

**SUBSTITUTE FOR
SENATE BILL NO. 842**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 236, 236c, 236h, 241, 245a, 251, 252, 256,
260, 263, 264, 265, 265a, 265b, 267, 268, 269, 270c, 274, 275f,
275h, 275i, and 278 (MCL 388.1836, 388.1836c, 388.1836h, 388.1841,
388.1845a, 388.1851, 388.1852, 388.1856, 388.1860, 388.1863,
388.1864, 388.1865, 388.1865a, 388.1865b, 388.1867, 388.1868,
388.1869, 388.1870c, 388.1874, 388.1875f, 388.1875h, 388.1875i, and
388.1878), sections 236, 236c, 241, 245a, 256, 260, 263, 264, 265,
265b, 267, 268, 269, 270c, 274, 275f, 275h, 275i, and 278 as
amended and section 236h as added by 2021 PA 86, sections 251 and
252 as amended by 2019 PA 162, and section 265a as amended by 2019
PA 62, and by adding sections 248, 262, 266a, and 275j; and to

repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 236. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for higher education for the fiscal year ending September 30, ~~2022,~~ **2023**, from the funds indicated in this section. The following is a summary of the appropriations in this section: ~~and section 236h:~~

(a) The gross appropriation is ~~\$1,808,251,200.00.~~ **\$2,803,430,900.00.** After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$1,808,251,200.00.~~ **\$2,803,430,900.00.**

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

(i) Total federal revenues, ~~\$128,526,400.00.~~ **\$128,526,400.00.**

(ii) Total local revenues, \$0.00.

(iii) Total private revenues, \$0.00.

(iv) Total other state restricted revenues, ~~\$361,403,300.00.~~ **\$1,290,088,300.00.**

(v) State general fund/general purpose money, ~~\$1,318,321,500.00.~~ **\$1,384,816,200.00.**

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

~~(a) The appropriation for Central Michigan University is \$90,440,500.00, \$87,600,000.00 for operations, \$876,000.00 for 1-time supplemental funding, and \$1,964,500.00 for costs incurred under the North American Indian tuition waiver.~~

~~(b) The appropriation for Eastern Michigan University is \$78,305,900.00, \$77,253,700.00 for operations, \$772,500.00 for 1-~~

~~time supplemental funding, and \$279,700.00 for costs incurred under the North American Indian tuition waiver.~~

~~(c) The appropriation for Ferris State University is \$56,541,600.00, \$55,025,500.00 for operations, \$550,300.00 for 1-time supplemental funding, and \$965,800.00 for costs incurred under the North American Indian tuition waiver.~~

~~(d) The appropriation for Grand Valley State University is \$74,213,800.00, \$72,313,500.00 for operations, \$723,100.00 for 1-time supplemental funding, and \$1,177,200.00 for costs incurred under the North American Indian tuition waiver.~~

~~(e) The appropriation for Lake Superior State University is \$14,366,600.00, \$13,307,000.00 for operations, \$133,100.00 for 1-time supplemental funding, and \$926,500.00 for costs incurred under the North American Indian tuition waiver.~~

~~(f) The appropriation for Michigan State University is \$357,862,000.00, \$287,331,700.00 for operations, \$2,873,300.00 for 1-time supplemental funding, \$1,932,800.00 for costs incurred under the North American Indian tuition waiver, \$35,286,700.00 for MSU AgBioResearch, and \$30,437,500.00 for MSU Extension.~~

~~(g) The appropriation for Michigan Technological University is \$51,371,900.00, \$50,101,600.00 for operations, \$501,000.00 for 1-time supplemental funding, and \$769,300.00 for costs incurred under the North American Indian tuition waiver.~~

~~(h) The appropriation for Northern Michigan University is \$49,338,700.00, \$47,809,100.00 for operations, \$478,100.00 for 1-time supplemental funding, and \$1,051,500.00 for costs incurred under the North American Indian tuition waiver.~~

~~(i) The appropriation for Oakland University is \$54,012,900.00, \$53,147,400.00 for operations, \$531,500.00 for 1-~~

~~time supplemental funding, and \$334,000.00 for costs incurred under the North American Indian tuition waiver.~~

~~(j) The appropriation for Saginaw Valley State University is \$31,043,500.00, \$30,583,800.00 for operations, \$305,800.00 for 1-time supplemental funding, and \$153,900.00 for costs incurred under the North American Indian tuition waiver.~~

~~(k) The appropriation for University of Michigan - Ann Arbor is \$326,265,400.00, \$321,970,100.00 for operations, \$3,219,700.00 for 1-time supplemental funding, and \$1,075,600.00 for costs incurred under the North American Indian tuition waiver.~~

~~(l) The appropriation for University of Michigan - Dearborn is \$26,593,700.00, \$26,167,000.00 for operations, \$261,700.00 for 1-time supplemental funding, and \$165,000.00 for costs incurred under the North American Indian tuition waiver.~~

~~(m) The appropriation for University of Michigan - Flint is \$24,197,400.00, \$23,616,200.00 for operations, \$236,200.00 for 1-time supplemental funding, and \$345,000.00 for costs incurred under the North American Indian tuition waiver.~~

~~(n) The appropriation for Wayne State University is \$205,496,400.00, \$202,996,700.00 for operations, \$2,030,000.00 for 1-time supplemental funding, and \$469,700.00 for costs incurred under the North American Indian tuition waiver.~~

~~(o) The appropriation for Western Michigan University is \$113,432,700.00, \$111,522,200.00 for operations, \$1,115,200.00 for 1-time supplemental funding, and \$795,300.00 for costs incurred under the North American Indian tuition waiver.~~

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

(a) The appropriation for Central Michigan University is

1 \$98,596,100.00, \$87,569,200.00 for operations,
 2 ~~\$4,197,200.00~~\$4,616,900.00 for 1-time performance funding,
 3 \$4,616,900.00 for performance funding, and \$1,793,100.00 for costs
 4 incurred under the North American Indian tuition waiver.

5 (b) The appropriation for Eastern Michigan University is
 6 \$85,738,800.00, \$77,208,200.00 for operations, \$4,088,500.00 for 1-
 7 time performance funding, \$4,088,500.00 for performance funding,
 8 and \$353,600.00 for costs incurred under the North American Indian
 9 tuition waiver.

10 (c) The appropriation for Ferris State University is
 11 \$61,992,200.00, \$55,099,100.00 for operations, \$3,033,100.00 for 1-
 12 time performance funding, \$3,033,100.00 for performance funding,
 13 and \$826,900.00 for costs incurred under the North American Indian
 14 tuition waiver.

15 (d) The appropriation for Grand Valley State University is
 16 \$83,762,700.00, \$72,402,800.00 for operations, \$5,040,300.00 for 1-
 17 time performance funding, \$5,040,300.00 for performance funding,
 18 and \$1,279,300.00 for costs incurred under the North American
 19 Indian tuition waiver.

20 (e) The appropriation for Lake Superior State University is
 21 \$15,335,000.00, \$13,417,200.00 for operations, \$564,500.00 for 1-
 22 time performance funding, \$564,500.00 for performance funding, and
 23 \$788,800.00 for costs incurred under the North American Indian
 24 tuition waiver.

25 (f) The appropriation for Michigan State University is
 26 \$395,294,500.00, \$287,184,300.00 for operations, \$16,916,100.00 for
 27 1-time performance funding, \$16,916,100.00 for performance funding,
 28 \$2,046,400.00 for costs incurred under the North American Indian
 29 tuition waiver, \$38,780,500.00 for MSU AgBioResearch, and

1 \$33,451,100.00 for MSU Extension.

2 (g) The appropriation for Michigan Technological University is
3 \$55,041,800.00, \$50,117,800.00 for operations, \$2,038,300.00 for 1-
4 time performance funding, \$2,038,300.00 for performance funding,
5 and \$847,400.00 for costs incurred under the North American Indian
6 tuition waiver.

7 (h) The appropriation for Northern Michigan University is
8 \$53,056,000.00, \$47,895,700.00 for operations, \$1,999,500.00 for 1-
9 time performance funding, \$1,999,500.00 for performance funding,
10 and \$1,161,300.00 for costs incurred under the North American
11 Indian tuition waiver.

12 (i) The appropriation for Oakland University is
13 \$61,362,100.00, \$53,140,000.00 for operations, \$3,933,400.00 for 1-
14 time performance funding, \$3,933,400.00 for performance funding,
15 and \$355,300.00 for costs incurred under the North American Indian
16 tuition waiver.

17 (j) The appropriation for Saginaw Valley State University is
18 \$34,280,100.00, \$30,683,800.00 for operations, \$1,704,000.00 for 1-
19 time performance funding, \$1,704,000.00 for performance funding,
20 and \$188,300.00 for costs incurred under the North American Indian
21 tuition waiver.

22 (k) The appropriation for University of Michigan - Ann Arbor
23 is \$358,540,000.00, \$321,858,300.00 for operations, \$17,922,000.00
24 for 1-time performance funding, \$17,922,000.00 for performance
25 funding, and \$837,700.00 for costs incurred under the North
26 American Indian tuition waiver.

27 (l) The appropriation for University of Michigan - Dearborn is
28 \$30,374,100.00, \$26,260,300.00 for operations, \$1,933,800.00 for 1-
29 time performance funding, \$1,933,800.00 for performance funding,

1 and \$246,200.00 for costs incurred under the North American Indian
2 tuition waiver.

3 (m) The appropriation for University of Michigan - Flint is
4 ~~\$27,094,700.00~~, \$23,712,900.00 for operations, ~~\$1,498,700.00~~ for 1-
5 time performance funding, ~~\$1,498,700.00~~ for performance funding,
6 and \$384,400.00 for costs incurred under the North American Indian
7 tuition waiver.

8 (n) The appropriation for Wayne State University is
9 ~~\$222,939,900.00~~, \$202,910,000.00 for operations, ~~\$9,838,400.00~~ for
10 1-time performance funding, ~~\$9,838,400.00~~ for performance funding,
11 and \$353,100.00 for costs incurred under the North American Indian
12 tuition waiver.

13 (o) The appropriation for Western Michigan University is
14 ~~\$122,502,900.00~~, \$111,476,400.00 for operations, ~~\$5,213,600.00~~ for
15 1-time performance funding, ~~\$5,213,600.00~~ for performance funding,
16 and \$599,300.00 for costs incurred under the North American Indian
17 tuition waiver.

18 (3) The amount appropriated in subsection (2) for public
19 universities is ~~\$1,553,483,000.00~~, ~~\$1,705,910,900.00~~, appropriated
20 from the following:

21 (a) State school aid fund, ~~\$343,168,300.00~~, ~~\$704,168,300.00~~.

22 (b) State general fund/general purpose money,
23 ~~\$1,210,314,700.00~~, ~~\$1,001,742,600.00~~.

24 (4) The amount appropriated for Michigan public school
25 employees' retirement system reimbursement is ~~\$13,495,000.00~~,
26 ~~\$70,000.00~~, appropriated from the state school aid fund.

27 (5) The amount appropriated for state and regional programs is
28 \$316,800.00, appropriated from general fund/general purpose money
29 and allocated as follows:

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

(b) Midwestern Higher Education Compact, \$116,800.00.

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

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

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

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

(6) ~~(7)~~ Subject to subsection ~~(8)~~, **(7)**, the amount
appropriated for grants and financial aid is ~~\$147,783,200.00,~~
\$508,783,200.00, allocated as follows:

(a) State competitive scholarships, \$29,861,700.00.

(b) Tuition grants, \$42,021,500.00.

(c) Tuition incentive program, \$71,300,000.00.

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

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

(f) Michigan achievement scholarships, \$361,000,000.00.

(7) ~~(8)~~ The money appropriated in subsection ~~(7)~~ **(6)** for
grants and financial aid is appropriated from the following:

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

(b) Federal revenues under the social security act, temporary
assistance for needy families, \$125,326,400.00.

(c) State general fund/general purpose money,

1 ~~\$19,256,800.00.~~ **\$380,256,800.00.**

2 **(8)** ~~(9)~~ For fiscal year ~~2021-2022-2022-2023~~ only, in addition
 3 to the allocation under subsection (4), from the appropriations
 4 described in subsection (1), there is allocated an amount not to
 5 exceed ~~\$4,740,000.00~~ **\$4,650,000.00** for payments to participating
 6 public universities, appropriated from the state school aid fund. A
 7 university that receives money under this subsection shall use that
 8 money solely for the purpose of offsetting the normal cost
 9 contribution rate. As used in this subsection, "participating
 10 public universities" means public universities that are a reporting
 11 unit of the Michigan public school employees' retirement system
 12 under the public school employees retirement act of 1979, 1980 PA
 13 300, MCL 38.1301 to 38.1437, and that pay contributions to the
 14 Michigan public school employees' retirement system for the state
 15 fiscal year.

16 **(9)** ~~(11)~~ The amount of ~~one-time~~ funding appropriated for the
 17 ~~Japan Center for Michigan Universities is \$500,000.00, critical~~
 18 **skills pilot program is \$2,500,000.00**, appropriated from the state
 19 general fund/general purpose money. ~~and allocated to support the~~
 20 ~~operations of the Japan Center.~~

21 Sec. 236c. In addition to the funds appropriated for fiscal
 22 year ~~2021-2022-2022-2023~~ in section 236, appropriations to the
 23 department of technology, management, and budget in the act
 24 providing general appropriations for fiscal year ~~2021-2022-2022-~~
 25 **2023** for state building authority rent, totaling an estimated
 26 ~~\$130,595,300.00~~ **\$132,295,300.00** provide funding for the state share
 27 of costs for previously constructed capital projects for state
 28 universities. These appropriations for state building authority
 29 rent represent additional state general fund support provided to

public universities, and the following is an estimate of the amount of that support to each university:

(a) Central Michigan University, ~~\$13,227,700.00~~ **\$12,973,000.00**

(b) Eastern Michigan University, ~~\$6,168,300.00~~ **\$6,049,500.00**

(c) Ferris State University, ~~\$8,104,200.00~~ **\$8,392,700.00.**

(d) Grand Valley State University,

~~\$7,380,000.00~~ **\$8,653,400.00.**

(e) Lake Superior State University,

~~\$1,842,700.00~~ **\$2,340,600.00.**

(f) Michigan State University, ~~\$17,351,100.00~~ **\$16,673,800.00.**

(g) Michigan Technological University,

~~\$3,488,700.00~~ **\$3,421,600.00.**

(h) Northern Michigan University, ~~\$7,486,500.00~~ **7,342,400.00.**

(i) Oakland University, ~~\$9,059,800.00~~ **\$9,488,200.00.**

(j) Saginaw Valley State University,

~~\$8,009,900.00~~ **\$7,855,700.00.**

(k) University of Michigan - Ann Arbor,

~~\$10,459,000.00~~ **\$12,065,900.00.**

(l) University of Michigan - Dearborn,

~~\$11,336,800.00~~ **\$10,774,000.00.**

(m) University of Michigan - Flint,

~~\$6,546,200.00~~ **\$6,084,700.00.**

(n) Wayne State University, ~~\$10,489,800.00~~ **\$10,118,000.00.**

(o) Western Michigan University, ~~\$9,644,600.00~~ **\$10,061,800.00.**

Sec. 236h. (1) For fiscal year ~~2021-2022~~ **2022-2023** only, in addition to the allocations under section 236(4) and ~~(9)~~, **(8)**, there is allocated an amount not to exceed ~~\$84,741,700.00~~

\$581,200,000.00 for payments to participating public universities, appropriated from the state ~~general fund/general purpose money.~~

1 **school aid fund.** A university that receives money under this
2 subsection shall use that money solely for the purpose of payments
3 toward the **payoff of** pension and other postemployment benefit
4 unfunded actuarial accrued liabilities associated with members and
5 pension recipients of those participating public universities. As
6 used in this section, "participating public universities" means
7 public universities that are reporting units of the Michigan public
8 school employees' retirement system under the public school
9 employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
10 38.1437, and that pay contributions to the Michigan public school
11 employees' retirement system for the state fiscal year.

12 (2) The amount allocated in subsection (1) ~~shall~~**must** be
13 allocated to each participating public university based on each
14 participating public university's percentage of the total combined
15 payrolls of the universities' employees who are members of the
16 retirement system and who were hired before January 1, 1996 and the
17 universities' employees who would have been members of the
18 retirement system on or after January 1, 1996, but for the
19 enactment of 1995 PA 272 for all public universities that are
20 participating public universities for the immediately preceding
21 state fiscal year.

22 (3) Participating public universities receiving funds under
23 this section shall forward an amount equal to the amount allocated
24 under subsection (1) to the retirement system in a form, manner,
25 and time frame determined by the retirement system.

26 (4) Amounts allocated in subsection (1) ~~shall~~**must** be paid to
27 participating public universities in 1 lump sum installment no
28 later than December 31, 2021.

29 (5) **If an amount allocated to a participating public**

1 university under subsection (1) exceeds the actual amount of
 2 pension and other postemployment benefit unfunded actuarially accrued
 3 liabilities attributable to that university, the university must
 4 return any funds in excess of the actual liability to this state so
 5 those funds may lapse back to the state school aid fund.

6 Sec. 241. (1) Subject to sections 244 and 265a, the funds
 7 appropriated in section 236 to public universities ~~shall~~**must** be
 8 paid out of the state treasury and distributed by the state
 9 treasurer to the respective institutions in 11 equal monthly
 10 installments on the sixteenth of each month, or the next succeeding
 11 business day, beginning with October 16, ~~2021~~**2022**. Except for
 12 Wayne State University, each institution shall accrue its July and
 13 August 2022 payments to its institutional fiscal year ending June
 14 30, ~~2022~~**2023**.

15 (2) All public universities shall submit higher education
 16 institutional data inventory (HEIDI) data and associated financial
 17 ~~and aid~~ program information requested by and in a manner prescribed
 18 by the state budget director. For public universities with fiscal
 19 years ending June 30, these data ~~shall~~**must** be submitted to the
 20 state budget director by October 15 of each fiscal year. Public
 21 universities with a fiscal year ending September 30, ~~2021~~**2022**
 22 shall submit preliminary HEIDI data by November 15, ~~2021~~**2022** and
 23 final data by December 15, ~~2021~~**2022**. If a public university fails
 24 to submit HEIDI data and associated financial aid program
 25 information in accordance with this reporting schedule, the state
 26 treasurer may withhold the monthly installments under subsection
 27 (1) to the public university until those data are submitted.

28 Sec. 245a. (1) A public university shall develop, maintain,
 29 and update a "campus safety information and resources" link,

1 prominently displayed on the homepage of its website, to a section
2 of its website containing all of the information required under
3 subsection (2).

4 (2) The "campus safety information and resources" section of a
5 public university's website ~~shall~~**must** include, but not be limited
6 to, all of the following information:

7 (a) Emergency contact numbers for police, fire, health, and
8 other services.

9 (b) Hours, locations, phone numbers, and email contacts for
10 campus public safety offices and title IX offices.

11 (c) A listing of safety and security services provided by the
12 university, including transportation, escort services, building
13 surveillance, anonymous tip lines, and other available security
14 services.

15 (d) ~~A public~~**The** university's policies applicable to minors on
16 university property.

17 (e) A directory of resources available at the university or
18 surrounding community for students or employees who are survivors
19 of sexual assault or sexual abuse.

20 (f) An electronic copy of "A Resource Handbook for Campus
21 Sexual Assault Survivors, Friends and Family", published in 2018.

22 (g) Campus security policies and crime statistics pursuant to
23 the student right-to-know and campus security act, Public Law 101-
24 542, 104 Stat 2381. Information ~~shall~~**must** include all material
25 prepared pursuant to the public information reporting requirements
26 under the crime awareness and campus security act of 1990, title II
27 of the student right-to-know and campus security act, Public Law
28 101-542, 104 Stat 2381.

29 (3) A public university shall certify to the state budget

1 director by October 1, ~~2021~~2022 that it is in compliance with this
2 section. The state budget director may withhold a public
3 university's monthly installments described in section 241 until
4 the public university complies with this section.

5 **Sec. 248. (1) The funds appropriated in section 236 for**
6 **Michigan achievement scholarships must be distributed as provided**
7 **in this section and pursuant to the administrative procedures for**
8 **Michigan achievement scholarships of the department.**

9 (2) As used in this section:

10 (a) "Department" means the department of treasury.

11 (b) "Eligible institution" means a public university that
12 receives an appropriation in section 236, a community college that
13 receives an appropriation in section 201, a federally recognized
14 tribal college in this state, **a qualified private training**
15 **institution as that term is defined under section 13 of the**
16 **Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1713,**
17 **or an independent nonprofit college or university in this state as**
18 **described in section 1 of 1966 PA 313, MCL 390.991.**

19 (c) "Gift aid" means federal Pell grants under 20 USC 1070a
20 and tuition incentive program benefits under section 256. The term
21 does not include any of the following:

22 (i) Student loans.

23 (ii) Work-study awards.

24 (iii) Qualified withdrawals made from education savings accounts
25 to pay higher education expenses pursuant to the Michigan education
26 savings program act, 2000 PA 161, MCL 390.1471 to 390.1486.

27 (iv) Higher education expenses paid under the Michigan
28 educational trust program, pursuant to the Michigan education trust
29 act, 1986 PA 316, MCL 390.1421 to 390.1442.

1 (v) Higher education expenses paid under the Michigan promise
2 zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679.

3 (3) An individual must meet the following criteria and
4 financial thresholds to be eligible for a Michigan achievement
5 scholarship:

6 (a) Be a United States citizen and a resident of this state
7 for at least 1 year prior to application for the program.

8 (b) Have graduated from high school with a diploma or
9 certificate of completion or achieved a high school equivalency
10 certificate in 2022 or after. As used in this subdivision, "high
11 school equivalency certificate" means that term as defined in
12 section 4.

13 (c) Be a full-time student at an eligible institution, as
14 defined by that eligible institution.

15 (d) Meet the satisfactory academic progress policy of the
16 eligible institution he or she attends, and maintain a 2.25
17 cumulative grade-point average or its equivalent.

18 (e) Not have been convicted of a felony involving assault,
19 sexual assault, physical injury, or death.

20 (f) Not be in default on a federal student loan.

21 (g) Timely complete the Free Application for Federal Student
22 Aid and have an expected family contribution of \$25,000.00 or less.

23 (h) Timely apply for all available gift aid for each academic
24 year in which he or she applies for a Michigan achievement
25 scholarship.

26 (4) Michigan achievement scholarships are subject to all of
27 the following:

28 (a) An eligible student may receive an award for a maximum of
29 4 academic years, not more than 2 of which may be for attending

1 eligible institutions that are community colleges, **qualified**
2 **private training institutions**, or federally recognized tribal
3 colleges in this state.

4 (b) The annual maximum amount that may be awarded is the
5 lesser of the following:

6 (i) The tuition cost for the student's courses at the resident
7 rate, regardless of whether the student actually incurred that
8 rate, plus the student's mandatory fees, minus all gift aid
9 received by the student. As used in this subparagraph, "resident
10 rate" means the lowest tuition rate charged to in-state students by
11 the eligible institution, including, if any, an in-district tuition
12 rate.

13 (ii) One of the following, as applicable:

14 (A) For a student at an eligible institution that is a
15 community college, **qualified private training institution**, or
16 federally recognized tribal college in this state, \$3,000.00. The
17 monetary limit in this sub-subparagraph is replaced with the limit
18 in sub-subparagraph (B), post-transfer, to a transfer student
19 described in sub-subparagraph (B).

20 (B) For a student at an eligible institution that is a public
21 university or independent nonprofit college or university in this
22 state, \$6,000.00. The monetary limit in this sub-subparagraph
23 applies, post-transfer, to a student who transfers from a community
24 college, **qualified private training institution**, or federally
25 recognized tribal college in this state for at least 1 semester or
26 term for the completion of an academic year at a public university
27 or independent nonprofit college or university in this state.

28 (c) An annual award must not be for less than the maximum
29 amount authorized under subdivision (b).

1 (d) If awarded, Michigan achievement scholarship money must be
2 paid to the eligible institution for credit to the student's
3 account.

4 (5) The department shall work closely with participating
5 institutions to provide the highest level of participation and
6 ensure that all requirements of the program are met.

7 (6) The department shall ensure that Michigan achievement
8 scholarships are well publicized and that high school students are
9 provided information on the program. The department shall provide
10 the necessary funding and staff to fully operate the program.

11 (7) The following reporting obligations apply to the Michigan
12 achievement scholarship program:

13 (a) By December 1 of each year, the department shall provide a
14 written report, organized by eligible institution, to the house and
15 senate appropriations subcommittees on higher education, the house
16 and senate fiscal agencies, and the state budget director that
17 includes the following information for the previous academic year:

18 (i) The number of students who qualified for a Michigan
19 achievement scholarship.

20 (ii) The number of students who received a Michigan achievement
21 scholarship.

22 (iii) The average number of credits earned by students who
23 received a Michigan achievement scholarship.

24 (iv) The number of Michigan achievement scholarships that were
25 canceled due to failure to maintain satisfactory academic progress
26 under subsection (3) (d) .

27 (v) The number of Michigan achievement scholarships that were
28 canceled due to a student ceasing attendance at the eligible
29 institution. The number must not include any known transfers to

1 another eligible institution.

2 (b) Each eligible institution whose students receive awards
3 under this section shall cooperate with the department in a timely
4 manner to facilitate the creation of the report under subdivision
5 (a).

6 (8) The unexpended funds appropriated in section 236 for
7 Michigan achievement scholarships are designated as a work project
8 appropriation, and any unencumbered or unallotted funds must not
9 lapse at the end of the fiscal year and must be available for
10 expenditures for projects under this section until the project has
11 been completed. The following is in compliance with section 451a of
12 the management and budget act, 1984 PA 431, MCL 18.1451a:

13 (a) The purpose of the project is to provide grants to
14 postsecondary education students to pay for tuition and fees.

15 (b) The project will be accomplished by utilizing state
16 employees or contracts.

17 (c) The total estimated cost of the project is
18 \$361,000,000.00.

19 (d) The tentative completion date is September 30, 2026.

20 Sec. 251. (1) Payments of the amounts included in section 236
21 for the state competitive scholarship program ~~shall~~**must** be
22 distributed pursuant to 1964 PA 208, MCL 390.971 to 390.981.

23 (2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the
24 department of treasury shall determine an actual state competitive
25 scholarship award per student, which ~~shall~~**must** be ~~\$1,000.00,~~
26 **\$1,500.00**, that ensures that the aggregate payments for the state
27 competitive scholarship program do not exceed the appropriation
28 contained in section 236 for the state competitive scholarship
29 program. If the department determines that insufficient funds are

1 available to establish an award amount equal to ~~\$1,000.00,~~
 2 **\$1,500.00**, the department shall immediately report to the house and
 3 senate appropriations subcommittees on higher education, the house
 4 and senate fiscal agencies, and the state budget director regarding
 5 the estimated amount of additional funds necessary to establish a
 6 ~~\$1,000.00~~**\$1,500.00** award amount.

7 (3) The department of treasury shall implement a proportional
 8 competitive scholarship award level for recipients enrolled less
 9 than full-time in a given semester or term.

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

16 (5) If the department of treasury increases the award per
 17 eligible student from that provided in the previous fiscal year, it
 18 ~~shall~~**must** not have the effect of reducing the number of eligible
 19 students receiving awards in relation to the total number of
 20 eligible applicants. Any increase in the grant ~~shall~~**must** be
 21 proportional for all eligible students receiving awards.

22 (6) Veterans Administration benefits ~~shall~~**must** not be
 23 considered in determining eligibility for the award of scholarships
 24 under 1964 PA 208, MCL 390.971 to 390.981.

25 Sec. 252. (1) The amounts appropriated in section 236 for the
 26 state tuition grant program ~~shall~~**must** be distributed pursuant to
 27 1966 PA 313, MCL 390.991 to 390.997a.

28 (2) Tuition grant awards ~~shall~~**must** be made to all eligible
 29 Michigan residents enrolled in undergraduate degree programs who

1 are qualified and who apply by March 1 of each year for the next
2 academic year.

3 (3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and
4 subject to subsections (6) and (7), the department of treasury
5 shall determine an actual tuition grant award per student, which
6 ~~shall must~~ be ~~\$2,800.00,~~ **\$3,000.00**, that ensures that the aggregate
7 payments for the tuition grant program do not exceed the
8 appropriation contained in section 236 for the state tuition grant
9 program. If the department determines that insufficient funds are
10 available to establish an award amount equal to ~~\$2,800.00,~~
11 **\$3,000.00**, the department shall immediately report to the house and
12 senate appropriations subcommittees on higher education, the house
13 and senate fiscal agencies, and the state budget director regarding
14 the estimated amount of additional funds necessary to establish a
15 ~~\$2,800.00-~~ **\$3,000.00** award amount. If the department determines that
16 sufficient funds are available to establish an award amount equal
17 to ~~\$2,800.00,~~ **\$3,000.00**, the department shall immediately report to
18 the house and senate appropriations subcommittees on higher
19 education, the house and senate fiscal agencies, and the state
20 budget director regarding the award amount established and the
21 projected amount of any projected year-end appropriation balance
22 based on that award amount. By February 18 of each fiscal year, the
23 department shall analyze the status of award commitments, shall
24 make any necessary adjustments, and shall confirm that those award
25 commitments will not exceed the appropriation contained in section
26 236 for the tuition grant program. The determination and actions
27 ~~shall must~~ be reported to the state budget director and the house
28 and senate fiscal agencies no later than the final day of February
29 of each year. If award adjustments are necessary, the students

1 ~~shall~~**must** be notified of the adjustment by March 4 of each year.

2 (4) The department of treasury shall continue a proportional
3 tuition grant award level for recipients enrolled less than full-
4 time in a given semester or term.

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

12 (6) The department of treasury shall not award more than
13 \$4,800,000.00 in tuition grants to eligible students enrolled in
14 the same independent nonprofit college or university in this state.
15 Any decrease in the grant ~~shall~~**must** be proportional for all
16 eligible students enrolled in that college or university, as
17 determined by the department. The limit described in this
18 subsection does not apply to any other student financial aid
19 program or in combination with any other student financial aid
20 program.

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

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

~~(b) The number of students in the most recently completed academic year who in any academic year received a state tuition grant at the reporting institution and took a remedial education class.~~

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

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

(7) By October 31 of each year, each independent nonprofit college or university participating in the tuition grant program shall report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, the state budget director, and the attorney general its annual security report, also known as the Clery Act Report, as required under 20 USC 1092(f).

Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive program must be distributed as provided in this section and pursuant to the administrative procedures for the

1 tuition incentive program of the department of treasury.

2 (2) As used in this section:

3 (a) "Phase I" means the first part of the tuition incentive
4 program defined as the academic period of 80 semester or 120 term
5 credits, or less, leading to an associate degree or certificate.
6 Students must be enrolled in a certificate or associate degree
7 program and taking classes within the program of study for a
8 certificate or associate degree. Tuition will not be covered for
9 courses outside of a certificate or associate degree program.

10 (b) "Phase II" means the second part of the tuition incentive
11 program that provides assistance in the third and fourth year of 4-
12 year degree programs.

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

14 (d) "High school equivalency certificate" means that term as
15 defined in section 4.

16 (3) An individual must meet the following basic criteria and
17 financial thresholds to be eligible for tuition incentive program
18 benefits:

19 (a) To be eligible for phase I, an individual must meet all of
20 the following criteria:

21 (i) Be less than 20 years of age at the time he or she
22 graduates from high school with a diploma or certificate of
23 completion or achieves a high school equivalency certificate or,
24 for students attending a 5-year middle college approved by the
25 Michigan department of education, be less than 21 years of age when
26 he or she graduates from high school.

27 (ii) Be a United States citizen and a resident of this state
28 according to institutional criteria.

29 (iii) Be at least a half-time student, earning less than 80

semester or 120 term credits at a participating educational institution within 4 years of high school graduation or achievement of a high school equivalency certificate. All program eligibility expires 10 years after initial enrollment at a participating educational institution.

(iv) Meet the satisfactory academic progress policy of the educational institution he or she attends.

(b) To be eligible for phase II, an individual must meet either of the following criteria in addition to the criteria in subdivision (a):

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

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

(c) To be eligible for phase I or phase II, an individual must be financially eligible as determined by the department. An individual is financially eligible for the tuition incentive program if he or she was eligible for Medicaid from this state for 24 months within ~~the 36 months before application.~~ **prior to graduating from high school or achieving a high school equivalency certificate.** The department shall accept certification of Medicaid eligibility only from the department of health and human services for the purposes of verifying if a person is Medicaid eligible for 24 months within ~~the 36 months before application.~~ **prior to graduating from high school or achieving a high school equivalency certificate.** Certification of eligibility may begin in the sixth grade.

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

1 shall only accept standard per-credit hour tuition billings and
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 must
6 not be made for more than 80 semester or 120 term credits for any
7 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, a Michigan federal tribally
18 controlled community college, or Focus: HOPE, the department shall
19 ~~pay mandatory fees for the current year and a per-credit payment~~
20 ~~that does not exceed the average community college in-district per-~~
21 ~~credit tuition rate as reported by the last business day of August~~
22 ~~for the immediately preceding academic year.~~ **lower division resident**
23 **tuition and mandatory fees for the current year.**

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

28 (a) Credits are earned in a 4-year program at a Michigan
29 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 provide the highest level of participation and
5 ensure that all requirements of the program are met.

6 (8) The department shall notify students of their financial
7 eligibility for the program any time after the student begins sixth
8 grade.

9 (9) Except as otherwise provided in section 3(d) of the
10 Michigan reconnect grant act, 2020 PA 84, MCL 390.1703, and section
11 17 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL
12 390.1717, each institution shall ensure that all known available
13 restricted grants for tuition and fees are used before billing the
14 tuition incentive program for any portion of a student's tuition
15 and fees.

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

20 (11) The department ~~of treasury~~ shall collaborate with the
21 center to use the P-20 longitudinal data system to report the
22 following information for each qualified postsecondary institution:

23 (a) The number of phase I students in the most recently
24 completed academic year who in any academic year received a tuition
25 incentive program award and who successfully completed a degree or
26 certificate program. Cohort graduation rates for phase I students
27 ~~shall~~**must** be calculated using the established success rate
28 methodology developed by the center in collaboration with the
29 postsecondary institutions.

(b) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and who successfully completed a degree or certificate program. Cohort graduation rates for students who received Pell grants must be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(12) If a qualified postsecondary institution does not report the data necessary to complete the reporting in subsection (11) to the P-20 longitudinal data system by October 15 for the prior academic year, the department ~~of treasury~~ shall not award phase I tuition incentive program funding to otherwise eligible students enrolled in that institution until the data are submitted.

Sec. 260. (1) The department of treasury shall work with student and postsecondary education groups, including the Michigan College Access Network, the Michigan Association of School Counselors, the Michigan Association of State Universities, the Michigan Community College Association, and the Michigan Independent Colleges and Universities, to provide **and update** an online informational resource for students in grades 9 through 12 and prospective and current ~~student loan borrowers.~~ **students and families.** The online informational resource must be a website or a portion of an existing website **titled "Paying for College in Michigan" and** designed and maintained by the department of treasury that, to the extent practicable, contains information including, but not limited to, all of the following:

(a) A list of public and private community support centers, student debt clinics, and other organizations and their contact information submitted by Michigan College Access Network that

1 provides free information and services for student loan borrowers
 2 to help educate them about repayment options and to help them
 3 access student loan programs or benefits for which they may be
 4 eligible.

5 (b) Links to state and federal financial aid programs,
 6 including FAFSA and College Scorecard.

7 (c) Links to each promise zone website and the financial aid
 8 website to each community college, public university, and
 9 independent college and university in this state.

10 (d) Benefits of federal student loans that may no longer be
 11 available if a borrower refinances a loan.

12 (e) ~~Links~~ **Direct links** to net price calculators for **each**
 13 community ~~colleges~~ **college** receiving an appropriation in section
 14 201 and ~~universities~~ **each university** receiving an appropriation in
 15 section 236. ~~, if available.~~

16 (f) **Definitions that clearly delineate the differences between**
 17 **scholarships, grants, and loans.**

18 (g) **A description of net price calculators and how to use them**
 19 **to create a personalized estimate of a student's out-of-pocket cost**
 20 **for the coming year based on basic family and financial information**
 21 **and likely financial aid eligibility.**

22 (h) ~~(f)~~ Information on the fundamentals of borrowing and
 23 repayment, including, but not limited to, all of the following:

24 (i) A link to the federal Public Service Loan Forgiveness
 25 Program.

26 (ii) Deciding how much to borrow.

27 (iii) Creating a plan for borrowing and repayment.

28 (iv) Estimating how much borrowing is needed for a given school
 29 year.

(v) Evaluating financial aid offers.

(vi) Factors that affect total student loan costs.

(vii) Tips for graduating with less student loan debt.

(viii) A loan payment calculator or a link to a loan payment calculator that can be used for different types of loans.

(ix) Links to federal student loan entrance and exit counseling services and the FACT tool.

(x) Student loan debt relief scams.

(i) ~~(g)~~ A list of student loan providers in this state.

(2) A university receiving an appropriation in section 236 shall place a prominent link to the website created under this section on its website homepage.

(3) Independent colleges and universities in this state are encouraged to place a link to the website created under this section on their website homepages.

(4) By November 1 of each year, the department of treasury shall inform each high school in this state about the website described in this section and encourage them to distribute the information to all students in grades 9 through 12.

(5) The department shall audit the website not less than once per year to ensure links continue to be accurate, active, and up-to-date for students and families.

Sec. 262. (1) From the funds appropriated in section 236 for the critical skills pilot program, the university established in the Upper Peninsula to provide means of acquiring a thorough knowledge of the application of science to industry pursuant to section 1 of 1885 PA 70, MCL 390.351, shall administer a pilot program to support the implementation of a critical skills program. Funds may be expended for, but are not limited to, any of the

1 following, provided those expenditures are directly related to the
2 program:

3 (a) Developing a program to meet industry needs.

4 (b) Grants, cost sharing, or other incentives for the
5 implementation of best practices.

6 (c) Technical support.

7 (d) Administration of the program, such as hiring instructors,
8 recruiters, or student or career support staff.

9 (e) Education outreach and training.

10 (2) By April 1, 2023, the university shall prepare a report to
11 be posted on the university's website and provided to the relevant
12 house and senate standing committees and appropriations
13 subcommittees as well as to the house and senate fiscal agencies
14 and state budget office. The report must contain all of the
15 following information:

16 (a) The number of students enrolled in the critical skills
17 pilot program.

18 (b) A summary of practices implemented.

19 (c) Starting and ending balances of the program.

20 (d) The amount of university matching funds.

21 (e) A summary of outreach and training efforts.

22 (3) The university shall implement the new critical skills
23 pilot program with the goal of increasing the number of critical
24 skills degrees awarded by the university by 150 per year.

25 (4) It is the intent of the legislature that the pilot program
26 be funded for a total of 4 consecutive fiscal years for a total
27 program cost of \$10,000,000.00.

28 Sec. 263. (1) Included in the appropriation in section 236 for
29 fiscal year ~~2021-2022-2022-2023~~ for MSU AgBioResearch is

\$2,982,900.00 and included in the appropriation in section 236 for MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEN" is an acronym for Generating Research and Extension to Meet Environmental and Economic Needs.

(2) The department of agriculture and rural development and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop Project GREEN and its program priorities.

Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2021-2022~~**2022-2023** for Michigan State University is \$80,000.00 for the Michigan Future Farmers of America Association. This \$80,000.00 allocation ~~shall~~**must** not supplant any existing support that Michigan State University provides to the Michigan Future Farmers of America Association.

Sec. 265. (1) ~~Payments under section 236 for 1-time supplemental funding for fiscal year 2021-2022, and payments under section 265a for performance funding for fiscal years 2022-2023 and 2023-2024, shall~~**Payments under section 265a for performance funding and 1-time performance funding for fiscal years 2022-2023, 2023-2024, and 2024-2025 may** only be made to a public university that certifies to the state budget director by October 1, ~~2021-2022~~ that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after September 1, ~~2020-2021~~ for the ~~2020-2021-2021-2022~~ academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the ~~2021-2022-2022-2023~~ academic year

that is greater than ~~4.2%~~ **5%** or ~~\$590.00,~~ **\$722.00**, whichever is greater. As used in this subsection:

(a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all resident undergraduate students at least once during their enrollment at a public university, as described in the higher education institutional data inventory (HEIDI) user manual. A university increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by resident undergraduate students in the ~~2021-2022~~ **2022-2023** academic year to exceed the limit established in this subsection.

(b) "Tuition and fee rate" means the average of full-time rates paid by a majority of students in each undergraduate class, based on an unweighted average of the rates authorized by the university board and actually charged to students, deducting any uniformly rebated or refunded amounts, for the 2 semesters with the highest levels of full-time equated resident undergraduate enrollment during the academic year, as described in the higher education institutional data inventory (HEIDI) user manual.

(2) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving ~~a payment under section 236 for 1-time supplemental funding or a~~ payment under section 265a for performance funding **or 1-time performance funding** has satisfied the tuition restraint requirements of this section. The state budget director ~~shall have~~ **has** the sole authority to determine if a public university has met the requirements of this section. Information reported by a public

1 university to the state budget director under this subsection ~~shall~~
 2 **must** also be reported to the house and senate appropriations
 3 subcommittees on higher education and the house and senate fiscal
 4 agencies.

5 (3) Universities that exceed the tuition and fee rate cap
 6 described in subsection (1) ~~shall~~**will** not receive a planning or
 7 construction authorization for a state-funded capital outlay
 8 project in fiscal year ~~2022-2023 or 2023-2024~~ **or 2024-2025**.

9 (4) Notwithstanding any other provision of this act, the
 10 legislature may at any time adjust appropriations for a university
 11 that adopts an increase in tuition and fee rates for resident
 12 undergraduate students that exceeds the rate cap established in
 13 subsection (1).

14 Sec. 265a. (1) Appropriations to public universities in
 15 section 236 for fiscal years ~~2019-2020, 2020-2021, and 2021-2022~~
 16 **2022-2023, 2023-2024, and 2024-2025** for performance funding ~~shall~~
 17 **and 1-time performance funding may** be paid only to a public
 18 university that complies with section 265 and certifies to the
 19 state budget director, the house and senate appropriations
 20 subcommittees on higher education, and the house and senate fiscal
 21 agencies by October 1, ~~2019-2022~~ that it complies with all of the
 22 following requirements:

23 (a) The university participates in reverse transfer agreements
 24 described in section 286 with at least 3 Michigan community
 25 colleges.

26 (b) The university does not and will not consider whether dual
 27 enrollment credits earned by an incoming student were utilized
 28 towards his or her high school graduation requirements when making
 29 a determination as to whether those credits may be used by the

1 student toward completion of a university degree or certificate
2 program.

3 (c) The university actively participates in and submits timely
4 updates to the Michigan Transfer Network created as part of the
5 Michigan Association of Collegiate Registrars and Admissions
6 Officers transfer agreement.

7 (2) Any performance funding **or 1-time performance funding**
8 amounts under section 236 that are not paid to a public university
9 because it did not comply with 1 or more requirements under
10 subsection (1) are unappropriated and reappropriated for
11 performance funding to those public universities that meet the
12 requirements under subsection (1), distributed in proportion to
13 their performance funding appropriation amounts under section 236.

14 (3) The state budget director shall report to the house and
15 senate appropriations subcommittees on higher education and the
16 house and senate fiscal agencies by October 15, ~~2019,~~ **2022 and each**
17 **October 15 thereafter,** regarding any performance funding **or 1-time**
18 **performance funding** amounts that are not paid to a public
19 university because it did not comply with 1 or more requirements
20 under subsection (1) and any reappropriation of funds under
21 subsection (2).

22 ~~(4) Performance funding amounts described in section 236 are~~
23 ~~distributed based on the following formula:~~

24 ~~(a) Proportional to each university's share of total~~
25 ~~operations funding appropriated in fiscal year 2010-2011, 50%.~~

26 ~~(b) Based on weighted undergraduate completions in critical~~
27 ~~skills areas, 11.1%.~~

28 ~~(c) Based on research and development expenditures, for~~
29 ~~universities classified in Carnegie classifications as doctoral~~

~~universities: moderate research activity, doctoral universities: higher research activity, or doctoral universities: highest research activity only, 5.6%.~~

~~(d) Based on 6-year graduation rate, total degree completions, and institutional support as a percentage of core expenditures, and the percentage of students receiving Pell grants, scored against national Carnegie classification peers and weighted by total undergraduate fiscal year equated students, 33.3%.~~

~~(5) For purposes of determining the score of a university under subsection (4) (d), each university is assigned 1 of the following scores:~~

~~(a) A university classified as in the top 20%, a score of 3.~~

~~(b) A university classified as above national median, a score of 2.~~

~~(c) A university classified as improving, a score of 2. It is the intent of the legislature that, beginning in the 2020-2021 state fiscal year, a university classified as improving is assigned a score of 1.~~

~~(d) A university that is not included in subdivision (a), (b), or (c), a score of 0.~~

~~(6) As used in this section, "Carnegie classification" means the basic classification of the university according to the most recent version of the Carnegie classification of institutions of higher education, published by the Carnegie Foundation for the Advancement of Teaching.~~

~~(7) It is the intent of the legislature to allocate more funding based on an updated set of performance metrics in future years. Updated metrics will be based on the outcome of joint hearings between the house and senate appropriations subcommittees~~

~~on higher education and community colleges intended to be held in
the fall of 2019.~~

(4) Performance funding and 1-time performance funding amounts described in section 236 are distributed based on the following formula:

(a) Proportional to each university's share of ongoing base operations funding appropriated in fiscal year 2021-2022, 1/3.

(b) Based on the total number of degrees conferred by each university compared to other universities within the university's performance group in fiscal year 2020-2021, as reported to the higher education institutional data inventory, 1/3. For purposes of this subdivision and subdivisions (c), (d), and (e), public universities are divided into the following 2 performance groups:

(i) Performance group A, which consists of Michigan State University, University of Michigan - Ann Arbor, and Wayne State University.

(ii) Performance group B, which consists of the remaining 12 universities.

(c) Based on the total fall head count at each university compared to other universities within the university's performance group in fiscal year 2020-2021, as reported to the higher education institutional data inventory, 1/3.

(d) The minimum total amount of performance funding and 1-time performance funding is 5% of each university's fiscal year 2021-2022 operations funding. A university that does not receive at least that amount based on subdivisions (a), (b), and (c) must have its performance funding and 1-time performance funding amounts increased to a total amount that equals 5% of that university's 2021-2022 operations amount. The minimum funding amounts calculated

1 under this subdivision must be calculated within performance
2 groups.

3 (e) A number of universities equal to the number of
4 universities receiving additional funding under subdivision (d)
5 must have their performance funding and 1-time performance funding
6 amounts reduced by a total amount equal to the total amount of any
7 increases issued under subdivision (d). The reduction must be taken
8 proportionately to each affected university's fiscal year 2021-2022
9 operations funding. The number of affected universities and
10 proration amounts calculated under this subdivision must be
11 calculated within performance groups.

12 Sec. 265b. (1) Appropriations to public universities in
13 section 236 for the fiscal year ending September 30, ~~2022-2023~~ for
14 operations funding ~~shall~~**must** be reduced by 10% pursuant to the
15 procedures described in subdivision (a) for a public university
16 that fails to submit certification to the state budget director,
17 the house and senate appropriations subcommittees on higher
18 education, and the house and senate fiscal agencies by October 1,
19 ~~2021-2022~~ that the university complies with sections 274c and 274d
20 and that it complies with all of the requirements described in
21 subdivisions (b) to (i), as follows:

22 (a) If a university fails to submit certification, the state
23 budget director shall withhold 10% of that university's annual
24 operations funding until the university submits certification. If a
25 university fails to submit certification by the end of the fiscal
26 year, the 10% of its annual operations funding that is withheld
27 ~~shall~~**must** lapse to the general fund.

28 (b) For title IX investigations of alleged sexual misconduct,
29 the university prohibits the use of medical experts that have an

1 actual or apparent conflict of interest.

2 (c) For title IX investigations of alleged sexual misconduct,
3 the university prohibits the issuance of divergent reports to
4 complainants, respondents, and administration and instead requires
5 that identical reports be issued to them.

6 (d) Consistent with the university's obligations under 20 USC
7 1092(f), the university notifies each individual who reports having
8 experienced sexual assault by a student, faculty member, or staff
9 member of the university that the individual has the option to
10 report the matter to law enforcement, to the university, to both,
11 or to neither, as the individual may choose.

12 (e) The university provides both of the following:

13 (i) For all freshmen and incoming transfer students enrolled,
14 an in-person sexual misconduct prevention presentation or course,
15 which must include contact information for the title IX office of
16 the university.

17 (ii) For all students not considered freshmen or incoming
18 transfer students, an online or electronic sexual misconduct
19 prevention presentation or course.

20 (f) The university prohibits seeking compensation from the
21 recipient of any medical procedure, treatment, or care provided by
22 a medical professional who has been convicted of a felony arising
23 out of the medical procedure, treatment, or care.

24 (g) The university had a third party review its title IX
25 compliance office and related policies and procedures by the end of
26 the 2018-2019 academic year. A copy of the third-party review ~~shall~~
27 **must** be transmitted to the state budget director, the house and
28 senate appropriations subcommittees on higher education, and the
29 house and senate fiscal agencies. Each university shall have a

1 third-party review once every three years and a copy of the third-
2 party review ~~shall~~**must** be transmitted to the state budget
3 director, the house and senate appropriations subcommittees on
4 higher education, and the house and senate fiscal agencies.

5 (h) The university requires that the governing board and the
6 president or chancellor of the university receive not less than
7 quarterly reports from their title IX coordinator or title IX
8 office. The report ~~shall~~**must** contain aggregated data of the number
9 of sexual misconduct reports that the office received for the
10 academic year, the types of reports received, including reports
11 received against employees, and a summary of the general outcomes
12 of the reports and investigations. A member of the governing board
13 may request to review a title IX investigation report involving a
14 complaint against an employee, and the university shall provide the
15 report in a manner it considers appropriate. The university shall
16 protect the complainant's anonymity, and the report ~~shall~~**must** not
17 contain specific identifying information.

18 (i) If allegations against an employee are made in more than 1
19 title IX complaint that resulted in the university finding that no
20 misconduct occurred, the university requires that the title IX
21 officer promptly notify the president or chancellor and a member of
22 the university's governing board in writing and take all
23 appropriate steps to ensure that the matter is being investigated
24 thoroughly, including hiring an outside investigator for future
25 cases involving that employee. A third-party title IX investigation
26 under this subdivision does not prohibit the university from
27 simultaneously conducting its own title IX investigation through
28 its own title IX coordinator.

29 (2) Each public university that receives an appropriation in

1 section 236 shall also certify that its president or chancellor and
 2 a member of its governing board has reviewed all title IX reports
 3 involving the alleged sexual misconduct of an employee of the
 4 university, and shall send the certification to the house and
 5 senate appropriations subcommittees on higher education, the house
 6 and senate fiscal agencies, and the state budget director by
 7 October 1, ~~2021~~2022.

8 (3) For purposes of this section, "sexual misconduct"
 9 includes, but is not limited to, any of the following:

- 10 (a) Intimate partner violence.
- 11 (b) Nonconsensual sexual conduct.
- 12 (c) Sexual assault.
- 13 (d) Sexual exploitation.
- 14 (e) Sexual harassment.
- 15 (f) Stalking.

16 **Sec. 266a. It is the intent of the legislature that**
 17 **universities receiving an appropriation in section 236 whose**
 18 **enrollment has declined by 10% or more since January 1, 2012 may be**
 19 **called to testify before the house or senate appropriations**
 20 **subcommittees on higher education to, at minimum, present on the**
 21 **following:**

- 22 (a) The current strategic plan adopted by the university.
- 23 (b) Student enrollment trends and recruitment efforts.
- 24 (c) A summary of academic programs offered.
- 25 (d) Tenured faculty to student ratio.
- 26 (e) Administrative staff to student ratio.
- 27 (f) Tuition increases since January 1, 2012.
- 28 (g) Graduation rates since January 1, 2012.
- 29 (h) Measures taken to retain students since January 1, 2012.

(i) Goals and objectives to reach optimum institutional size to contribute positively to the future of this state while being excellent stewards of state funding and student tuition, including, but not limited to, goals and objectives as to consolidating administrative services, academic services, or both with 1 or more other colleges or universities.

Sec. 267. All public universities shall submit the amount of tuition and fees actually charged to a full-time resident undergraduate student for academic year ~~2021-2022~~**2022-2023** as part of their higher education institutional data inventory (HEIDI) data by ~~October 1, 2021, and by~~ the last business day of August each year. ~~thereafter.~~ A public university shall report any revisions **of tuition and fee charges** for any semester of the reported academic year ~~2021-2022 tuition and fee charges~~ to HEIDI within 15 days ~~of~~ **after** being adopted.

Sec. 268. (1) For the fiscal year ending September 30, ~~2022,~~ **2023**, it is the intent of the legislature that funds be allocated for unfunded North American Indian tuition waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253, from the general fund.

(2) By January 15 of each year, the department of civil rights shall annually submit to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

(a) The number of waiver applications received and the number of waiver applications approved.

(b) For each university submitting information under

subsection (3), all of the following:

(i) The number of graduate and undergraduate North American Indian students enrolled each term for the previous academic year.

(ii) The number of North American Indian waivers granted each term, including to continuing education students, and the monetary value of the waivers for the previous academic year.

(iii) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who withdrew from the university each term during the previous academic year.

For purposes of this subparagraph, a withdrawal occurs when a student who has been awarded the waiver withdraws from the institution at any point during the term, regardless of enrollment in subsequent terms.

(iv) The number of graduate and undergraduate students attending under a North American Indian tuition waiver who successfully complete a degree or certificate program, separated by degree or certificate level, and the graduation rate for graduate and undergraduate students attending under a North American Indian tuition waiver who complete a degree or certificate within 150% of the normal time to complete, separated by the level of the degree or certificate.

(3) By January 1 of each year, a public university that receives ~~funds under~~ **an appropriation in** section 236, or a tribal college receiving pass-through funds under section 269 or 270c, shall provide to the department of civil rights any information necessary for preparing the report detailed in subsection (2), using guidelines and procedures developed by the department of civil rights.

(4) The department of civil rights may consolidate the report

1 required under this section with the report required under section
 2 223, but a consolidated report must separately identify data for
 3 universities and data for community colleges.

4 Sec. 269. For fiscal year ~~2021-2022,~~ **2022-2023**, from the
 5 amount appropriated in section 236 to Central Michigan University
 6 for costs incurred under the North American Indian tuition waiver,
 7 ~~\$82,400.00 shall~~ **\$31,000.00 must** be paid to Saginaw Chippewa Tribal
 8 College for the costs of waiving tuition for North American Indians
 9 under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of
 10 the legislature that Saginaw Chippewa Tribal College provide the
 11 department of civil rights the necessary information for the
 12 college to be included in the report required under section 268.

13 Sec. 270c. For fiscal year ~~2021-2022,~~ **2022-2023**, from the
 14 amount appropriated in section 236 to Northern Michigan University
 15 for costs incurred under the North American Indian tuition waiver,
 16 ~~\$50,000.00~~ **\$87,800.00** is to be paid to Keweenaw Bay Ojibwa
 17 Community College for the costs of waiving tuition for North
 18 American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is
 19 the intent of the legislature that Keweenaw Bay Ojibwa Community
 20 College provide the department of civil rights the necessary
 21 information for the community college to be included in the report
 22 required under section 268.

23 Sec. 274. It is the intent of the legislature that public and
 24 private organizations that conduct human embryonic stem cell
 25 derivation subject to section 27 of article I of the state
 26 constitution of 1963 will provide information to the ~~director of~~
 27 ~~the department of health and human services~~ **house and senate**
 28 **appropriations subcommittees on higher education, the house and**
 29 **senate fiscal agencies, and the state budget director** by December

1 1, ~~2021~~**-2022** that includes all of the following:

2 (a) Documentation that the organization conducting human
3 embryonic stem cell derivation is conducting its activities in
4 compliance with the requirements of section 27 of article I of the
5 state constitution of 1963 and all relevant National Institutes of
6 Health guidelines pertaining to embryonic stem cell derivation.

7 (b) A list of all human embryonic stem cell lines submitted by
8 the organization to the National Institutes of Health for inclusion
9 in the Human Embryonic Stem Cell Registry before and during fiscal
10 year ~~2020-2021~~,**2021-2022**, and the status of each submission as
11 approved, pending approval, or review completed but not yet
12 accepted.

13 (c) Number of human embryonic stem cell lines derived and not
14 submitted for inclusion in the Human Embryonic Stem Cell Registry,
15 before and during fiscal year ~~2020-2021~~.**2021-2022**.

16 Sec. 275f. It is the intent of the legislature that by
17 February 1, ~~2022~~,**2023**, each public university receiving an
18 appropriation in section 236 shall submit to the ~~senate and house~~
19 **and senate** appropriations subcommittees on higher education, the
20 ~~senate and house~~ **and senate** fiscal agencies, and the state budget
21 director a report on activities related to strategic planning and
22 internal assessment or reassessment to best provide for open and
23 free expression and speech, while protecting students from hate-
24 speech, violence, and discrimination.

25 Sec. 275h. (1) It is the intent of the legislature that each
26 public university adopt an advocacy policy applicable to faculty,
27 staff, students, student employees, visitors, and contractors by
28 January 1, ~~2022~~**2023** and comply with all other requirements of this
29 section.

1 (2) An advocacy policy established under subsection (1) should
2 include, but is not limited to, policies for distribution and self-
3 distribution of printed political or advocacy materials, related
4 First Amendment activities, and political demonstrating. The policy
5 should include a process for filing a complaint or reporting a
6 violation of the advocacy policy and identify the public university
7 staff responsible for investigating complaints and violations. The
8 advocacy policy should include the effective date and be posted on
9 the university's website.

10 Sec. 275i. ~~(1) If a public university that receives an~~
11 ~~appropriation in section 236 establishes a mandatory COVID-19~~
12 ~~vaccine policy, it shall provide exemptions to that policy to the~~
13 ~~following students:~~

14 ~~(a) Any student for whom a physician certifies that a COVID-19~~
15 ~~vaccine is or may be detrimental to the student's health or is not~~
16 ~~appropriate.~~

17 ~~(b) Any student who provides a written statement to the effect~~
18 ~~that the requirements of the COVID-19 vaccine policy cannot be met~~
19 ~~because of religious convictions or other consistently held~~
20 ~~objection to immunization.~~

21 ~~(2) It must be presumed that a student who requests an~~
22 ~~exemption under subsection (1) is entitled to that exemption. The~~
23 ~~public university shall grant that student's request unless it~~
24 ~~determines by clear and convincing evidence that the student is not~~
25 ~~entitled to that exemption.~~

26 ~~(3) A public university shall not deny a student's request for~~
27 ~~an exemption until it has exhausted every reasonable accommodation.~~

28 ~~(4) If a public university denies a student's request for an~~
29 ~~exemption, the public university shall issue a report fully~~

~~explaining its reasons for the denial. That report must describe all reasonable accommodations the public university offered the student and the student's response.~~

~~(5) Every public university shall submit a written report regarding its actions taken under this section no later than March 15 of each year to the senate and house appropriations subcommittees on higher education, the senate and house fiscal agencies, and the state budget director. This annual report must include the following information, which may be obtained from any reliable source that complies with applicable laws regarding student privacy:~~

~~(a) The number of students who have requested an exemption from the public university's COVID-19 vaccine policy.~~

~~(b) The number of students who have been granted an exemption.~~

(1) A public university receiving an appropriation in section 236 shall not do either of the following:

(a) Require a COVID-19 vaccination as a prerequisite for enrollment, moving into or residing in housing offered by the university, or attending in-person instruction.

(b) Issue a fine or other penalty to a student who fails to complete a COVID-19 test required of that student because that student has not received a COVID-19 vaccination.

(2) The state treasurer shall withhold the monthly payment described in section 241(1) each month a university remains in violation of this section.

Sec. 275j. (1) From the funds appropriated in section 236 for university operations, \$33,300.00 is included so that each university may establish and operate a pregnant and parenting student services office. If established, an office must meet all of

1 the following:

2 (a) Be located on the campus of the university.

3 (b) Annually assess the performance of the university and the
4 office in meeting all of the following needs of students on campus
5 who are pregnant or who are custodial parents or legal guardians of
6 minors:

7 (i) Comprehensive student health care.

8 (ii) Family housing.

9 (iii) Child care.

10 (iv) Flexible or alternative academic scheduling.

11 (v) Education concerning responsible parenting for mothers and
12 fathers.

13 (c) Identify public and private service providers qualified to
14 meet the needs described in subdivision (b), both on campus and
15 within the local community, and establish programs with qualified
16 providers it selects to meet those needs.

17 (d) Assist students in locating and obtaining services that
18 meet 1 or more of the needs described in subdivision (b).

19 (e) If appropriate, provide referrals on prenatal care and
20 delivery, infant, or foster care, adoption, and family planning, to
21 individual students who request that information. An office shall
22 not provide referrals for abortion services.

23 (2) Program allocations not expended or encumbered by
24 September 20, 2023 must be returned to this state so they may lapse
25 to the state general fund.

26 (3) By December 1, 2022, a university that establishes a
27 pregnant and parenting student services office shall report to the
28 house and senate appropriations subcommittees on higher education,
29 the house and senate fiscal agencies, and the state budget director

1 all of the following:

2 (a) An itemized list of office expenditures during the
3 preceding fiscal year.

4 (b) A review and evaluation of the performance of the office
5 in fulfilling its obligations under this section.

6 (c) The number of students served by the office.

7 (4) Funds received for administering programs under this
8 section must not be used for direct financial aid or indirect
9 financial aid. As used in this subsection:

10 (a) "Direct financial aid" includes, but is not limited to,
11 scholarships, payment of tuition, stipends, and work-studies.

12 (b) "Indirect financial aid" includes, but is not limited to,
13 transportation, textbook allowances, child care support, and
14 assistance with medical premiums or expenses.

15 Sec. 278. ~~(1) Included in section 236 for fiscal year 2021-~~
16 ~~2022 is funding for the Martin Luther King, Jr. - Cesar Chavez -~~
17 ~~Rosa Parks select student support services program for developing~~
18 ~~academically or economically disadvantaged student retention~~
19 ~~programs for 4-year public and independent educational institutions~~
20 ~~in this state. Preference may not be given to participants on the~~
21 ~~basis of race, color, ethnicity, gender, or national origin.~~

22 ~~Institutions should encourage participation from those who would~~
23 ~~otherwise not adequately be represented in the student population.~~

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

27 ~~(3) The program described in this section shall be~~
28 ~~administered by the department of labor and economic opportunity.~~

29 (1) Each appropriation for university operations in section

1 236 includes \$131,300.00 to operate a student retention program for
2 developing and operating student retention programs at each
3 university.

4 (2) Individual program plans of each public university must
5 include a budget of equal contributions from this program and the
6 university.

7 (3) Program allocations not expended or encumbered by
8 September 30, 2023 must be returned to this state so they may lapse
9 to the state general fund.

10 (4) Not more than 5% of each public university's allocation
11 for the program may be used for administration of the program.

12 (5) Funds received for the purpose of administering this
13 program must not be used for direct financial aid or indirect
14 financial aid. However, a university may provide academic
15 incentives to motivate participating students. As used in this
16 subsection, "direct financial aid" and "indirect financial aid"
17 mean those terms as defined in section 275j.

18 (6) Each university receiving funds under this section shall
19 report to the house and senate and appropriations subcommittees on
20 higher education by April 15, 2023 the following:

21 (a) A summary of the program.

22 (b) The number of students served by the program.

23 Enacting section 1. In accordance with section 30 of article
24 IX of the state constitution of 1963, total state spending from
25 state sources for higher education for fiscal year 2022-2023 under
26 article III of the state school aid act of 1979, 1979 PA 94, MCL
27 388.1836 to 388.1891, is estimated at \$2,674,904,500.00 and the
28 amount of that state spending from state sources to be paid to
29 local units of government for fiscal year 2022-2023 is estimated at

1 \$0.00.

2 Enacting section 2. Sections 236b, 236i, 275a, 275g, 276, 277,
3 279, 280, 281, 281a, 282, and 286b of the state school aid act of
4 1979, 1979 PA 94, MCL 388.1836b, 388.1836i, 388.1875a, 388.1875g,
5 388.1876, 388.1877, 388.1879, 388.1880, 388.1881, 388.1881a,
6 388.1882, and 388.1886b, are repealed effective October 1, 2022.

7 Enacting section 3. This amendatory act takes effect October
8 1, 2022.