

SUBSTITUTE FOR
SENATE BILL NO. 1157

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, 2011; 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, 2011, from the funds indicated in this part.

1 **HIGHER EDUCATION**

2 APPROPRIATION SUMMARY

3 Full-time equated classified positions..... 1.0

4 GROSS APPROPRIATION..... \$ 1,569,438,500

5 Interdepartmental grant revenues:

6 Total interdepartmental grants and intradepartmental

7 transfers 0

8 ADJUSTED GROSS APPROPRIATION..... \$ 1,569,438,500

9 Federal revenues:

10 Total federal revenues..... 11,800,000

11 Special revenue funds:

12 Total local revenues..... 0

13 Total private revenues..... 0

14 Total other state restricted revenues..... 30,400,000

15 State general fund/general purpose..... \$ 1,527,238,500

16 **SUBPART A - RESEARCH UNIVERSITIES**

17 **Sec. 102. MICHIGAN STATE UNIVERSITY**

18 Operations..... \$ 282,692,500

19 Agricultural experiment station..... 33,126,700

20 Cooperative extension service..... 28,572,200

21 GROSS APPROPRIATION..... \$ 344,391,400

22 Appropriated from:

23 State general fund/general purpose..... \$ 344,391,400

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

25 Operations..... \$ 315,147,800

1	GROSS APPROPRIATION.....	\$	315,147,800
2	Appropriated from:		
3	State general fund/general purpose.....	\$	315,147,800
4	Sec. 104. WAYNE STATE UNIVERSITY		
5	Operations.....	\$	<u>213,421,900</u>
6	GROSS APPROPRIATION.....	\$	213,421,900
7	Appropriated from:		
8	State general fund/general purpose.....	\$	213,421,900
9	SUBPART B - STATE UNIVERSITIES		
10	Sec. 105. CENTRAL MICHIGAN UNIVERSITY		
11	Operations.....	\$	<u>79,851,600</u>
12	GROSS APPROPRIATION.....	\$	79,851,600
13	Appropriated from:		
14	State general fund/general purpose.....	\$	79,851,600
15	Sec. 106. EASTERN MICHIGAN UNIVERSITY		
16	Operations.....	\$	<u>75,760,200</u>
17	GROSS APPROPRIATION.....	\$	75,760,200
18	Appropriated from:		
19	State general fund/general purpose.....	\$	75,760,200
20	Sec. 107. FERRIS STATE UNIVERSITY		
21	Operations.....	\$	<u>48,449,100</u>
22	GROSS APPROPRIATION.....	\$	48,449,100
23	Appropriated from:		
24	State general fund/general purpose.....	\$	48,449,100
25	Sec. 108. GRAND VALLEY STATE UNIVERSITY		

1	Operations.....	\$ <u>61,759,500</u>
2	GROSS APPROPRIATION.....	\$ 61,759,500
3	Appropriated from:	
4	State general fund/general purpose.....	\$ 61,759,500
5	Sec. 109. LAKE SUPERIOR STATE UNIVERSITY	
6	Operations.....	\$ <u>12,649,800</u>
7	GROSS APPROPRIATION.....	\$ 12,649,800
8	Appropriated from:	
9	State general fund/general purpose.....	\$ 12,649,800
10	Sec. 110. MICHIGAN TECHNOLOGICAL UNIVERSITY	
11	Operations.....	\$ <u>47,756,500</u>
12	GROSS APPROPRIATION.....	\$ 47,756,500
13	Appropriated from:	
14	State general fund/general purpose.....	\$ 47,756,500
15	Sec. 111. NORTHERN MICHIGAN UNIVERSITY	
16	Operations.....	\$ <u>44,982,400</u>
17	GROSS APPROPRIATION.....	\$ 44,982,400
18	Appropriated from:	
19	State general fund/general purpose.....	\$ 44,982,400
20	Sec. 112. OAKLAND UNIVERSITY	
21	Operations.....	\$ <u>50,583,700</u>
22	GROSS APPROPRIATION.....	\$ 50,583,700
23	Appropriated from:	
24	State general fund/general purpose.....	\$ 50,583,700
25	Sec. 113. SAGINAW VALLEY STATE UNIVERSITY	
26	Operations.....	\$ <u>27,623,700</u>
27	GROSS APPROPRIATION.....	\$ 27,623,700

1	Appropriated from:	
2	State general fund/general purpose	\$ 27,623,700
3	Sec. 114. UNIVERSITY OF MICHIGAN - DEARBORN	
4	Operations.....	\$ <u>24,639,700</u>
5	GROSS APPROPRIATION.....	\$ 24,639,700
6	Appropriated from:	
7	State general fund/general purpose	\$ 24,639,700
8	Sec. 115. UNIVERSITY OF MICHIGAN - FLINT	
9	Operations.....	\$ <u>20,824,900</u>
10	GROSS APPROPRIATION.....	\$ 20,824,900
11	Appropriated from:	
12	State general fund/general purpose	\$ 20,824,900
13	Sec. 116. WESTERN MICHIGAN UNIVERSITY	
14	Operations.....	\$ <u>109,231,600</u>
15	GROSS APPROPRIATION.....	\$ 109,231,600
16	Appropriated from:	
17	State general fund/general purpose	\$ 109,231,600
18	SUBPART C - GRANTS AND FINANCIAL AID	
19	Sec. 117. STATE AND REGIONAL PROGRAMS	
20	Full-time equated positions	1.0
21	Higher education database modernization and	
22	conversion--1.0 FTE position	\$ 105,000
23	Midwestern higher education compact.....	<u>95,000</u>
24	GROSS APPROPRIATION.....	\$ 200,000
25	Appropriated from:	

1	State general fund/general purpose	\$	200,000
2	Sec. 118. MARTIN LUTHER KING, JR. - CESAR CHAVEZ -		
3	ROSA PARKS PROGRAM		
4	Select student supportive services	\$	1,956,100
5	Michigan college/university partnership program		586,800
6	Morris Hood, Jr. educator development program		<u>148,600</u>
7	GROSS APPROPRIATION	\$	2,691,500
8	Appropriated from:		
9	State general fund/general purpose	\$	2,691,500
10	Sec. 119. GRANTS AND FINANCIAL AID		
11	State competitive scholarships	\$	16,208,500
12	Tuition grants		31,664,700
13	Robert C. Byrd honors scholarship program		1,500,000
14	Tuition incentive program		37,400,000
15	Children of veterans and officer's survivor tuition		
16	grant programs		1,200,000
17	Project gear-up		<u>1,500,000</u>
18	GROSS APPROPRIATION	\$	89,473,200
19	Appropriated from:		
20	Federal revenues:		
21	Higher education act of 1965, title IV, 20 USC		1,500,000
22	Higher education act of 1965, title IV, part A		1,500,000
23	United States department of education, office of		
24	elementary and secondary education, gear-up		1,500,000
25	Temporary assistance for needy families		7,300,000
26	Special revenue funds:		
27	Michigan merit award trust fund		30,100,000

1	Contributions to children of veterans tuition grant	
2	program	300,000
3	State general fund/general purpose	\$ 47,273,200

4 PART 2

5 PROVISIONS CONCERNING APPROPRIATIONS

6 **GENERAL SECTIONS**

7 Sec. 201. Pursuant to section 30 of article IX of the state
 8 constitution of 1963, total state spending from state resources
 9 under this act for fiscal year 2010-2011 is \$1,557,638,500.00 and
 10 state spending from state resources to be paid to local units of
 11 government for fiscal year 2010-2011 is \$0.

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

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

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

1 Sec. 209. Funds appropriated in part 1 shall not be used for
2 the purchase of foreign goods or services, or both, if
3 competitively priced and of comparable quality American goods and
4 services, or both, are available. Preference shall be given to
5 goods or services, or both, manufactured or provided by Michigan
6 businesses if they are competitively priced and of comparable
7 value. In addition, preference shall be given to goods or services,
8 or both, that are manufactured or provided by Michigan businesses
9 owned and operated by veterans if they are competitively priced and
10 of comparable quality.

11 Sec. 210. It is the intent of the legislature that the funds
12 appropriated in part 1 to state institutions of higher education
13 shall not be used to enter into a lease or to purchase a vehicle
14 assembled or manufactured outside of the United States if
15 competitively priced and comparable quality vehicles made in this
16 state or elsewhere in the United States are available.

17 Sec. 212. (1) The funds appropriated in part 1 to public
18 universities shall be paid out of the state treasury and
19 distributed by the state treasurer to the respective institutions
20 in 11 equal monthly installments on the sixteenth of each month, or
21 the next succeeding business day, beginning with October 16, 2010.
22 Except for Wayne State University, each institution shall accrue
23 its July and August 2011 payments to its institutional fiscal year
24 ending June 30, 2011.

25 (2) All public universities shall submit higher education
26 institutional data inventory (HEIDI) data and associated financial
27 and program information requested by and in a manner prescribed by

1 the state budget director. For public universities with fiscal
2 years ending June 30, 2010, these data shall be submitted to the
3 state budget director by October 15, 2010. Public universities with
4 a fiscal year ending September 30, 2010 shall submit preliminary
5 HEIDI data by November 15, 2010 and final data by December 15,
6 2010. If a public university fails to submit HEIDI data and
7 associated financial aid program information in accordance with
8 this reporting schedule, the state treasurer shall withhold the
9 monthly installments under subsection (1) to the public university
10 until those data are submitted.

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

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

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

1 house and senate fiscal agencies.

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

6 Sec. 216. A public university receiving funds in part 1 shall
7 cooperate with all measures taken by the state to establish a
8 statewide P-20 education longitudinal data system to comply with
9 the state fiscal stabilization fund provisions of the American
10 recovery and reinvestment act of 2009, Public Law 111-5.

11 **GRANTS AND FINANCIAL AID**

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

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

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

25 (4) If the Michigan higher education assistance authority
26 increases the maximum award per eligible student from that provided

1 in the previous fiscal year, it shall not have the effect of
2 reducing the number of eligible students receiving awards in
3 relation to the total number of eligible applicants. Any increase
4 in the maximum grant shall be proportional for all eligible
5 students receiving awards.

6 (5) Veterans administration benefits shall not be considered
7 in determining eligibility for the award of scholarships under 1964
8 PA 208, MCL 390.971 to 390.981.

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

12 (2) Tuition grant awards shall be made to all eligible
13 Michigan residents enrolled in undergraduate degree programs who
14 apply before July 1, 2010 and who are qualified. Tuition grant
15 awards shall not be made to students newly enrolled in a juris
16 doctor law degree program after the 1995-1996 academic year.

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

1 necessary to establish a \$2,100.00 maximum award amount. By
2 December 15, 2010, and again by February 1, 2011, the authority
3 shall analyze the status of award commitments, shall make any
4 necessary adjustments, and shall confirm that those award
5 commitments will not exceed the appropriation contained in part 1
6 for the tuition grant program. The determination and actions shall
7 be reported to the state budget director and the house and senate
8 fiscal agencies no later than February 15, 2011. If award
9 adjustments are necessary, the students shall be notified of the
10 adjustment by the third Monday in February.

11 (4) Any unexpended and unencumbered funds remaining on
12 September 30, 2011 from the amounts appropriated in part 1 for the
13 tuition grant program shall not lapse on September 30, 2011, but
14 shall continue to be available for expenditure for tuition grants
15 provided in the 2011-2012 fiscal year under a work project account.
16 The use of these unexpended fiscal year 2010-2011 funds shall
17 terminate at the end of the 2011-2012 fiscal year.

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

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

1 students receiving awards for fiscal year 2010-2011.

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

8 Sec. 307. The auditor general may audit selected enrollments,
9 degrees, and awards at selected independent colleges and
10 universities receiving awards administered by the department of
11 treasury. The audits shall be based upon definitions and
12 requirements established by the Michigan higher education
13 assistance authority, the state budget director, and the senate and
14 house fiscal agencies. The auditor general shall accept the Free
15 Application for Federal Student Aid (FAFSA) form as the standard of
16 residency documentation. The auditor general shall submit a report
17 of findings to the senate and house appropriations committees and
18 state budget director by May 1, 2011.

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

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

1 fourth fiscal quarter.

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

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

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

15 (2) As used in this section:

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

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

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

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

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

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

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

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

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

12 (v) Request information on filing a FAFSA.

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

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

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

20 (c) To be eligible for phase I or phase II, a person must not
21 be incarcerated and must be financially eligible as determined by
22 the department. A person is financially eligible for the tuition
23 incentive program if that person was Medicaid eligible for 24
24 months within the 36 months before application. Certification of
25 eligibility may begin in the sixth grade.

26 (4) For phase I, the department shall provide payment on
27 behalf of a person eligible under subsection (3). The department

1 shall reject billings that are excessive or outside the guidelines
2 for the type of educational institution.

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

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

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

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

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

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

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

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

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

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

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

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

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

27 Sec. 315. By February 15 of each year, the department of

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

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

20 Sec. 319. It is the intent of the legislature that if the
21 economy improves, and additional state revenue is available, 1 of
22 the foremost priorities for the expenditure of additional revenue
23 in the higher education budget will be to fund the state
24 competitive scholarship program established in 1964 PA 208, MCL
25 390.971 to 390.981.

26 **UNIVERSITY OPERATIONS**

1 Sec. 402. The University of Michigan biological station at
2 Douglas Lake in Cheboygan County is regarded as a unique resource
3 and is designated as a special research reserve. It is the intent
4 of the legislature to protect and preserve the unique long-term
5 research value and capabilities of the biological station area and
6 Douglas Lake. The legislature further intends that no state
7 programs or policies be developed that would have a deleterious
8 impact on the research value of Douglas Lake.

9 Sec. 426. (1) It is the intent of the legislature that each
10 public university shall develop policies for minimizing the cost of
11 textbooks and course materials used at the university while
12 maintaining quality of education and academic freedom. These
13 policies should require all of the following:

14 (a) That faculty members submit lists of required textbooks
15 and course materials for university review.

16 (b) That faculty members consider the least costly practices
17 in assigning textbooks and course materials, such as adopting the
18 least expensive edition of a textbook available when educational
19 content is comparable to a more costly edition.

20 (c) That the university review any potential financial
21 conflict of interest that may occur if a faculty member requires
22 the purchase of any textbooks or course materials he or she has
23 written.

24 (2) By February 1, 2011, each public university shall submit a
25 report to the house and senate appropriations subcommittees on
26 higher education and the house and senate fiscal agencies on the
27 policies developed pursuant to this section.

1 Sec. 433. (1) Included in part 1 is \$2,982,900.00 for the
2 agricultural experiment station and \$2,645,200.00 for the
3 cooperative extension service for project GREEN. Project GREEN is
4 intended to address critical regulatory, food safety, economic, and
5 environmental problems faced by this state's plant-based
6 agriculture, forestry, and processing industries. "GREEN" is an
7 acronym for generating research and extension to meet environmental
8 and economic needs.

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

13 (3) Not later than September 30, 2011, a report shall be
14 submitted by Michigan State University to the state budget
15 director, the house and senate appropriations subcommittees on
16 agriculture and on higher education, and the house and senate
17 fiscal agencies for the preceding school fiscal year regarding
18 expenditures and programmatic outcomes of the agricultural
19 experiment station and cooperative extension service. The report
20 shall include, but is not limited to:

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

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

26 (c) The dollar amount of each bioeconomy research and
27 development project and a review of each project's performance and

1 accomplishments.

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

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

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

15 Sec. 440. All public universities shall submit the amount of
16 tuition and fees actually charged to a full-time resident
17 undergraduate student for academic year 2010-2011 as part of their
18 higher education institutional data inventory (HEIDI) data by
19 August 31, 2010. A public university shall report any revisions for
20 any semester of the reported academic year 2010-2011 tuition and
21 fee charges to HEIDI within 15 days of being adopted.

22 Sec. 450. (1) For the fiscal year ending September 30, 2011,
23 it is the intent of the legislature that an amount calculated under
24 subsection (2) be allocated for per-student floor funding from the
25 general fund/general purpose unreserved balances at the close of
26 the 2009-2010 fiscal year.

27 (2) The amount allocated under subsection (1) for per-student

1 floor funding is equal to \$3,775.00 per 2008-2009 fiscal-year-
2 equated student at each university. The number of 2008-2009
3 students at a university is determined by reference to the higher
4 education institutional data inventory (HEIDI).

5 Sec. 460. From the amount appropriated in part 1 to Central
6 Michigan University for operations, \$29,700.00 shall be paid to
7 Saginaw Chippewa Tribal College for the costs of waiving tuition
8 for North American Indians under 1976 PA 174, MCL 390.1251 to
9 390.1253.

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

14 Sec. 464. Each public university receiving an appropriation in
15 part 1 shall submit a plan by January 15, 2011 to the state budget
16 director, the house and senate appropriations subcommittees on
17 higher education, and the house and senate fiscal agencies on its
18 process to inform both the private and public sectors regarding
19 research and technology that could be developed commercially.

20 Sec. 466. Public universities shall coordinate their purchases
21 of goods and services whenever possible. This may include, but is
22 not limited to, group purchases for vehicles, utilities, supplies,
23 electronic equipment, maintenance equipment, books, and contractual
24 services. To the extent possible, the public universities shall use
25 both the "Michigan delivering extended agreements locally" (MiDEAL)
26 purchasing services of the state department of technology,
27 management, and budget that makes state contracts available to

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

11 Sec. 469. By November 14, 2010, each public university
12 receiving an appropriation in part 1 shall report the number of
13 undergraduate students who graduated in academic year 2009-2010 and
14 received a Pell grant at any time during their enrollment at that
15 university to the members of the house and senate appropriations
16 subcommittees on higher education, the house and senate fiscal
17 agencies, and the state budget director.

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

21 (a) Meet the provisions of section 5003 of the post-911
22 veterans educational assistance act of 2008, title V of Public Law
23 110-252, 38 USC 3301 to 3324, including voluntary participation in
24 the yellow ribbon GI education enhancement program established in
25 that act in 38 USC 3317. By October 1 of each year, each public
26 university shall report to the house and senate appropriations
27 subcommittees on higher education, the house and senate fiscal

1 agencies, and the presidents council, state universities of
2 Michigan on whether or not it has chosen to participate in the
3 yellow ribbon GI education enhancement program. If at any time
4 during the fiscal year a university participating in the yellow
5 ribbon program chooses to leave the yellow ribbon program, it shall
6 notify the house and senate appropriations subcommittees on higher
7 education, the house and senate fiscal agencies, and the presidents
8 council, state universities of Michigan.

9 (b) Establish an on-campus veterans' liaison to provide
10 information and assistance to all student veterans.

11 (c) Provide flexible enrollment application deadlines for all
12 veterans.

13 (2) As used in this section, "veteran" means an honorably
14 discharged veteran entitled to educational assistance under the
15 provisions of section 5003 of the post-911 veterans educational
16 assistance act of 2008, title V of Public Law 110-252, 38 USC 3301
17 to 3324.

18 Sec. 482. It is the intent of the legislature that each public
19 university receiving an appropriation in part 1 shall submit a
20 report by November 1, 2010 to the house and senate appropriations
21 subcommittees on higher education and to the house and senate
22 fiscal agencies, on the university's use of competitive bid
23 processes for the procurement of services, including, but not
24 limited to, custodial and food services.

25 Sec. 484. It is the intent of the legislature that each public
26 university that has received a donation of human embryos that is
27 subject to section 27 of article I of the state constitution of

Senate Bill No. 1157 as amended March 23, 2010

1 1963, or that is conducting ongoing research using human embryonic
 2 stem cells derived from donated human embryos pursuant to section
 3 27 of article I of the state constitution of 1963, shall submit a
 4 report to the director of the department of community health by
 5 December 1, 2010 that includes all of the following:

6 (a) The number of human embryos and the number of human embryo
 7 stem cell lines received by the university during fiscal year 2009-
 8 2010.

9 (b) The number of human embryos utilized for research purposes
 10 during fiscal year 2009-2010.

11 (c) The number of human embryo stem cell lines created from
 12 the embryos received during fiscal year 2009-2010.

13 (d) The number of donated human embryos being held in storage
 14 by the university as of September 30, 2010.

15 (e) The number of research projects using human embryonic stem
 16 cells derived from donated embryos being conducted by the
 17 university.

<<Sec. 486. It is the intent of the legislature that each
 public university shall submit a report to the house and senate
 appropriations committees by October 15, 2010, on the university's
 efforts to accommodate the sincerely held religious beliefs of
 students enrolled in counseling degree programs at the university.>>

STATE AND REGIONAL PROGRAMS

18 Sec. 490. The funds appropriated in part 1 for higher
 19 education database modernization and conversion shall be expended
 20 to maintain, coordinate, and improve the higher education
 21 institutional data inventory (HEIDI) established under section 1299
 22 of the management and budget act, 1984 PA 431, MCL 18.1299. The
 23 advisory committee established under that section shall meet
 24 regularly to review data definitions and requirements in order to
 25 advise the state budget director regarding changes to those
 26 S05892'10 (S-1)

1 definitions and requirements that would result in more useful and
2 reliable data being provided to state policymakers and university
3 officials.

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

5 Sec. 501. (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 future faculty program that is intended
8 to increase the pool of academically or economically disadvantaged
9 candidates pursuing faculty teaching careers in postsecondary
10 education. Preference may not be given to applicants on the basis
11 of race, color, ethnicity, gender, or national origin. Institutions
12 should encourage applications from applicants who would otherwise
13 not adequately be represented in the graduate student and faculty
14 populations. Each public university shall apply the percentage
15 change applicable to every public university in the calculation of
16 appropriations in part 1 to the amount of funds allocated to the
17 future faculty program.

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

23 Sec. 502. (1) Included in the appropriation for each public
24 university in part 1 is funding for the Martin Luther King, Jr. -
25 Cesar Chavez - Rosa Parks college day program that is intended to
26 introduce academically or economically disadvantaged schoolchildren

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

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

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

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

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

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

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

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

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

26 Sec. 505. (1) Included in the appropriation for each public
27 university in part 1 is funding for the Martin Luther King, Jr. -

1 Cesar Chavez - Rosa Parks visiting professors program which is
2 intended to increase the number of instructors in the classroom to
3 provide role models for academically or economically disadvantaged
4 students. Preference may not be given to participants on the basis
5 of race, color, ethnicity, gender, or national origin. Public
6 universities should encourage participation from those who would
7 otherwise not adequately be represented in the student population.

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

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

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

26 (3) Approved teacher education institutions may and are
27 encouraged to use student support services funding in coordination

1 with the Morris Hood, Jr. funding to achieve the goals of the
2 program described in this section.

3 Sec. 507. Each institution receiving funds under section 503,
4 504, or 506 shall notify the Michigan department of energy, labor,
5 and economic growth by April 15, 2011 as to whether it will expend
6 by the end of its fiscal year the funds received under section 503,
7 504, or 506. Notwithstanding the award limitations in sections 503
8 and 504, the amount of funding reported as not being expended will
9 be reallocated to the institutions that intend to expend all
10 funding received under section 503, 504, or 506.

11 **STUDENT PERFORMANCE REPORTING**

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

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

23 Sec. 602. From the amount appropriated in part 1, the public
24 universities shall inform Michigan community colleges regarding the
25 academic status of community college transfer students in a manner
26 prescribed by the presidents council, state universities of

1 Michigan in cooperation with the Michigan community college
2 association.

3 Sec. 603. Public universities shall work with the state
4 community colleges to encourage the transfer of students from the
5 community colleges to the state universities and to facilitate the
6 transfer of credits from the community colleges to the public
7 universities.

8 **GENERAL REPORTS AND AUDITS**

9 Sec. 701. (1) The auditor general shall review higher
10 education institutional data inventory (HEIDI) enrollment data
11 submitted by all public universities and may perform audits of
12 selected public universities if determined necessary. The review
13 and audits shall be based upon the definitions, requirements, and
14 uniform reporting categories established by the state budget
15 director and the house and senate fiscal agencies in consultation
16 with the HEIDI advisory committee. The auditor general shall submit
17 a report of findings to the house and senate appropriations
18 committees and the state budget director no later than July 1,
19 2011.

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

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

26 (b) Student credit hours generated through distance learning

1 instruction for students not eligible for the public university's
2 in-state main campus resident tuition rate. However, in instances
3 where a student is enrolled in distance education and non-distance
4 education credit hours in a given term and the student's non-
5 distance education enrollment is at a campus or site located within
6 Michigan, student credit hours per the student's eligibility for
7 in-state or out-of-state tuition rates may be reported.

8 (c) Student credit hours generated through credit by
9 examination.

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

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

16 (i) Represent new options, fields, or concentrations within
17 existing programs.

18 (ii) Are consistent with the current institutional role and
19 mission.

20 (iii) Are accommodated within the continuing funding base of the
21 public university.

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

25 (v) Do not require funding from the state other than that
26 provided by the student credit hours generated within the program,
27 either before program initiation or within the first 3 years of

1 program operation.

2 (3) The auditor general shall periodically audit higher
3 education institutional data inventory (HEIDI) data as submitted by
4 the public universities for compliance with the definitions
5 established by the state budget director in consultation with the
6 HEIDI advisory committee for the HEIDI database.

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

14 Sec. 702. The principal executive officer of each public
15 university receiving an appropriation under part 1 shall expend a
16 portion of the funds appropriated to that public university to make
17 a report to the auditor general, the house and senate fiscal
18 agencies, and the state budget director within 60 days after the
19 auditor general issues his or her report on the operation of the
20 institution. The public university's report shall specify all of
21 the following:

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

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

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

3 Sec. 708. The auditor general may conduct performance audits
4 of public universities receiving funds in part 1 during the fiscal
5 year ending September 30, 2011 as the auditor general considers
6 necessary.

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

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