

# SENATE BILL NO. 545

October 08, 2019, Introduced by Senator STAMAS and referred to the Committee on Appropriations.

A bill to amend 1979 PA 94, entitled "The state school aid act of 1979," by amending sections 236 and 252 (MCL 388.1836 and 388.1852), section 236 as amended by 2019 PA 62 and section 252 as amended by 2018 PA 265.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 236. (1) Subject to the conditions set forth in this  
2 article, the amounts listed in this section are appropriated for  
3 higher education for the fiscal year ending September 30, 2020,  
4 from the funds indicated in this section. The following is a

1 summary of the appropriations in this section:

2 (a) The gross appropriation is ~~\$1,685,545,000.00.~~  
3 **\$1,685,395,000.00.** After deducting total interdepartmental grants  
4 and intradepartmental transfers in the amount of \$0.00, the  
5 adjusted gross appropriation is  
6 ~~\$1,685,545,000.00.~~ **\$1,685,395,000.00.**

7 (b) The sources of the adjusted gross appropriation described  
8 in subdivision (a) are as follows:

9 (i) Total federal revenues, \$128,026,400.00.

10 (ii) Total local revenues, \$0.00.

11 (iii) Total private revenues, \$0.00.

12 (iv) Total other state restricted revenues, \$349,419,300.00.

13 (v) State general fund/general purpose money,

14 ~~\$1,208,099,300.00.~~ **\$1,207,949,300.00.**

15 (2) Amounts appropriated for public universities are as  
16 follows:

17 (a) The appropriation for Central Michigan University is  
18 \$89,227,800.00, \$87,096,900.00 for operations, \$532,800.00 for  
19 performance funding, and \$1,598,100.00 for costs incurred under the  
20 North American Indian tuition waiver.

21 (b) The appropriation for Eastern Michigan University is  
22 \$77,556,000.00, \$76,816,500.00 for operations, \$437,200.00 for  
23 performance funding, and \$302,300.00 for costs incurred under the  
24 North American Indian tuition waiver.

25 (c) The appropriation for Ferris State University is  
26 \$56,032,800.00, \$54,732,400.00 for operations, \$293,100.00 for  
27 performance funding, and \$1,007,300.00 for costs incurred under the  
28 North American Indian tuition waiver.

29 (d) The appropriation for Grand Valley State University is

1 \$73,388,500.00, \$71,780,400.00 for operations, \$533,100.00 for  
2 performance funding, and \$1,075,000.00 for costs incurred under the  
3 North American Indian tuition waiver.

4 (e) The appropriation for Lake Superior State University is  
5 \$14,361,000.00, \$13,349,300.00 for operations, \$57,700.00 for  
6 performance funding, and \$954,000.00 for costs incurred under the  
7 North American Indian tuition waiver.

8 (f) The appropriation for Michigan State University is  
9 \$353,872,800.00, \$285,805,100.00 for operations, \$1,526,600.00 for  
10 performance funding, \$1,467,700.00 for costs incurred under the  
11 North American Indian tuition waiver, \$34,937,300.00 for MSU  
12 AgBioResearch, and \$30,136,100.00 for MSU Extension.

13 (g) The appropriation for Michigan Technological University is  
14 \$50,568,100.00, \$49,835,300.00 for operations, \$266,300.00 for  
15 performance funding, and \$466,500.00 for costs incurred under the  
16 North American Indian tuition waiver.

17 (h) The appropriation for Northern Michigan University is  
18 \$48,909,100.00, \$47,576,200.00 for operations, \$232,900.00 for  
19 performance funding, and \$1,100,000.00 for costs incurred under the  
20 North American Indian tuition waiver.

21 (i) The appropriation for Oakland University is \$53,432,500,  
22 \$52,719,900.00 for operations, \$427,500.00 for performance funding,  
23 and \$285,100.00 for costs incurred under the North American Indian  
24 tuition waiver.

25 (j) The appropriation for Saginaw Valley State University is  
26 \$30,807,700.00, \$30,456,500.00 for operations, \$127,300.00 for  
27 performance funding, and \$223,900.00 for costs incurred under the  
28 North American Indian tuition waiver.

29 (k) The appropriation for University of Michigan - Ann Arbor

1 is \$322,773,600.00, \$320,255,800.00 for operations, \$1,714,300.00  
2 for performance funding, and \$803,500.00 for costs incurred under  
3 the North American Indian tuition waiver.

4 (l) The appropriation for University of Michigan - Dearborn is  
5 \$26,327,200.00, \$25,986,400.00 for operations, \$180,600.00 for  
6 performance funding, and \$160,200.00 for costs incurred under the  
7 North American Indian tuition waiver.

8 (m) The appropriation for University of Michigan - Flint is  
9 \$23,893,200.00, \$23,493,800.00 for operations, \$122,400.00 for  
10 performance funding, and \$277,000.00 for costs incurred under the  
11 North American Indian tuition waiver.

12 (n) The appropriation for Wayne State University is  
13 \$203,413,900.00, \$202,112,700.00 for operations, \$884,000.00 for  
14 performance funding, and \$417,200.00 for costs incurred under the  
15 North American Indian tuition waiver.

16 (o) The appropriation for Western Michigan University is  
17 \$112,290,100.00, \$110,976,000.00 for operations, \$546,200.00 for  
18 performance funding, and \$767,900.00 for costs incurred under the  
19 North American Indian tuition waiver.

20 (3) The amount appropriated in subsection (2) for public  
21 universities is \$1,536,854,300.00, appropriated from the following:

22 (a) State school aid fund, \$343,168,300.00.

23 (b) State general fund/general purpose money,  
24 \$1,193,686,000.00.

25 (4) The amount appropriated for Michigan public school  
26 employees' retirement system reimbursement is \$5,017,000.00,  
27 appropriated from the state school aid fund.

28 (5) The amount appropriated for state and regional programs is  
29 \$315,000.00, appropriated from general fund/general purpose money

1 and allocated as follows:

2 (a) Higher education database modernization and conversion,  
3 \$200,000.00.

4 (b) Midwestern Higher Education Compact, \$115,000.00.

5 (6) The amount appropriated for the Martin Luther King, Jr. -  
6 Cesar Chavez - Rosa Parks program is \$2,691,500.00, appropriated  
7 from general fund/general purpose money and allocated as follows:

8 (a) Select student support services, \$1,956,100.00.

9 (b) Michigan college/university partnership program,  
10 \$586,800.00.

11 (c) Morris Hood, Jr. educator development program,  
12 \$148,600.00.

13 (7) Subject to subsection (8), the amount appropriated for  
14 grants and financial aid is \$139,283,200.00, allocated as follows:

15 (a) State competitive scholarships, \$32,361,700.00.

16 **(b) Tuition grants, \$38,021,500.00.**

17 (c) Tuition incentive program, \$64,300,000.00.

18 (d) Children of veterans and officer's survivor tuition grant  
19 programs, \$1,400,000.00.

20 (e) Project GEAR-UP, \$3,200,000.00.

21 (8) The money appropriated in subsection (7) for grants and  
22 financial aid is appropriated from the following:

23 (a) Federal revenues under the United States Department of  
24 Education, Office of Elementary and Secondary Education, GEAR-UP  
25 program, \$3,200,000.00.

26 (b) Federal revenues under the social security act, temporary  
27 assistance for needy families, \$124,826,400.00.

28 (c) State general fund/general purpose money, \$11,256,800.00.

29 (9) For fiscal year 2019-2020 only, in addition to the

1 allocation under subsection (4), from the appropriations described  
2 in subsection (1), there is allocated an amount not to exceed  
3 \$1,234,000.00 for payments to participating public universities,  
4 appropriated from the state school aid fund. A university that  
5 receives money under this subsection shall use that money solely  
6 for the purpose of offsetting the normal cost contribution rate. As  
7 used in this subsection, "participating public universities" means  
8 public universities that are a reporting unit of the Michigan  
9 public school employees' retirement system under the public school  
10 employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to  
11 38.1437, and that pay contributions to the Michigan public school  
12 employees' retirement system for the state fiscal year.

13       Sec. 252. (1) The amounts appropriated in section 236 for the  
14 state tuition grant program shall be distributed pursuant to 1966  
15 PA 313, MCL 390.991 to 390.997a.

16       (2) Tuition grant awards shall be made to all eligible  
17 Michigan residents enrolled in undergraduate degree programs who  
18 are qualified and who apply ~~before~~**by** March 1 of each year for the  
19 next academic year.

20       (3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and  
21 subject to subsections (7) and (8), the department of treasury  
22 shall determine an actual maximum tuition grant award per student,  
23 which shall be no less than ~~\$2,400.00,~~ **\$3,000.00**, that ensures that  
24 the aggregate payments for the tuition grant program do not exceed  
25 the appropriation contained in section 236 for the state tuition  
26 grant program. If the department determines that insufficient funds  
27 are available to establish a maximum award amount equal to at least  
28 ~~\$2,400.00,~~ **\$3,000.00**, the department shall immediately report to  
29 the house and senate appropriations subcommittees on higher

1 education, the house and senate fiscal agencies, and the state  
2 budget director regarding the estimated amount of additional funds  
3 necessary to establish a ~~\$2,400.00~~ **\$3,000.00** maximum award amount.  
4 If the department determines that sufficient funds are available to  
5 establish a maximum award amount equal to at least ~~\$2,400.00,~~  
6 **\$3,000.00**, the department shall immediately report to the house and  
7 senate appropriations subcommittees on higher education, the house  
8 and senate fiscal agencies, and the state budget director regarding  
9 the maximum award amount established and the projected amount of  
10 any projected year-end appropriation balance based on that maximum  
11 award amount. By February 18 of each fiscal year, the department  
12 shall analyze the status of award commitments, shall make any  
13 necessary adjustments, and shall confirm that those award  
14 commitments will not exceed the appropriation contained in section  
15 236 for the tuition grant program. The determination and actions  
16 shall be reported to the state budget director and the house and  
17 senate fiscal agencies no later than the final day of February of  
18 each year. If award adjustments are necessary, the students shall  
19 be notified of the adjustment by March 4 of each year. **The**  
20 **department is prohibited from using funds described in this section**  
21 **and appropriated in section 236(7) (b) to offset costs in any other**  
22 **student financial aid program.**

23 (4) Any unexpended and unencumbered funds remaining on  
24 September 30, ~~2019-2020~~ from the amounts appropriated in section  
25 236 for the tuition grant program for fiscal year ~~2018-2019-2019-~~  
26 **2020** do not lapse on September 30, ~~2019, 2020~~, but continue to be  
27 available for expenditure for tuition grants ~~provided in the 2019-~~  
28 ~~2020 fiscal year~~ under a work project account.

29 (5) The department of treasury shall continue a proportional

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

3 (6) If the department of treasury increases the maximum award  
4 per eligible student from that provided in the previous fiscal  
5 year, it shall not have the effect of reducing the number of  
6 eligible students receiving awards in relation to the total number  
7 of eligible applicants. Any increase in the maximum grant shall be  
8 proportional for all eligible students receiving awards for that  
9 fiscal year.

10 (7) Except as provided in subsection (4), the department of  
11 treasury shall not award more than ~~\$4,200,000.00~~ **\$5,000,000.00** in  
12 tuition grants to eligible students enrolled in the same  
13 independent nonprofit college or university in this state. Any  
14 decrease in the maximum grant shall be proportional for all  
15 eligible students enrolled in that college or university, as  
16 determined by the department. The limit described in this  
17 subsection does not apply to any other student financial aid  
18 program or in combination with any other student financial aid  
19 program.

20 (8) The department of treasury shall not award tuition grants  
21 to otherwise eligible students enrolled in an independent college  
22 or university that does not report, in a form and manner directed  
23 by and satisfactory to the department of treasury, by October 31 of  
24 each year, all of the following:

25 (a) The number of students in the most recently completed  
26 academic year who in any academic year received a state tuition  
27 grant at the reporting institution and successfully completed a  
28 program or graduated.

29 (b) The number of students in the most recently completed

1 academic year who in any academic year received a state tuition  
2 grant at the reporting institution and took a remedial education  
3 class.

4 (c) The number of students in the most recently completed  
5 academic year who in any academic year received a Pell grant at the  
6 reporting institution and successfully completed a program or  
7 graduated.

8 (9) By February 1 ~~, 2019,~~ **of each year**, each independent  
9 college and university participating in the tuition grant program  
10 shall report to the senate and house appropriations subcommittees  
11 on higher education, the senate and house fiscal agencies, and the  
12 state budget director on its efforts to develop and implement  
13 sexual assault response training for the institution's title IX  
14 coordinator, campus law enforcement personnel, campus public safety  
15 personnel, and any other campus personnel charged with responding  
16 to on-campus incidents, including information on sexual assault  
17 response training materials and the status of implementing sexual  
18 assault response training for institutional personnel.

19 Enacting section 1. In accordance with section 30 of article  
20 IX of the state constitution of 1963, total state spending from  
21 state sources for higher education for fiscal year 2019-2020 under  
22 article III of the state school aid act of 1979, 1979 PA 94, MCL  
23 388.1836 to 388.1891, is estimated at \$1,557,368,600.00 and the  
24 amount of that state spending from state sources to be paid to  
25 local units of government for fiscal year 2019-2020 is estimated at  
26 \$0.00.