



SENATE BILL No. 244

February 21, 2001, Introduced by Senators SCHWARZ, SMITH, HOFFMAN, MC MANUS, JOHNSON, STILLE and GOSCHKA and referred to the Committee on Appropriations.

EXECUTIVE BUDGET BILL

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2002; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this bill, the amounts listed in this part are appropriated for the state institutions of higher education and certain other state purposes

1 related to education for the fiscal year ending September 30, 2002,
2 from the funds indicated in this part. The following is a summary of
3 the appropriations in this part:

4 **HIGHER EDUCATION**

5 APPROPRIATION SUMMARY:

6 GROSS APPROPRIATION \$ 1,956,742,361

7 Interdepartmental grant revenues:

8 Total interdepartmental grants and

9 intradepartmental transfers 0

10 ADJUSTED GROSS APPROPRIATION \$ 1,956,742,361

11 Federal revenues:

12 Total federal revenues 4,900,000

13 Special revenue funds:

14 Total local revenues 0

15 Total private revenues 0

16 Total other state restricted revenues 130,273,845

17 State general fund/general purpose \$ 1,821,568,516

18 **Sec. 102. CENTRAL MICHIGAN UNIVERSITY**

19 Operations \$ 89,938,980

20 GROSS APPROPRIATION \$ 89,938,980

21 Appropriated from:

22 State general fund/general purpose \$ 89,938,980

23 **Sec. 103. EASTERN MICHIGAN UNIVERSITY**

24 Operations \$ 87,728,559

25 GROSS APPROPRIATION \$ 87,728,559

26 Appropriated from:

27 State general fund/general purpose \$ 87,728,559

28 **Sec. 104. FERRIS STATE UNIVERSITY**

29 Operations \$ 55,566,733

| | | | |
|----|--|----|--------------------|
| 1 | GROSS APPROPRIATION | \$ | 55,566,733 |
| 2 | Appropriated from: | | |
| 3 | State general fund/general purpose | \$ | 55,566,733 |
| 4 | Sec. 105. GRAND VALLEY STATE UNIVERSITY | | |
| 5 | Operations | \$ | <u>64,260,345</u> |
| 6 | GROSS APPROPRIATION | \$ | 64,260,345 |
| 7 | Appropriated from: | | |
| 8 | State general fund/general purpose | \$ | 64,260,345 |
| 9 | Sec. 106. LAKE SUPERIOR STATE UNIVERSITY | | |
| 10 | Operations | \$ | <u>14,282,644</u> |
| 11 | GROSS APPROPRIATION | \$ | 14,282,644 |
| 12 | Appropriated from: | | |
| 13 | State general fund/general purpose | \$ | 14,282,644 |
| 14 | Sec. 107. MICHIGAN STATE UNIVERSITY | | |
| 15 | Operations | \$ | <u>327,983,790</u> |
| 16 | GROSS APPROPRIATION | \$ | 327,983,790 |
| 17 | Appropriated from: | | |
| 18 | State general fund/general purpose | \$ | 327,983,790 |
| 19 | Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY | | |
| 20 | Operations | \$ | <u>55,279,423</u> |
| 21 | GROSS APPROPRIATION | \$ | 55,279,423 |
| 22 | Appropriated from: | | |
| 23 | State general fund/general purpose | \$ | 55,279,423 |
| 24 | Sec. 109. NORTHERN MICHIGAN UNIVERSITY | | |
| 25 | Operations | \$ | <u>51,247,828</u> |
| 26 | GROSS APPROPRIATION | \$ | 51,247,828 |
| 27 | Appropriated from: | | |
| 28 | State general fund/general purpose | \$ | 51,247,828 |
| 29 | Sec. 110. OAKLAND UNIVERSITY | | |

| | | | |
|----|---|----|--------------------|
| 1 | Operations | \$ | <u>52,613,349</u> |
| 2 | GROSS APPROPRIATION | \$ | 52,613,349 |
| 3 | Appropriated from: | | |
| 4 | State general fund/general purpose | \$ | 52,613,349 |
| 5 | Sec. 111. SAGINAW VALLEY STATE UNIVERSITY | | |
| 6 | Operations | \$ | <u>27,873,793</u> |
| 7 | GROSS APPROPRIATION | \$ | 27,873,793 |
| 8 | Appropriated from: | | |
| 9 | State general fund/general purpose | \$ | 27,873,793 |
| 10 | Sec. 112. UNIVERSITY OF MICHIGAN-ANN ARBOR | | |
| 11 | Operations | \$ | <u>363,702,103</u> |
| 12 | GROSS APPROPRIATION | \$ | 363,702,103 |
| 13 | Appropriated from: | | |
| 14 | State general fund/general purpose | \$ | 363,702,103 |
| 15 | Sec. 113. UNIVERSITY OF MICHIGAN-DEARBORN | | |
| 16 | Operations | \$ | <u>28,011,884</u> |
| 17 | GROSS APPROPRIATION | \$ | 28,011,884 |
| 18 | Appropriated from: | | |
| 19 | State general fund/general purpose | \$ | 28,011,884 |
| 20 | Sec. 114. UNIVERSITY OF MICHIGAN-FLINT | | |
| 21 | Operations | \$ | <u>24,093,044</u> |
| 22 | GROSS APPROPRIATION | \$ | 24,093,044 |
| 23 | Appropriated from: | | |
| 24 | State general fund/general purpose | \$ | 24,093,044 |
| 25 | Sec. 115. WAYNE STATE UNIVERSITY | | |
| 26 | Operations | \$ | <u>253,801,227</u> |
| 27 | GROSS APPROPRIATION | \$ | 253,801,227 |
| 28 | Appropriated from: | | |
| 29 | State general fund/general purpose | \$ | 253,801,227 |

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|----|--|----|--------------------|
| 1 | Sec. 116. WESTERN MICHIGAN UNIVERSITY | | |
| 2 | Operations | \$ | <u>126,874,617</u> |
| 3 | GROSS APPROPRIATION | \$ | 126,874,617 |
| 4 | Appropriated from: | | |
| 5 | State general fund/general purpose | \$ | 126,874,617 |
| 6 | Sec. 117. STATE AND REGIONAL PROGRAMS | | |
| 7 | Agricultural experiment station | \$ | 33,733,452 |
| 8 | Cooperative extension service | | 29,016,134 |
| 9 | Project GREEN | | 6,222,000 |
| 10 | Michigan molecular institute | | 238,095 |
| 11 | Japan center for Michigan universities | | 425,412 |
| 12 | Higher education database modernization | | |
| 13 | and conversion | | 275,000 |
| 14 | Midwestern higher education compact | | <u>82,500</u> |
| 15 | GROSS APPROPRIATION | \$ | 69,992,593 |
| 16 | Appropriated from: | | |
| 17 | Special revenue funds: | | |
| 18 | State general fund/general purpose | \$ | 69,992,593 |
| 19 | Sec. 118. MARTIN LUTHER KING, JR.-CESAR CHAVEZ-ROSA | | |
| 20 | PARKS PROGRAM | | |
| 21 | Select student supportive services | \$ | 2,184,787 |
| 22 | Michigan college/university partnership program | | 655,436 |
| 23 | Morris Hood, Jr. educator development program . | | <u>165,952</u> |
| 24 | GROSS APPROPRIATION | \$ | 3,006,175 |
| 25 | Appropriated from: | | |
| 26 | State general fund/general purpose | \$ | 3,006,175 |
| 27 | Sec. 119. GRANTS AND FINANCIAL AID | | |
| 28 | State competitive scholarships | \$ | 36,527,206 |
| 29 | Tuition grants | | 66,445,439 |

| | | |
|----|---|------------------|
| 1 | Michigan work-study program | 8,057,596 |
| 2 | Part-time independent student program | 2,918,155 |
| 3 | Grant for Michigan resident dental graduates . . | 5,078,607 |
| 4 | Grant for general degree graduates | 6,352,308 |
| 5 | Grant for allied health graduates | 939,938 |
| 6 | Michigan education opportunity grants | 2,292,180 |
| 7 | Robert C. Byrd honors scholarship program . . . | 1,600,000 |
| 8 | Michigan merit award program | 125,023,845 |
| 9 | Tuition incentive program | <u>5,250,000</u> |
| 10 | GROSS APPROPRIATION | \$ 260,485,274 |
| 11 | Appropriated from: | |
| 12 | Federal revenues: | |
| 13 | Higher education act of 1965, title IV, 20 U.S.C. | \$ 3,300,000 |
| 14 | Higher education act of 1965, title IV, part A . | 1,600,000 |
| 15 | Special revenue funds: | |
| 16 | Michigan merit award trust fund | 130,273,845 |
| 17 | State general fund/general purpose | \$ 125,311,429 |

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 2001-2002 is \$1,951,842,361.00 and state spending from state resources to be paid to local units of government for fiscal year 2001-2002 is \$4,050,073.00. The itemized statement below identifies appropriations from which spending to units of local government will occur:

GRANTS AND FINANCIAL AID

| | | |
|----|---|--------------|
| 29 | Part-time independent student program | \$ 1,352,857 |
|----|---|--------------|

| | | |
|---|--|------------------|
| 1 | Michigan education opportunity grant | 1,005,121 |
| 2 | Michigan work-study | <u>1,692,095</u> |
| 3 | TOTAL | \$ 4,050,073 |

4 Sec. 202. The appropriations authorized under this bill are
5 subject to the management and budget act, 1984 PA 431, MCL 18.1101 to
6 18.1594.

7 Sec. 203. Unless otherwise specified, the institutions of higher
8 education shall use the Internet to fulfill the reporting requirements
9 of this bill. This may include transmission of reports via electronic
10 mail to the recipients identified for each reporting requirement, or
11 it may include placement of reports on an Internet or Intranet site.
12 Quarterly, the institutions of higher education shall provide to the
13 appropriations subcommittee members, state budget office, and the
14 fiscal agencies an electronic and paper copy listing of the reports
15 submitted during the most recent 3-month period along with the
16 Internet or Intranet site of each report, if any.

17 Sec. 204. (1) The funds appropriated in part 1 to state
18 institutions of higher education shall be paid out of the state
19 treasury and distributed by the state treasurer to the respective
20 institutions in 11 equal monthly installments on the sixteenth of each
21 month, or the next succeeding business day, beginning with October 16,
22 2001. Except for Wayne State University, each institution shall
23 accrue its July and August 2002 payments to its institutional fiscal
24 year ending June 30, 2002.

25 (2) The amount distributed to an institution shall not exceed the
26 net appropriations plus additional distributions specifically
27 authorized by this bill.

28 (3) All universities shall submit higher education institutional
29 data inventory (HEIDI) data and associated financial and program
30 information requested by and in a manner prescribed by the state

1 budget director. For universities with fiscal years ending June 30,
2 2001, these data shall be submitted to the state budget director by
3 October 15, 2001. Universities with a fiscal year ending September
4 30, 2001 shall submit preliminary HEIDI data by November 15, 2001 and
5 final data by December 15, 2001. If a university fails to submit
6 HEIDI data and associated financial aid program information in
7 accordance with this reporting schedule, the state treasurer shall
8 withhold the monthly installments under subsection (1) to the
9 university until those data are submitted.

10 Sec. 205. Funds received by the state from the federal government
11 or private sources for the use of a college or university are
12 appropriated for the purposes for which they are provided. The
13 acceptance and use of federal or private funds does not place an
14 obligation upon the legislature to continue the purposes for which the
15 funds are made available.

16 Sec. 206. A state institution of higher education that receives
17 funds under this bill shall furnish all program and financial
18 information that is required by and in a manner prescribed by the
19 state budget director or the house or senate appropriations committee.

20 Sec. 207. All funds received under part 1 for the charter schools
21 development and performance institute are intended to be expended on
22 activities of that institute.

23 **GRANTS AND FINANCIAL AID**

24 Sec. 301. (1) Payments of the amounts included in part 1 for the
25 state competitive scholarship program shall be distributed pursuant to
26 1964 PA 208, MCL 390.971 to 390.981.

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

1 (3) If a student who receives an award under this section has his
2 or her tuition and fees paid under the Michigan educational trust
3 program, pursuant to the Michigan education trust act, 1986 PA 316,
4 MCL 390.1421 to 390.1444, and still has financial need, the funds
5 awarded under this section may be used for educational expenses other
6 than tuition and fees.

7 (4) If the Michigan higher education assistance authority
8 increases the maximum award per eligible student from that provided in
9 the previous fiscal year, it shall not have the effect of reducing the
10 number of eligible students receiving awards in relation to the total
11 number of eligible applicants. Any increase in the maximum grant
12 shall be proportional for all eligible students receiving awards.

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

16 (2) Tuition grant awards shall be made to all eligible Michigan
17 residents who apply before September 1, 2001 and who are qualified.
18 Tuition grant awards shall not be made to students newly enrolled in a
19 juris doctor law degree program after the 1995-96 academic year.

20 (3) The Michigan higher education assistance authority shall
21 determine an actual maximum tuition grant award per student that
22 ensures that the aggregate payments for the tuition grant program do
23 not exceed the appropriation contained in part 1 for the state tuition
24 grant program. By December 15, 2001, and again by February 1, 2002,
25 the authority shall analyze the status of award commitments, shall
26 make any necessary adjustments, and shall confirm that those award
27 commitments will not exceed the appropriation contained in part 1 for
28 the tuition grant program. The determination and actions shall be
29 reported to the state budget director and the house and senate fiscal
30 agencies no later than February 15, 2002. If award adjustments are

1 necessary, the students shall be notified of the adjustment by the
2 third Monday in February.

3 (4) Any unexpended and unencumbered funds remaining on September
4 30, 2002 from the amounts appropriated in part 1 for the tuition grant
5 program shall not lapse on September 30, 2002, but shall continue to
6 be available for expenditure for tuition grants provided in the 2002-
7 2003 fiscal year. The use of these unexpended fiscal year 2001-2002
8 funds shall terminate at the end of the 2002-2003 fiscal year.

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

12 (6) If the Michigan higher education assistance authority
13 increases the maximum award per eligible student from that provided in
14 the previous fiscal year, it shall not have the effect of reducing the
15 number of eligible students receiving awards in relation to the total
16 number of eligible applicants. Any increase in the maximum grant
17 shall be proportional for all eligible students receiving awards for
18 fiscal year 2001-2002.

19 (7) Students enrolled in instructional programs provided by the
20 Kendall College of Art and Design of Ferris State University are
21 eligible to receive tuition grant awards for fiscal years 2000-2001
22 and 2001-2002.

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

1 under this bill.

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

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

12 Sec. 304. (1) Payments of the amounts included in part 1 for the
13 general degree reimbursement program established under 1974 PA 75, MCL
14 390.1021 to 390.1027, shall be made for all degrees identified in
15 section 1(1) of 1974 PA 75, MCL 390.1021, except doctor of dental
16 surgery, doctor of dental medicine, juris doctor law, and allied
17 health degrees.

18 (2) The reimbursement rate per eligible degree shall be the
19 equally prorated amount permitted by the appropriation, except that
20 the amount of the reimbursement for each associate degree shall be 1/2
21 of the rate of reimbursement for the other degrees eligible under
22 subsection (1) for the general degree reimbursement program.

23 (3) From the general degree reimbursement program, \$135,300.00
24 shall be provided to Spring Arbor College for the southern Michigan
25 state prison program.

26 (4) From the general degree reimbursement program, \$200,500.00
27 shall be provided to the University of Detroit - Mercy for graduate
28 research aid.

29 (5) From the general degree reimbursement program, \$30,100.00
30 shall be provided to Marygrove College for learning clinics.

1 (6) From the general degree reimbursement program, \$50,000.00
2 shall be provided to Suomi College for career education programs.

3 Sec. 305. The reimbursement rate per eligible degree under the
4 allied health degree reimbursement program established under 1974 PA
5 75, MCL 390.1021 to 390.1027, shall be the equally prorated amount
6 permitted by the appropriation included in part 1.

7 Sec. 306. Funds disbursed through the degree reimbursement program
8 shall not be used by any recipient institution for theology or
9 divinity programs.

10 Sec. 307. The auditor general may audit selected enrollments,
11 degrees, and awards at selected independent colleges and universities
12 receiving awards administered by the department of treasury. The
13 audits shall be based upon definitions and requirements established by
14 the Michigan higher education assistance authority, the state budget
15 director, and the senate and house fiscal agencies. The auditor
16 general shall accept the Free Application for Federal Student Aid
17 (FAFSA) form as the standard of residency documentation. The auditor
18 general shall submit a report of findings to the state budget director
19 and the senate and house appropriations committees by May 1, 2002.

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

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

30 (b) For the work-study program, payments shall be made in 11

1 monthly installments from October 1 to August 31 of any year.

2 (c) For the part-time independent student program and Michigan
3 education opportunity grant program, 50% shall be paid at the
4 beginning of the state's first fiscal quarter, 25% at the beginning of
5 the state's second fiscal quarter, and 25% at the beginning of the
6 state's third fiscal quarter.

7 (d) For the general degree reimbursement program, allied health
8 degree reimbursement program, Michigan resident dental grant program,
9 and Robert C. Byrd honors scholarship program, 50% shall be paid at
10 the beginning of the state's first fiscal quarter and 50% at the
11 beginning of the state's second fiscal quarter after the number of
12 earned degrees conferred and total amounts to be paid are certified.

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

18 Sec. 310. (1) The funds appropriated in part 1 for the tuition
19 incentive program/high school completion program shall be distributed
20 as provided in this section and pursuant to the administrative
21 procedures for the tuition incentive program/high school completion
22 program of the department of treasury.

23 (2) As used in this section:

24 (a) "Phase I" means the first part of the tuition incentive
25 assistance program defined as the academic period of 80 semester or
26 120 term credits, or less, leading to an associate degree or
27 certificate.

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

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

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

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

6 (i) Apply for certification to the department before graduating
7 from high school or completing the general education development (GED)
8 certificate.

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

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

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

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

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

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

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

30 (4) For phase I, the department shall provide payment on behalf of

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

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

5 (a) Payments for associate degree or certificate programs shall
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 level resident tuition and mandatory fees
15 for the current year.

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

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

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

28 (b) The tuition reimbursement is for coursework completed within
29 30 months of completion of the phase I requirements.

30 (7) Program payments shall not be used by any recipient for

1 theology or divinity courses.

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

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

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

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

19 (12) When statutory provisions are enacted to provide for a
20 tuition incentive program/high school completion program, the
21 provisions of this section are superseded.

22 (13) Any unexpended and unencumbered funds remaining on September
23 30, 2002 from the amounts appropriated in part 1 for the tuition
24 incentive program shall not lapse on September 30, 2002, but shall
25 continue to be available for expenditure for the tuition incentive
26 program in the fiscal year ending September 30, 2003.

27 Sec. 311. To enable the legislature to evaluate the appropriation
28 needs of higher education, each independent college and university
29 shall make available to the legislature and the state budget director,
30 upon request, data regarding grants for the preceding, current, and

1 ensuing fiscal years.

2 Sec. 312. Included in part 1 is \$125,023,845.00 appropriated from
3 the Michigan merit award trust fund to fund the Michigan merit award
4 program. If the fiscal year 2001-2002 expenditure obligations for the
5 Michigan merit award program exceed \$125,023,845.00, there is hereby
6 appropriated from the Michigan merit award trust fund a sum sufficient
7 to fully fund the Michigan merit award program.

8 **STATE UNIVERSITIES**

9 Sec. 401. (1) Included in part 1 is \$6,357,902 to Wayne State
10 University for the Joseph F. Young, Sr. psychiatric research and
11 training program. Wayne State University shall use these funds for
12 psychiatric laboratory and clinical research, training, and treatment
13 services. Within the available appropriation, services shall not be
14 denied to any patient who meets established research guidelines for
15 treatment on the basis of personal financial circumstances, age,
16 geographic residence, or projected/actual length of treatment as
17 medically warranted.

18 (2) Wayne State University shall report the following information
19 to the department of community health by November 1, 2002:

20 (a) The number and type of psychiatric research projects funded by
21 the appropriation described in subsection (1).

22 (b) The number and type of students trained and the location of
23 training funded by the appropriation.

24 (c) Demographic data regarding the number and profile of patients
25 to receive psychiatric services funded by the appropriation and a
26 profile of the services provided.

27 (d) A summary budget outlining major expenditure categories and
28 any first- and third-party reimbursements.

29 (3) Copies of these reports shall also be provided to the house
30 and senate fiscal agencies and the state budget director.

1 Sec. 402. (1) There is created the higher education institutional
2 data inventory advisory committee. The committee shall be appointed
3 by the state budget director and shall consist of the following
4 members:

5 (a) One representative from the house fiscal agency.

6 (b) One representative from the senate fiscal agency.

7 (c) One representative from the state budget director's office.

8 (d) Three representatives of the presidents council of state
9 universities. The presidents council shall appoint 1 representative
10 each from a masters, a doctoral, and a research university.

11 (2) The committee shall provide for the general scope and
12 direction for implementing the conversion and modernization of the
13 state's higher education databases, for which funding is provided in
14 part 1.

15 (3) The committee shall prepare a plan for the conversion and
16 modernization effort. The plan shall include, but is not limited to,
17 all of the following:

18 (a) The development of a data dictionary.

19 (b) The integration of appropriate federal, national, regional,
20 and state databases.

21 (c) The assurance of the accuracy of the data.

22 Sec. 403. The amounts included in part 1 for public universities
23 recognize 5 separate university groupings. Funding floors for the 5
24 groupings are established as follows:

25 (a) Funding floor of \$4,500.00 per fiscal-year-equated student for
26 Grand Valley State University, Lake Superior State University,
27 Northern Michigan University, Saginaw Valley State University, and the
28 University of Michigan-Flint.

29 (b) Funding floor of \$4,600.00 per fiscal-year-equated student for
30 Central Michigan University, Eastern Michigan University, and Ferris

1 State University.

2 (c) Funding floor of \$4,700.00 per fiscal-year-equated student for
3 Oakland University and the University of Michigan-Dearborn.

4 (d) Funding floor of \$5,700.00 per fiscal-year-equated student for
5 Michigan Technological University and Western Michigan University.

6 (e) Funding floor of \$9,000.00 per fiscal-year-equated student for
7 Michigan State University, the University of Michigan-Ann Arbor, and
8 Wayne State University.

9 Sec. 404. By October 15, 2001, each state university shall provide
10 through the Higher Education Institutional Data Inventory (HEIDI)
11 reporting system the number of graduates in each field of academic
12 study for the preceding academic year.

13 Sec. 405. No state funds shall be used by any state university to
14 undertake a collaborative effort with any other university that would
15 have the effect of increasing its enrollment of first-time
16 professional law degree seeking students.

17 Sec. 406. Central Michigan University shall report by September
18 30, 2002 to the state budget director and the house and senate
19 appropriations committees and the house and senate fiscal agencies
20 information on the activities and effectiveness of the charter schools
21 development and performance institute for which an appropriation is
22 provided in part 1. Included in the report shall be an accounting of
23 all revenues and expenditures of the institute, the names of the
24 public school academies served, and the type of assistance provided to
25 each public school academy.

26 Sec. 407. (1) Included in part 1 is \$6,222,000 for project GREEN.
27 These funds shall be expended pursuant to the terms and conditions of
28 an agreement between the Michigan department of agriculture and
29 Michigan State University for the purpose of research or extension
30 programs designed to address critical regulatory, food safety,

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

5 (2) The agreement between the Michigan department of agriculture
6 and Michigan State University shall contain research or extension
7 program priorities for the purposes described in subsection (1), and
8 shall be developed by a consortium of interested parties consisting
9 of, but not limited to, representatives from the Michigan department
10 of agriculture, Michigan State University, and agricultural commodity
11 groups.

12 (3) Not later than September 30, 2002, Michigan State University
13 shall submit to the Michigan department of agriculture, state budget
14 director, house and senate appropriations subcommittees on agriculture
15 and on higher education and to the house and senate fiscal agencies a
16 report for the immediately preceding fiscal year regarding project
17 GREEN projects. The report shall include, but is not limited to, the
18 dollar amount of each project and a review of each project's
19 performance and accomplishments.

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

21 Sec. 501. (1) Included in the appropriation for each public
22 university in part 1 is funding for the Martin Luther King, Jr. -
23 Cesar Chavez - Rosa Parks future faculty program, that is intended to
24 increase the pool of minority candidates pursuing faculty teaching
25 careers in postsecondary education. Each university shall apply the
26 percentage increase applicable to every university in the calculation
27 of appropriations in part 1 to the amount of funds allocated to the
28 future faculty program.

29 (2) The program shall be administered by each university in a
30 manner prescribed by the Michigan department of career development.

1 Sec. 502. (1) Included in the appropriation for each public
2 university in part 1 is funding for the Martin Luther King, Jr. -
3 Cesar Chavez - Rosa Parks college day program that is intended to
4 introduce schoolchildren underrepresented in postsecondary education
5 to the potential of a college education.

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

15 (3) The program shall be administered by each university in a
16 manner prescribed by the Michigan department of career development.

17 Sec. 503. (1) Included in part 1 is funding for the Martin Luther
18 King, Jr. - Cesar Chavez - Rosa Parks select student support services
19 program for developing academically and economically disadvantaged
20 student retention programs for 4-year public and independent
21 educational institutions in this state.

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

25 (3) The program shall be administered by the Michigan department
26 of career development.

27 Sec. 504. (1) Included in part 1 is funding for the Martin Luther
28 King, Jr. - Cesar Chavez - Rosa Parks college/university partnership
29 program between 4-year public and independent colleges and
30 universities and public community colleges, which is intended to

1 increase the number of underrepresented minority students who transfer
2 from community colleges into baccalaureate programs.

3 (2) The grants shall be made under this program to Michigan public
4 and independent colleges and universities. An award to any 1
5 institution shall not be greater than \$150,000.00, and the amount
6 awarded shall be matched on a 70% state, 30% college or university
7 basis.

8 (3) The program shall be administered by the Michigan department
9 of career development.

10 Sec. 505. (1) Included in the appropriation for each public
11 university in part 1 is funding for the Martin Luther King, Jr. -
12 Cesar Chavez - Rosa Parks visiting professors program which is
13 intended to increase the number of underrepresented minority
14 instructors in the classroom and provide role models for
15 underrepresented minority students.

16 (2) The program shall be administered by the Michigan department
17 of career development.

18 Sec. 506. (1) Included in the appropriation in part 1 is funding
19 under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
20 initiative for the Morris Hood, Jr. educator development program which
21 is intended to increase the number of minority students, especially
22 males, who enroll in and complete K-12 teacher education programs at
23 the baccalaureate level.

24 (2) The program shall be administered by each state-approved
25 teacher education institution in a manner prescribed by the Michigan
26 department of career development.

27 (3) Approved teacher education institutions may and are encouraged
28 to use student support services funding in coordination with the
29 Morris Hood, Jr. funding to achieve the goals of the program.

30 Sec. 507. Each state institution of higher education receiving

1 funds under section 503, 504, 505, or 506 shall notify the Michigan
2 department of career development by July 15, 2002 as to whether it
3 will expend by the end of its fiscal year the funds received under
4 section 503, 504, 505, or 506. Notwithstanding the award limitations
5 in sections 503 and 504, the amount of funding reported as not being
6 expended will be reallocated to the institutions that intend to expend
7 all funding received under section 503, 504, 505, or 506.

8 **STUDENT PERFORMANCE REPORTING**

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

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

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

26 **GENERAL REPORTS AND AUDITS**

27 Sec. 701. (1) The auditor general shall audit enrollments at 5
28 randomly selected public universities. The audits shall be based upon
29 the definitions and requirements established by the state budget
30 director and the senate and house fiscal agencies. The audits shall

1 be based on uniform reporting categories and shall include higher
2 education institutional data inventory (HEIDI) data. The auditor
3 general shall submit a report of findings to the house and senate
4 appropriations committees and the state budget director no later than
5 July 1, 2002.

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

7 (a) Student credit hours generated through correspondence courses,
8 credit by examination, or inmate prison programs regardless of
9 teaching location.

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

14 (i) Represent new options, fields, or concentrations within
15 existing programs.

16 (ii) Are consistent with the current institutional role and
17 mission.

18 (iii) Are accommodated within the continuing funding base of the
19 institution.

20 (iv) Do not require a new degree level beyond that which the
21 institution is currently authorized to grant within that discipline or
22 field.

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

27 (3) The auditor general shall periodically audit higher education
28 institutional data inventory (HEIDI) data as submitted by the state
29 universities for compliance with the definitions in the HEIDI data
30 dictionary.

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

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

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

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

15 Sec. 703. (1) As part of the higher education data inventory
16 (HEIDI) submission, each state university shall report the following
17 information for the 2000-2001 academic year on or before October 31,
18 2001:

19 (a) Separately, the number of tenured faculty, tenure-track
20 faculty, nontenure-track faculty, and instruction/research assistants
21 who taught an undergraduate class section.

22 (b) The total number of undergraduate credit hours taught by each
23 of the following:

24 (i) Tenured faculty.

25 (ii) Tenure-track faculty.

26 (iii) Nontenure-track faculty.

27 (iv) Instruction/research assistants.

28 (2) For the purposes of subsection (1), the following definitions
29 apply:

30 (a) "Tenured faculty" means a faculty member who has earned

1 tenure.

2 (b) "Tenure-track faculty" means a faculty member who has not yet
3 earned tenure but is eligible to earn tenure.

4 (c) "Nontenure-track faculty" means a faculty member who is not
5 eligible to earn tenure.

6 (d) "Instruction/research assistant" means a graduate student
7 assisting in classroom or laboratory instruction.

8 (3) Each state university shall also report the following
9 information for the 2000-2001 academic year, as part of the higher
10 education data inventory (HEIDI) submission, on or before October 31,
11 2001:

12 (a) Separately, the number of part-time and full-time faculty.

13 (b) Separately, the number of tenured and nontenured faculty.

14 (4) For the purposes of subsection (3), the following definitions
15 apply:

16 (a) "Part-time faculty" means an individual who does not have a
17 full-time appointment as a faculty member.

18 (b) "Full-time faculty" means an individual who has a full-time
19 appointment as a faculty member.

20 (c) "Tenured faculty" means an individual who has earned tenure
21 and who does not hold an administrative post.

22 (d) "Nontenured faculty" means an individual who has not earned
23 tenure.

24 Sec. 704. The auditor general shall conduct not less than 3
25 performance audits of the state universities during the fiscal year
26 ending September 30, 2002.

27 Sec. 705. (1) An institution receiving funds under this bill and
28 also subject to the student right-to-know and campus security act,
29 Public Law 101-522, 104 Stat. 2381, shall make all material prepared
30 pursuant to the public information reporting requirements under the

- 1 crime awareness and campus security act of 1990, title II of the
- 2 student right-to-know and campus security act, Public Law 101-542, 104
- 3 Stat. 2381. available in electronic Internet format on their websites.