federal revenues:		
7	DED - state fiscal stabilization fund - education		
8	(ARRA)		2,246,500
9	State general fund/general purpose	\$	75,965,600
10	Sec. 107. FERRIS STATE UNIVERSITY		
11	Operations	\$	<u>50,017,100</u>
12	GROSS APPROPRIATION	\$	50,017,100
13	Appropriated from:		
14	Federal revenues:		
15	DED - state fiscal stabilization fund - education		
16	(ARRA)		1,395,300
17	State general fund/general purpose	\$	48,621,800
18	Sec. 108. GRAND VALLEY STATE UNIVERSITY		
19	Operations	\$	<u>63,758,300</u>
20	GROSS APPROPRIATION	\$	63,758,300
21	Appropriated from:		
22	Federal revenues:		
23	DED - state fiscal stabilization fund - education		
24	(ARRA)		1,739,900

1	State general fund/general purpose	\$	62,018,400
2	Sec. 109. LAKE SUPERIOR STATE UNIVERSITY		
3	Operations.....	\$	<u>13,059,200</u>
4	GROSS APPROPRIATION.....	\$	13,059,200
5	Appropriated from:		
6	Federal revenues:		
7	DED - state fiscal stabilization fund - education		
8	(ARRA)		477,600
9	State general fund/general purpose	\$	12,581,600
10	Sec. 110. MICHIGAN TECHNOLOGICAL UNIVERSITY		
11	Operations.....	\$	<u>49,302,100</u>
12	GROSS APPROPRIATION.....	\$	49,302,100
13	Appropriated from:		
14	Federal revenues:		
15	DED - state fiscal stabilization fund - education		
16	(ARRA)		1,431,300
17	State general fund/general purpose	\$	47,870,800
18	Sec. 111. NORTHERN MICHIGAN UNIVERSITY		
19	Operations.....	\$	<u>46,438,200</u>
20	GROSS APPROPRIATION.....	\$	46,438,200
21	Appropriated from:		
22	Federal revenues:		
23	DED - state fiscal stabilization fund - education		
24	(ARRA)		1,289,300

1	State general fund/general purpose	\$	45,148,900
2	Sec. 112. OAKLAND UNIVERSITY		
3	Operations	\$	<u>52,220,800</u>
4	GROSS APPROPRIATION	\$	52,220,800
5	Appropriated from:		
6	Federal revenues:		
7	DED - state fiscal stabilization fund - education		
8	(ARRA)		1,530,100
9	State general fund/general purpose	\$	50,690,700
10	Sec. 113. SAGINAW VALLEY STATE UNIVERSITY		
11	Operations	\$	<u>28,517,700</u>
12	GROSS APPROPRIATION	\$	28,517,700
13	Appropriated from:		
14	Federal revenues:		
15	DED - state fiscal stabilization fund - education		
16	(ARRA)		807,600
17	State general fund/general purpose	\$	27,710,100
18	Sec. 114. UNIVERSITY OF MICHIGAN - DEARBORN		
19	Operations	\$	<u>25,437,100</u>
20	GROSS APPROPRIATION	\$	25,437,100
21	Appropriated from:		
22	Federal revenues:		
23	DED - state fiscal stabilization fund - education		
24	(ARRA)		733,500

1	State general fund/general purpose	\$	24,703,600
2	Sec. 115. UNIVERSITY OF MICHIGAN - FLINT		
3	Operations	\$	<u>21,498,900</u>
4	GROSS APPROPRIATION	\$	21,498,900
5	Appropriated from:		
6	Federal revenues:		
7	DED - state fiscal stabilization fund - education		
8	(ARRA)		627,200
9	State general fund/general purpose	\$	20,871,700
10	Sec. 116. WESTERN MICHIGAN UNIVERSITY		
11	Operations	\$	<u>112,766,800</u>
12	GROSS APPROPRIATION	\$	112,766,800
13	Appropriated from:		
14	Federal revenues:		
15	DED - state fiscal stabilization fund - education		
16	(ARRA)		3,150,800
17	State general fund/general purpose	\$	109,616,000
18	SUBPART C - GRANTS AND FINANCIAL AID		
19	Sec. 117. MARTIN LUTHER KING, JR. - CESAR CHAVEZ -		
20	ROSA PARKS PROGRAM		
21	Select student supportive services	\$	1,956,100
22	Michigan college/university partnership program		586,800
23	Morris Hood, Jr. educator development program		<u>148,600</u>

House Bill No. 4441 as amended June 23, 2009

1	GROSS APPROPRIATION.....	\$	2,691,500
2	Appropriated from:		
3	Federal revenues:		
4	United States department of education, office of		
5	elementary and secondary education, gear-up.....		2,691,500
6	State general fund/general purpose.....	\$	0
7	Sec. 118. GRANTS AND FINANCIAL AID		
8	State competitive scholarships.....	\$	16,300,000
9	Tuition grants.....		31,664,700
	<<Indian tuition waiver costs.....		100>>
10	Robert C. Byrd honors scholarship program.....		1,500,000
11	Nursing scholarship and grant programs.....		200,000
12	Michigan merit award program.....		100
	<<Michigan promise grant program.....		100>>
13	Tuition incentive program.....		31,200,000
14	Children of veterans tuition grant program.....		1,000,000
15	Project gear-up.....		308,500
16	GROSS APPROPRIATION.....	\$	<<82,173,500>>
17	Appropriated from:		
18	Federal revenues:		
19	Higher education act of 1965, title IV, 20 USC.....		2,900,000
20	Higher education act of 1965, title IV, part A.....		1,500,000
21	United States department of education, office of		
22	elementary and secondary education, gear-up.....		308,500
23	Special revenue funds:		
24	Michigan merit award trust fund.....		<<26,100,200>>
25	Contributions to children of veterans tuition grant		
26	program		300,000

House Bill No. 4441 as amended June 23, 2009

1 State general fund/general purpose \$ <<51,064,800>>

2 PART 2

3 PROVISIONS CONCERNING APPROPRIATIONS

4 **GENERAL SECTIONS**

5 Sec. 201. Pursuant to section 30 of article IX of the state
6 constitution of 1963, total state spending from state resources
7 under this act for fiscal year 2009-2010 is <<\$1,534,105,500.00>> and
8 state spending from state resources to be paid to local units of
9 government for fiscal year 2009-2010 is \$0.

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

13 Sec. 203. As used in this act, "research university" means a
14 public university classified as a "research university (very high
15 research activity)" under the 2005 classification of institutions
16 of higher education conducted by the Carnegie foundation for the
17 advancement of teaching.

18 Sec. 208. Unless otherwise specified, public universities
19 receiving appropriations in part 1 shall use the Internet to
20 fulfill the reporting requirements of this act. This requirement
21 may include transmission of reports via electronic mail to the
22 recipients identified for each reporting requirement, or it may
23 include placement of reports on an Internet or Intranet site.

24 Sec. 209. Funds appropriated in part 1 shall not be used for
25 the purchase of foreign goods or services, or both, if

1 competitively priced and of comparable quality American goods and
2 services, or both, are available. Preference should be given to
3 goods or services, or both, manufactured or provided by Michigan
4 businesses if they are competitively priced and of comparable
5 value. In addition, preference should be given to goods or
6 services, or both, that are manufactured or provided by Michigan
7 businesses owned and operated by veterans if they are competitively
8 priced and of comparable quality.

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

15 Sec. 212. (1) The funds appropriated in part 1 to public
16 universities shall be paid out of the state treasury and
17 distributed by the state treasurer to the respective institutions
18 in 11 equal monthly installments on the sixteenth of each month, or
19 the next succeeding business day, beginning with October 16, 2009.
20 Except for Wayne State University, each institution shall accrue
21 its July and August 2010 payments to its institutional fiscal year
22 ending June 30, 2010.

23 (2) All public universities shall submit higher education
24 institutional data inventory (HEIDI) data and associated financial
25 and program information requested by and in a manner prescribed by
26 the state budget director. For public universities with fiscal
27 years ending June 30, 2009, these data shall be submitted to the

1 state budget director by October 15, 2009. Public universities with
2 a fiscal year ending September 30, 2009 shall submit preliminary
3 HEIDI data by November 15, 2009 and final data by December 15,
4 2009. If a public university fails to submit HEIDI data and
5 associated financial aid program information in accordance with
6 this reporting schedule, the state treasurer shall withhold the
7 monthly installments under subsection (1) to the public university
8 until those data are submitted.

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

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

18 Sec. 214. If section 274 of the income tax act of 1967, 1967
19 PA 281, MCL 206.274, is not repealed and if a public university
20 that receives funds under this act notifies the department of
21 treasury regarding its tuition and fee rates in order to qualify as
22 an eligible institution for the Michigan tuition tax credit under
23 section 274 of the income tax act of 1967, 1967 PA 281, MCL
24 206.274, the public university shall also submit the notification
25 and applicable documentation of tuition and fee changes to the
26 house and senate fiscal agencies.

27 Sec. 215. A public university that receives funds under this

1 act shall furnish all program and financial information that is
2 required by and in a manner prescribed by the state budget director
3 or the house or senate appropriations committee.

4 Sec. 216. A public university receiving funds in part 1 shall
5 cooperate with all measures taken by the state to comply with the
6 state fiscal stabilization fund provisions of the American recovery
7 and reinvestment act of 2009, Public Law 111-5, requiring the
8 establishment of a statewide P-16 education longitudinal data
9 system.

10 **GRANTS AND FINANCIAL AID**

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

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

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

24 (4) If the Michigan higher education assistance authority
25 increases the maximum award per eligible student from that provided
26 in the previous fiscal year, it shall not have the effect of

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

5 (5) Students who receive aid under 1964 PA 208, MCL 390.971 to
6 390.981, shall be awarded scholarships on the basis of merit and
7 financial need. Veterans administration benefits shall not be
8 considered in determining eligibility under 1964 PA 208, MCL
9 390.971 to 390.981.

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

13 (2) Tuition grant awards shall be made to all eligible
14 Michigan residents enrolled in undergraduate degree programs who
15 apply before July 1, 2009 and who are qualified. Tuition grant
16 awards shall not be made to students newly enrolled in a juris
17 doctor law degree program after the 1995-1996 academic year.

18 (3) Subject to subsection (7), the Michigan higher education
19 assistance authority shall determine an actual maximum tuition
20 grant award per student, which shall be no less than \$2,100.00,
21 that ensures that the aggregate payments for the tuition grant
22 program do not exceed the appropriation contained in part 1 for the
23 state tuition grant program. If the authority determines that
24 insufficient funds are available to establish a maximum award
25 amount of \$2,100.00, the authority shall immediately report to the
26 house and senate appropriations subcommittees on higher education,
27 the house and senate fiscal agencies, and the state budget

1 director, regarding the estimated amount of additional funds
2 necessary to establish a \$2,100.00 maximum award amount. By
3 December 15, 2009, and again by February 1, 2010, the authority
4 shall analyze the status of award commitments, shall make any
5 necessary adjustments, and shall confirm that those award
6 commitments will not exceed the appropriation contained in part 1
7 for the tuition grant program. The determination and actions shall
8 be reported to the state budget director and the house and senate
9 fiscal agencies no later than February 15, 2010. If award
10 adjustments are necessary, the students shall be notified of the
11 adjustment by the third Monday in February.

12 (4) Any unexpended and unencumbered funds remaining on
13 September 30, 2010 from the amounts appropriated in part 1 for the
14 tuition grant program shall not lapse on September 30, 2010, but
15 shall continue to be available for expenditure for tuition grants
16 provided in the 2010-2011 fiscal year under a work project account.
17 The use of these unexpended fiscal year 2009-2010 funds shall
18 terminate at the end of the 2010-2011 fiscal year.

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

23 (6) If the Michigan higher education assistance authority
24 increases the maximum award per eligible student from that provided
25 in the previous fiscal year, it shall not have the effect of
26 reducing the number of eligible students receiving awards in
27 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 for fiscal year 2009-2010.

3 (7) The Michigan higher education assistance authority shall
4 not award more than \$3,000,000.00 in tuition grants to eligible
5 students enrolled in the same independent nonprofit college or
6 university in this state. Any decrease in the maximum grant shall
7 be proportional for all eligible students enrolled in that college
8 or university, as determined by the department.

9 Sec. 307. The auditor general may audit selected enrollments,
10 degrees, and awards at selected independent colleges and
11 universities receiving awards administered by the department of
12 treasury. The audits shall be based upon definitions and
13 requirements established by the Michigan higher education
14 assistance authority, the state budget director, and the senate and
15 house fiscal agencies. The auditor general shall accept the Free
16 Application for Federal Student Aid (FAFSA) form as the standard of
17 residency documentation. The auditor general shall submit a report
18 of findings to the senate and house appropriations committees and
19 state budget director by May 1, 2010.

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

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

1 the beginning of the state's third fiscal quarter, and 10% at the
2 beginning of the state's fourth fiscal quarter.

3 (b) For the Robert C. Byrd honors scholarship program, 50%
4 shall be paid at the beginning of the state's first fiscal quarter
5 and 50% at the beginning of the state's second fiscal quarter.

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

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

16 (2) As used in this section:

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

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

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

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

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

1 following criteria:

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

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

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

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

13 (v) Request information on filing a FAFSA.

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

17 (i) Complete at least 56 transferable semester or 84
18 transferable term credits.

19 (ii) Obtain an associate degree or certificate at a
20 participating institution.

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

27 (4) For phase I, the department shall provide payment on

1 behalf of a person eligible under subsection (3). The department
2 shall reject billings that are excessive or outside the guidelines
3 for the type of educational institution.

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

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

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

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

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

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

27 (a) Credits are earned in a 4-year program at a Michigan

1 degree-granting 4-year college or university.

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

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

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

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

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

23 Sec. 311. To enable the legislature and the state budget
24 director to evaluate the appropriation needs of higher education,
25 each independent college and university shall make available to the
26 legislature or state budget director, upon request, data regarding
27 grants for the preceding, current, and ensuing fiscal years.

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

6 Sec. 315. By February 14 of each year, the department of
7 treasury shall submit a report to the state budget director, the
8 house and senate appropriations subcommittees on higher education,
9 and the house and senate fiscal agencies for the preceding fiscal
10 year on all student financial aid programs for which funds are
11 appropriated in part 1. For each student financial aid program, the
12 report shall include, but is not limited to, the total number of
13 awards paid in the preceding fiscal year, the total dollar amount
14 of those awards, and the number of students receiving awards and
15 the total amount of those awards at each eligible postsecondary
16 institution. To the extent information is available, the report
17 shall also include information on the average exam performance,
18 household income, and other demographic characteristics of students
19 receiving awards under each program and historical information on
20 the number of awards and total award amounts for each program.

21 Sec. 316. It is the intent of the legislature that a workgroup
22 be formed to examine current state financial aid programs and make
23 recommendations regarding any changes to, additions to, or
24 consolidation of those programs to improve the overall efficacy of
25 state financial aid funding. The workgroup shall, at minimum,
26 contain members of the house and senate appropriations
27 subcommittees on higher education and representatives of the

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1 presidents council, state universities of Michigan and the
2 association of independent colleges and universities of Michigan.

<<Sec. 317. It is the intent of the legislature that if the economy improves, and additional state revenue is available, 1 of the foremost priorities for the expenditure of additional revenue in the higher education budget will be to fund Michigan tuition grants authorized under 1966 PA 313, MCL 390.991 to 390.997a.

Sec. 318. It is the intent of the legislature that if the economy improves, and additional state revenue is available, 1 of the foremost priorities for the expenditure of additional revenue in the higher education budget will be to fund the provisions of the Michigan promise grant act, 2006 PA 479, MCL 390.1621 to 390.1628.>>

3 UNIVERSITY OPERATIONS

4 Sec. 402. The University of Michigan biological station at
5 Douglas Lake in Cheboygan County is regarded as a unique resource
6 and is designated as a special research reserve. It is the intent
7 of the legislature to protect and preserve the unique long-term
8 research value and capabilities of the biological station area and

9 Douglas Lake. The legislature further intends that no state
10 programs or policies be developed that would have a deleterious
11 impact on the research value of Douglas Lake.

12 Sec. 426. It is the intent of the legislature that each public
13 university receiving an appropriation in part 1 shall establish a
14 process to review university requirements for students to acquire
15 new or revised textbooks. The policies developed for this process
16 shall include criteria for approving any change in textbook
17 requirements for students and shall prohibit any compensation to a
18 university or to a university employee if a textbook change is
19 approved. Not later than February 1, 2010, each public university
20 shall submit a report to the house and senate appropriations
21 subcommittees on higher education and the house and senate fiscal
22 agencies on its efforts to establish this textbook review process.

23 Sec. 433. (1) Included in part 1 is \$2,982,900.00 for the
24 agricultural experiment station and \$2,645,200.00 for the
25 cooperative extension service for project GREEN. Project GREEN is
26 intended to address critical regulatory, food safety, economic, and

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

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

9 (3) It is the intent of the legislature that if state funding
10 for the agricultural experiment station and the cooperative
11 extension service is restored to fiscal year 2008-2009 levels, then
12 an additional amount up to \$3,500,000.00 shall be earmarked for
13 bioeconomy research.

14 (4) Not later than September 30, 2010, a report shall be
15 submitted by Michigan State University to the state budget
16 director, the house and senate appropriations subcommittees on
17 agriculture and on higher education, and the house and senate
18 fiscal agencies for the preceding school fiscal year regarding
19 expenditures and programmatic outcomes of the agricultural
20 experiment station and cooperative extension service. The report
21 shall include, but is not limited to:

22 (a) Total funds expended by the agricultural experiment
23 station and cooperative extension service identified by state,
24 local, private, federal, and university fund sources.

25 (b) The dollar amount of each project GREEN project and a
26 review of each project's performance and accomplishments.

27 (c) The dollar amount of each bioeconomy research and

1 development project and a review of each project's performance and
2 accomplishments.

3 (d) The dollar amount and description of all other individual
4 programs and services provided by the agricultural experiment
5 station and cooperative extension service and a review of each
6 project's performance and accomplishments.

7 (e) The number of businesses created or that had increased
8 employment and the number of patents generated as a result of work
9 conducted by the agricultural experiment station and cooperative
10 extension service.

11 Sec. 434. Included in the appropriation in part 1 for Michigan
12 State University is \$80,000.00 for the Michigan future farmers of
13 America association. This \$80,000.00 appropriation shall not
14 supplant any existing support that Michigan State University
15 provides to the Michigan future farmers of America association.

16 Sec. 436. (1) The funds appropriated to public universities in
17 part 1 from the education portion of the state fiscal stabilization
18 funds received under the American recovery and reinvestment act of
19 2009, Public Law 111-5, shall be used by the public universities,
20 consistent with the provisions of that act, to mitigate the need to
21 raise tuition and fees for in-state students or for modernization,
22 renovation, or repair of facilities that are primarily used for
23 instruction, research, or student housing.

24 (2) By November 1, 2009, each public university shall submit a
25 report to the house and senate appropriations subcommittees on
26 higher education, the house and senate fiscal agencies, and the
27 state budget director specifically describing how the funds

1 appropriated from state fiscal stabilization funds will be used
2 under subsection (1). That description shall include 1, or both, of
3 the following:

4 (a) A detailed estimate of the amount by which increases in
5 in-state tuition and fee rates were mitigated using the funds
6 appropriated.

7 (b) A listing of facilities being modernized, renovated, or
8 repaired with the funds appropriated, including project dollar
9 amounts and descriptions.

10 Sec. 440. All public universities shall submit the amount of
11 tuition and fees actually charged to a full-time resident
12 undergraduate student for academic year 2009-2010 as part of their
13 higher education institutional data inventory (HEIDI) data by
14 August 31, 2009. A public university shall report any revisions for
15 any semester of the reported academic year 2009-2010 tuition and
16 fee charges to HEIDI within 15 days of being adopted.

17 Sec. 450. (1) For the fiscal year ending September 30, 2010,
18 it is the intent of the legislature that an amount calculated under
19 subsection (2) be allocated for per-student floor funding from the
20 general fund/general purpose unreserved balances at the close of
21 the 2008-2009 fiscal year.

22 (2) The amount allocated under subsection (1) for per-student
23 floor funding is equal to \$3,775.00 per 2007-2008 fiscal-year-
24 equated student at each university. The number of 2007-2008
25 students at a university is determined by reference to the higher
26 education institutional data inventory (HEIDI).

27 Sec. 460. From the amount appropriated in part 1 to Central

1 Michigan University for operations, \$29,700.00 shall be paid to
2 Saginaw Chippewa Tribal College for the costs of waiving tuition
3 for North American Indians under 1976 PA 174, MCL 390.1251 to
4 390.1253.

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

9 Sec. 464. Each public university receiving an appropriation in
10 part 1 shall submit a plan by January 15, 2010 to the state budget
11 director, the house and senate appropriations subcommittees on
12 higher education, and the house and senate fiscal agencies on its
13 process to inform both the private and public sectors regarding
14 research and technology that could be developed commercially.

15 Sec. 466. Public universities shall coordinate their purchases
16 of goods and services whenever possible. This may include, but is
17 not limited to, group purchases for vehicles, utilities, supplies,
18 electronic equipment, maintenance equipment, books, and contractual
19 services. To the extent possible, the public universities shall use
20 both the "Michigan delivering extended agreements locally" (MiDEAL)
21 purchasing services of the state department of management and
22 budget that makes state contracts available to local units of
23 government, colleges, and universities and the purchasing services
24 available through the state's membership in the Midwestern Higher
25 Education Compact (MHEC). Not later than January 1 of each year,
26 the presidents council, state universities of Michigan shall submit
27 to the members of the house and senate appropriations subcommittees

1 on higher education, the house and senate fiscal agencies, and the
2 state budget director a report on group or pooled purchases and the
3 savings achieved by the public universities in the previous
4 fiscal year.

5 Sec. 469. By November 14, 2009, each public university
6 receiving an appropriation in part 1 shall report the number of
7 undergraduate students who graduated in academic year 2008-2009 and
8 received a Pell grant at any time during their enrollment at that
9 university to the members of the house and senate appropriations
10 subcommittees on higher education, the house and senate fiscal
11 agencies, and the state budget director.

12 Sec. 471. (1) It is the intent of the legislature that each
13 public university receiving an appropriation in part 1 limit any
14 changes to the general requirements or credits needed for a student
15 to graduate from a degree program while that student is enrolled in
16 that program.

17 (2) It is the intent of the legislature that each public
18 university receiving an appropriation in part 1, to the extent
19 possible, provide sufficient counseling to students to facilitate
20 the timely graduation of those students.

21 Sec. 480. (1) It is the intent of the legislature that each
22 public university receiving an appropriation in part 1 do all of
23 the following:

24 (a) Consider all veterans residents of this state for
25 determining their tuition rates and fees.

26 (b) Establish an on-campus veterans' center to provide
27 information and assistance to all student veterans.

1 (c) Become an institutional member of the servicemembers
2 opportunity colleges consortium and participate in its programs to
3 simplify credit transfer and distance learning programs for
4 veterans.

5 (d) Provide flexible enrollment application deadlines for all
6 veterans.

7 (e) Waive enrollment application fees for all veterans.

8 (2) As used in this section, "veteran" means an honorably
9 discharged veteran of the armed forces of the United States.

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

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

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

1 energy, labor, and economic growth shall use a good faith effort
2 standard to evaluate whether a fellowship is in default.

3 Sec. 502. (1) Included in the appropriation for each public
4 university in part 1 is funding for the Martin Luther King, Jr. -
5 Cesar Chavez - Rosa Parks college day program that is intended to
6 introduce academically or economically disadvantaged schoolchildren
7 to the potential of a college education. Preference may not be
8 given to participants on the basis of race, color, ethnicity,
9 gender, or national origin. Public universities should encourage
10 participation from those who would otherwise not adequately be
11 represented in the student population.

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

22 (3) The program described in this section shall be
23 administered by each public university in a manner prescribed by
24 the Michigan department of energy, labor, and economic growth.

25 Sec. 503. (1) Included in part 1 is funding for the Martin
26 Luther King, Jr. - Cesar Chavez - Rosa Parks select student support
27 services program for developing academically or economically

1 disadvantaged student retention programs for 4-year public and
2 independent educational institutions in this state. Preference may
3 not be given to participants on the basis of race, color,
4 ethnicity, gender, or national origin. Institutions should
5 encourage participation from those who would otherwise not
6 adequately be represented in the student population.

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

10 (3) The program described in this section shall be
11 administered by the Michigan department of energy, labor, and
12 economic growth.

13 Sec. 504. (1) Included in part 1 is funding for the Martin
14 Luther King, Jr. - Cesar Chavez - Rosa Parks college/university
15 partnership program between 4-year public and independent colleges
16 and universities and public community colleges, which is intended
17 to increase the number of academically or economically
18 disadvantaged students who transfer from community colleges into
19 baccalaureate programs. Preference may not be given to participants
20 on the basis of race, color, ethnicity, gender, or national origin.
21 Institutions should encourage participation from those who would
22 otherwise not adequately be represented in the transfer student
23 population.

24 (2) The grants shall be made under the program described in
25 this section to Michigan public and independent colleges and
26 universities. An award to any 1 institution shall not be greater
27 than \$150,000.00, and the amount awarded shall be matched on a 70%

1 state, 30% college or university basis.

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

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

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

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

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

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

9 Sec. 507. Each institution receiving funds under section 503,
10 504, or 506 shall notify the Michigan department of energy, labor,
11 and economic growth by April 15, 2010 as to whether it will expend
12 by the end of its fiscal year the funds received under section 503,
13 504, or 506. Notwithstanding the award limitations in sections 503
14 and 504, the amount of funding reported as not being expended will
15 be reallocated to the institutions that intend to expend all
16 funding received under section 503, 504, or 506.

17 STUDENT PERFORMANCE REPORTING

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

24 (2) The Michigan high schools shall systematically inform the
25 public universities about the use of information received under
26 this section in a manner prescribed by the Michigan association of

1 secondary school principals in cooperation with the presidents
2 council, state universities of Michigan.

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

9 Sec. 603. Public universities shall work with the state
10 community colleges to encourage the transfer of students from the
11 community colleges to the state universities and to facilitate the
12 transfer of credits from the community colleges to the public
13 universities.

14 **GENERAL REPORTS AND AUDITS**

15 Sec. 701. (1) The auditor general shall review higher
16 education institutional data inventory (HEIDI) enrollment data
17 submitted by all public universities and may perform audits of
18 selected public universities if determined necessary. The review
19 and audits shall be based upon the definitions, requirements, and
20 uniform reporting categories established by the state budget
21 director and the house and senate fiscal agencies in consultation
22 with the HEIDI advisory committee. The auditor general shall submit
23 a report of findings to the house and senate appropriations
24 committees and the state budget director no later than July 1,
25 2010.

26 (2) Student credit hours reports shall not include the

1 following:

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

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

14 (c) Student credit hours generated through credit by
15 examination.

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

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

22 (i) Represent new options, fields, or concentrations within
23 existing programs.

24 (ii) Are consistent with the current institutional role and
25 mission.

26 (iii) Are accommodated within the continuing funding base of the
27 public university.

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

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

8 (3) The auditor general shall periodically audit higher
9 education institutional data inventory (HEIDI) data as submitted by
10 the public universities for compliance with the definitions
11 established by the state budget director in consultation with the
12 HEIDI advisory committee for the HEIDI database.

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

20 Sec. 701a. (1) Pursuant to section 701(2)(e), public
21 universities may establish the following degree programs:

22 (a) Bachelor's degree programs:
23 Central Michigan University, Photojournalism, B.A./B.S.
24 Central Michigan University, Online Journalism Major, B.A./B.S.
25 Eastern Michigan University, Sport Management, B.A./B.S.
26 Eastern Michigan University, Simulation, Animation and Gaming,
27 B.A./B.S.

- 1 Ferris State University, Business Data Analytics, B.S.
- 2 Grand Valley State University, Women and Gender Studies, B.A./B.S.
- 3 Lake Superior State University, Applied Geographic Information
- 4 Studies, B.S.
- 5 Lake Superior State University, Fish Health, B.S.
- 6 Michigan State University, Arabic, B.A.
- 7 Northern Michigan University, Art History, B.A.
- 8 Oakland University, Writing and Rhetoric, B.A.
- 9 Oakland University, Japanese, B.A.
- 10 University of Michigan - Ann Arbor, Art and Design, B.A.
- 11 University of Michigan - Dearborn, Social Studies Major, B.A.
- 12 Western Michigan University, Community and Regional Planning, B.S.
- 13 Western Michigan University, Child and Family Development, B.S.

14 (b) Master's degree programs:

- 15 Ferris State University, Educational Leadership, M.S.
- 16 Michigan State University, Business Research, M.S.
- 17 University of Michigan - Ann Arbor, Robotics and Autonomous
- 18 Vehicles, Master of Engineering
- 19 University of Michigan - Flint, Art Administration, M.A.
- 20 Western Michigan University, Criminology, Law and Public Policy,
- 21 M.A.
- 22 Western Michigan University, Music, M.A.

23 (c) Doctoral degree programs:

- 24 Grand Valley State University, Doctor of Nursing Practice, D.N.P.
- 25 Oakland University, Electrical and Computer Engineering, Ph.D.
- 26 University of Michigan - Dearborn, Information Systems Engineering,
- 27 Ph.D.

1 University of Michigan - Dearborn, Automotive Systems Engineering,
2 Ph.D.

3 University of Michigan - Dearborn, Doctorate in Education, Ed.D.

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), the presidents council of state
9 universities shall also provide a listing of degree programs that
10 institutions of higher education will no longer offer in subsequent
11 academic years.

12 Sec. 702. The principal executive officer of each public
13 university receiving an appropriation under part 1 shall expend a
14 portion of the funds appropriated to that public university to make
15 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 public university's report shall specify all of
19 the following:

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

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

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

1 Sec. 708. The auditor general may conduct performance audits
2 of public universities receiving funds in part 1 during the fiscal
3 year ending September 30, 2010 as the auditor general considers
4 necessary.

5 Sec. 709. A public university receiving funds under part 1 and
6 also subject to the student right-to-know and campus security act,
7 Public Law 101-542, 104 Stat. 2381, shall make a copy of all
8 material prepared pursuant to the public information reporting
9 requirements under the crime awareness and campus security act of
10 1990, title II of the student right-to-know and campus security
11 act, Public Law 101-542, 104 Stat. 2381, available in electronic
12 Internet format on their websites.

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