

HOUSE BILL No. 5819

EXECUTIVE BUDGET BILL

February 26, 2008, Introduced by Rep. Byrnes and referred to the Committee on Appropriations.

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, 2009; 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:

ARTICLE 1

SUMMARY AND GENERAL PROVISIONS

Sec. 101. Subject to the conditions set forth in this bill, the amounts listed in this bill are appropriated for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2009, from

the funds indicated in this bill. The following is a summary of the appropriations in this bill:

HIGHER EDUCATION

APPROPRIATION SUMMARY:

Full-time equated classified positions 1.0

GROSS APPROPRIATION..... \$ 1,799,426,000

Interdepartmental grant revenues:

Total interdepartmental grants and intradepartmental

transfers 0

ADJUSTED GROSS APPROPRIATION..... \$ 1,799,426,000

Appropriated from:

Federal revenues:

Total federal revenues..... 7,400,000

Special revenue funds:

Total local revenues..... 0

Total private revenues..... 0

Total other state restricted revenues..... 116,100,000

State general fund/general purpose..... \$ 1,675,926,000

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under this bill for fiscal year 2008-2009 is \$1,792,026,000.00 and state spending from state resources to be paid to local units of government for fiscal year 2008-2009 is \$0.00.

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

ARTICLE 2

RESEARCH UNIVERSITIES

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 research universities for the fiscal year ending September 30, 2009, from the funds indicated in this part.

Sec. 102. MICHIGAN STATE UNIVERSITY

Operations.....	\$	297,991,200
Agricultural experiment station.....		35,016,100
Cooperative extension service.....		<u>30,202,000</u>
GROSS APPROPRIATION.....	\$	363,209,300

Appropriated from:

Special revenue funds:

State general fund/general purpose.....	\$	363,209,300
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Sec. 103. UNIVERSITY OF MICHIGAN - ANN ARBOR

Operations.....	\$	<u>333,629,800</u>
GROSS APPROPRIATION.....	\$	333,629,800

Appropriated from:

Special revenue funds:

State general fund/general purpose.....	\$	333,629,800
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Sec. 104. WAYNE STATE UNIVERSITY

Operations.....	\$	<u>225,984,000</u>
GROSS APPROPRIATION.....	\$	225,984,000

Appropriated from:

Special revenue funds:

1 State general fund/general purpose..... \$ 225,984,000

2 PART 2

3 PROVISIONS CONCERNING APPROPRIATIONS

4 **GENERAL SECTIONS**

5 Sec. 203. As used in this bill, "research university" means a
6 public university classified as a "research university (very high
7 research activity)" under the 2005 classification of institutions
8 of higher education conducted by the Carnegie foundation for the
9 advancement of teaching.

10 Sec. 208. Unless otherwise specified, the institutions of
11 higher education receiving appropriations in part 1 shall use the
12 Internet to fulfill the reporting requirements of this bill. This
13 requirement may include transmission of reports via electronic mail
14 to the recipients identified for each reporting requirement, or it
15 may include placement of reports on an Internet or Intranet site.

16 Sec. 209. Funds appropriated in part 1 shall not be used for
17 the purchase of foreign goods or services, or both, if
18 competitively priced and of comparable quality American goods and
19 services, or both, are available. Preference should be given to
20 goods or services, or both, manufactured or provided by Michigan
21 businesses if they are competitively priced and of comparable
22 value. In addition, preference should be given to goods or
23 services, or both, that are manufactured or provided by Michigan
24 businesses owned and operated by veterans, if they are
25 competitively priced and of comparable quality.

1 Sec. 212. (1) The funds appropriated in part 1 to state
2 institutions of higher education shall be paid out of the state
3 treasury and distributed by the state treasurer to the respective
4 institutions in 11 equal monthly installments on the sixteenth of
5 each month, or the next succeeding business day, beginning with
6 October 16, 2008. Except for Wayne State University, each
7 institution shall accrue its July and August 2009 payments to its
8 institutional fiscal year ending June 30, 2009.

9 (2) All universities shall submit higher education
10 institutional data inventory (HEIDI) data and associated financial
11 and program information requested by and in a manner prescribed by
12 the state budget director. For universities with fiscal years
13 ending June 30, 2008, these data shall be submitted to the state
14 budget director by October 15, 2008. Universities with a fiscal
15 year ending September 30, 2008 shall submit preliminary HEIDI data
16 by November 15, 2008 and final data by December 15, 2008. If a
17 university fails to submit HEIDI data and associated financial aid
18 program information in accordance with this reporting schedule, the
19 state treasurer may withhold the monthly installments under
20 subsection (1) to the university until those data are submitted.

21 Sec. 213. Funds received by the state from the federal
22 government or private sources for the use of a college or
23 university are appropriated for the purposes for which they are
24 provided. The acceptance and use of federal or private funds do not
25 place an obligation upon the legislature to continue the purposes
26 for which the funds are made available.

27 Sec. 215. A state institution of higher education that

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

5 **UNIVERSITY OPERATIONS**

6 Sec. 433. (1) Included in part 1 is \$3,042,000.00 for the
7 agricultural experiment station and \$2,697,600.00 for the
8 cooperative extension service for project GREEN. Project GREEN is
9 intended to address critical regulatory, food safety, economic, and
10 environmental problems faced by this state's plant-based
11 agriculture, forestry, and processing industries. "GREEN" is an
12 acronym for generating research and extension to meet environmental
13 and economic needs.

14 (2) The department of agriculture and Michigan State
15 University, in consultation with agricultural commodity groups and
16 other interested parties, shall develop project GREEN and its
17 program priorities.

18 (3) Not later than September 30, 2009, a report shall be
19 submitted by Michigan State University to the state budget
20 director, the house and senate appropriations subcommittees on
21 agriculture and on higher education, and the house and senate
22 fiscal agencies for the preceding fiscal year regarding project
23 GREEN projects. The report shall include, but is not limited to,
24 the dollar amount of each project and a review of each project's
25 performance and accomplishments.

26 Sec. 436. It is expected that each university will limit its

1 resident undergraduate tuition and required fees increase from
2 academic year 2007-2008 to academic year 2008-2009 to no more than
3 the projected inflationary increase of 2.3 percent. Additionally,
4 if any state university increases its resident undergraduate
5 tuition and required fees from academic year 2007-2008 to academic
6 year 2008-2009, then that university shall increase its fiscal year
7 2008-2009 general fund expenditures for student financial aid by at
8 least the same percentage as the percentage change in resident
9 undergraduate tuition and required fees. Each state university
10 shall report its proposed fiscal year 2008-2009 general fund
11 expenditures for student financial aid compared to its projected
12 fiscal year 2007-2008 general fund expenditures for student
13 financial aid, and its projected academic year 2008-2009 resident
14 undergraduate tuition and required fee changes from academic year
15 2007-2008, to the state budget director and the house and senate
16 appropriations subcommittees on higher education by November 15,
17 2008.

18 Sec. 440. All universities shall submit the amount of tuition
19 and fees actually charged to a full-time resident undergraduate
20 student for academic year 2008-2009 as part of their higher
21 education institutional data inventory (HEIDI) data by August 31,
22 2008. A university shall report any revisions for any semester of
23 the reported academic year 2008-2009 tuition and fee charges to
24 HEIDI within 15 days of being adopted.

25 Sec. 466. State universities shall coordinate their purchases
26 of goods and services whenever possible. This may include, but is
27 not limited to, group purchases for vehicles, utilities, supplies,

1 electronic equipment, maintenance equipment, books, and contractual
2 services. To the extent possible, the state universities shall use
3 both the "Michigan delivering extended agreements locally" (MiDEAL)
4 purchasing services of the state department of management and
5 budget that makes state contracts available to local units of
6 government, colleges, and universities and the purchasing services
7 available through the state's membership in the Midwestern Higher
8 Education Compact (MHEC). Not later than January 1 of each year,
9 the presidents council, state universities of Michigan shall submit
10 to the members of the house and senate appropriations subcommittees
11 on higher education, the house and senate fiscal agencies, and the
12 state budget director a report on group or pooled purchases and the
13 savings achieved by the state universities in the previous fiscal
14 year.

15 Sec. 468. The increase for university operations funding
16 contained in part 1 is allocated to each university using a three-
17 part incentive-based formula to promote greater participation of
18 low-income students in higher education, to reward university
19 research and technology transfer, and to recognize the success of
20 the university in graduating students.

21 Sec. 469. Each university shall report the number of students
22 that graduated in academic year 2007-2008 and received a Pell grant
23 at any time during their enrollment at that university to the state
24 budget director and the house and senate fiscal agencies by
25 November 14, 2008.

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

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

14 (2) The program shall be administered by each state university
15 in a manner prescribed by the Michigan department of labor and
16 economic growth. The Michigan department of labor and economic
17 growth shall use a good faith effort standard to evaluate whether a
18 fellowship is in default.

19 Sec. 502. (1) Included in the appropriation for each state
20 university in part 1 is funding for the Martin Luther King, Jr. -
21 Cesar Chavez - Rosa Parks college day program that is intended to
22 introduce academically or economically disadvantaged schoolchildren
23 to the potential of a college education. Preference may not be
24 given to participants on the basis of race, color, ethnicity,
25 gender, or national origin. Institutions should encourage
26 participation from those who would otherwise not adequately be
27 represented in the student population.

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

(3) The program described in this section shall be administered by each state university in a manner prescribed by the Michigan department of labor and economic growth.

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

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

STUDENT PERFORMANCE REPORTING

1 Sec. 601. (1) From the amount appropriated in part 1 for state
2 universities, the state universities shall systematically inform
3 Michigan high schools regarding the academic status of students
4 from each high school in a manner prescribed by the presidents
5 council, state universities of Michigan in cooperation with the
6 Michigan association of secondary school principals.

7 (2) The Michigan high schools shall systematically inform the
8 state universities about the use of information received under this
9 section in a manner prescribed by the Michigan association of
10 secondary school principals in cooperation with the presidents
11 council, state universities of Michigan.

12 Sec. 602. From the amount appropriated in part 1 for state
13 universities, the state universities shall inform Michigan
14 community colleges regarding the academic status of community
15 college transfer students in a manner prescribed by the presidents
16 council, state universities of Michigan in cooperation with the
17 Michigan community college association.

18 Sec. 603. State universities shall work with the state
19 community colleges to encourage the transfer of students from the
20 community colleges to the state universities and to facilitate the
21 transfer of credits from the community colleges to the state
22 universities.

23 GENERAL REPORTS AND AUDITS

24 Sec. 701. (1) The auditor general shall review higher
25 education institutional data inventory (HEIDI) enrollment data
26 submitted by all state universities and may perform audits of

1 selected state universities if determined necessary. The review and
2 audits shall be based upon the definitions, requirements, and
3 uniform reporting categories established by the state budget
4 director in consultation with the HEIDI advisory committee. The
5 auditor general shall submit a report of findings to the house and
6 senate appropriations committees and the state budget director no
7 later than July 1, 2009.

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

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

14 (b) Student credit hours generated through distance learning
15 instruction for students not eligible for the institution's in-
16 state main campus resident tuition rate.

17 (c) Student credit hours generated through credit by
18 examination.

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

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

25 (i) Represent new options, fields, or concentrations within
26 existing programs.

27 (ii) Are consistent with the current institutional role and

1 mission.

2 (iii) Are accommodated within the continuing funding base of the
3 institution.

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

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

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

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

23 Sec. 702. The principal executive officer of each institution
24 of higher education receiving an appropriation under this bill
25 shall expend a portion of the funds appropriated to that
26 institution to make a report to the auditor general, the house and
27 senate fiscal agencies, and the state budget director within 60

1 days after the auditor general issues his or her report on the
2 operation of the institution. The institution's report shall
3 specify all of the following:

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

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

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

11 Sec. 708. The auditor general may conduct performance audits
12 of state universities during the fiscal year ending September 30,
13 2009 as the auditor general considers necessary.

14 Sec. 709. An institution of higher education receiving funds
15 under this bill and also subject to the student right-to-know and
16 campus security act, Public Law 101-522, 104 Stat. 2381, shall make
17 a copy of all material prepared pursuant to the public information
18 reporting requirements under the crime awareness and campus
19 security act of 1990, title II of the student right-to-know and
20 campus security act, Public Law 101-542, 104 Stat. 2381, available
21 in electronic Internet format on their websites.

22 Sec. 714. An institution receiving funds under this bill and
23 also subject to the family educational rights and privacy act
24 (FERPA), 20 USC section 1232g, 34 CFR part 99, shall, when
25 requested, provide information from the records of a student to any
26 person or persons to whom the student has authorized disclosure on
27 a written consent form pursuant to 34 CFR 99.30.

ARTICLE 3

STATE UNIVERSITIES

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 state
universities for the fiscal year ending September 30, 2009, from
the funds indicated in this part.

Sec. 102. CENTRAL MICHIGAN UNIVERSITY

Operations.....	\$	<u>83,825,700</u>
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GROSS APPROPRIATION.....	\$	83,825,700
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Appropriated from:

Special revenue funds:

State general fund/general purpose.....	\$	83,825,700
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Sec. 103. EASTERN MICHIGAN UNIVERSITY

Operations.....	\$	<u>79,562,900</u>
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GROSS APPROPRIATION.....	\$	79,562,900
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Appropriated from:

Special revenue funds:

State general fund/general purpose.....	\$	79,562,900
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Sec. 104. FERRIS STATE UNIVERSITY

Operations.....	\$	<u>51,297,900</u>
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GROSS APPROPRIATION.....	\$	51,297,900
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Appropriated from:

Special revenue funds:

1	State general fund/general purpose	\$	51,297,900
2	Sec. 105. GRAND VALLEY STATE UNIVERSITY		
3	Operations	\$	<u>64,937,700</u>
4	GROSS APPROPRIATION	\$	64,937,700
5	Appropriated from:		
6	Special revenue funds:		
7	State general fund/general purpose	\$	64,937,700
8	Sec. 106. LAKE SUPERIOR STATE UNIVERSITY		
9	Operations	\$	<u>13,788,900</u>
10	GROSS APPROPRIATION	\$	13,788,900
11	Appropriated from:		
12	Special revenue funds:		
13	State general fund/general purpose	\$	13,788,900
14	Sec. 107. MICHIGAN TECHNOLOGICAL UNIVERSITY		
15	Operations	\$	<u>51,178,400</u>
16	GROSS APPROPRIATION	\$	51,178,400
17	Appropriated from:		
18	Special revenue funds:		
19	State general fund/general purpose	\$	51,178,400
20	Sec. 108. NORTHERN MICHIGAN UNIVERSITY		
21	Operations	\$	<u>47,233,400</u>
22	GROSS APPROPRIATION	\$	47,233,400
23	Appropriated from:		
24	Special revenue funds:		
25	State general fund/general purpose	\$	47,233,400
26	Sec. 109. OAKLAND UNIVERSITY		
27	Operations	\$	<u>53,469,200</u>

1	GROSS APPROPRIATION.....	\$	53,469,200
2	Appropriated from:		
3	Special revenue funds:		
4	State general fund/general purpose.....	\$	53,469,200
5	Sec. 110. SAGINAW VALLEY STATE UNIVERSITY		
6	Operations.....	\$	<u>29,355,700</u>
7	GROSS APPROPRIATION.....	\$	29,355,700
8	Appropriated from:		
9	Special revenue funds:		
10	State general fund/general purpose.....	\$	29,355,700
11	Sec. 111. UNIVERSITY OF MICHIGAN - DEARBORN		
12	Operations.....	\$	<u>26,771,900</u>
13	GROSS APPROPRIATION.....	\$	26,771,900
14	Appropriated from:		
15	Special revenue funds:		
16	State general fund/general purpose.....	\$	26,771,900
17	Sec. 112. UNIVERSITY OF MICHIGAN - FLINT		
18	Operations.....	\$	<u>22,581,500</u>
19	GROSS APPROPRIATION.....	\$	22,581,500
20	Appropriated from:		
21	Special revenue funds:		
22	State general fund/general purpose.....	\$	22,581,500
23	Sec. 113. WESTERN MICHIGAN UNIVERSITY		
24	Operations.....	\$	<u>114,700,800</u>
25	GROSS APPROPRIATION.....	\$	114,700,800
26	Appropriated from:		
27	Special revenue funds:		

1 State general fund/general purpose..... \$ 114,700,800

2 PART 2

3 PROVISIONS CONCERNING APPROPRIATIONS

4 **GENERAL SECTIONS**

5 Sec. 208. Unless otherwise specified, the institutions of
6 higher education receiving appropriations in part 1 shall use the
7 Internet to fulfill the reporting requirements of this bill. This
8 requirement may include transmission of reports via electronic mail
9 to the recipients identified for each reporting requirement, or it
10 may include placement of reports on an Internet or Intranet site.

11 Sec. 209. Funds appropriated in part 1 shall not be used for
12 the purchase of foreign goods or services, or both, if
13 competitively priced and of comparable quality American goods and
14 services, or both, are available. Preference should be given to
15 goods or services, or both, manufactured or provided by Michigan
16 businesses if they are competitively priced and of comparable
17 value. In addition, preference should be given to goods or
18 services, or both, that are manufactured or provided by Michigan
19 businesses owned and operated by veterans, if they are
20 competitively priced and of comparable quality.

21 Sec. 212. (1) The funds appropriated in part 1 to state
22 institutions of higher education shall be paid out of the state
23 treasury and distributed by the state treasurer to the respective
24 institutions in 11 equal monthly installments on the sixteenth of
25 each month, or the next succeeding business day, beginning with

1 October 16, 2008. Each institution shall accrue its July and August
2 2009 payments to its institutional fiscal year ending June 30,
3 2009.

4 (2) All universities shall submit higher education
5 institutional data inventory (HEIDI) data and associated financial
6 and program information requested by and in a manner prescribed by
7 the state budget director by October 15, 2008. If a university
8 fails to submit HEIDI data and associated financial aid program
9 information in accordance with this reporting schedule, the state
10 treasurer may withhold the monthly installments under subsection
11 (1) to the university until those data are submitted.

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

18 Sec. 215. A state institution of higher education that
19 receives funds under this bill shall furnish all program and
20 financial information that is required by and in a manner
21 prescribed by the state budget director or the house or senate
22 appropriations committee.

23 UNIVERSITY OPERATIONS

24 Sec. 436. It is expected that each university will limit its
25 resident undergraduate tuition and required fees increase from
26 academic year 2007-2008 to academic year 2008-2009 to no more than

1 the projected inflationary increase of 2.3 percent. Additionally,
2 if any state university increases its resident undergraduate
3 tuition and required fees from academic year 2007-2008 to academic
4 year 2008-2009, then that university shall increase its fiscal year
5 2008-2009 general fund expenditures for student financial aid by at
6 least the same percentage as the percentage change in resident
7 undergraduate tuition and required fees. Each state university
8 shall report its proposed fiscal year 2008-2009 general fund
9 expenditures for student financial aid compared to its projected
10 fiscal year 2007-2008 general fund expenditures for student
11 financial aid, and its projected academic year 2008-2009 resident
12 undergraduate tuition and required fee changes from academic year
13 2007-2008, to the state budget director and the house and senate
14 appropriations subcommittees on higher education by November 15,
15 2008.

16 Sec. 440. All universities shall submit the amount of tuition
17 and fees actually charged to a full-time resident undergraduate
18 student for academic year 2008-2009 as part of their higher
19 education institutional data inventory (HEIDI) data by August 31,
20 2008. A university shall report any revisions for any semester of
21 the reported academic year 2008-2009 tuition and fee charges to
22 HEIDI within 15 days of being adopted.

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

27 Sec. 466. State universities shall coordinate their purchases

1 of goods and services whenever possible. This may include, but is
2 not limited to, group purchases for vehicles, utilities, supplies,
3 electronic equipment, maintenance equipment, books, and contractual
4 services. To the extent possible, the state universities shall use
5 both the "Michigan delivering extended agreements locally" (MiDEAL)
6 purchasing services of the state department of management and
7 budget that makes state contracts available to local units of
8 government, colleges, and universities and the purchasing services
9 available through the state's membership in the Midwestern Higher
10 Education Compact (MHEC). Not later than January 1 of each year,
11 the presidents council, state universities of Michigan shall submit
12 to the members of the house and senate appropriations subcommittees
13 on higher education, the house and senate fiscal agencies, and the
14 state budget director a report on group or pooled purchases and the
15 savings achieved by the state universities in the previous fiscal
16 year.

17 Sec. 468. The increase for university operations funding
18 contained in part 1 is allocated to each university using a three-
19 part incentive-based formula to promote greater participation of
20 low-income students in higher education, to reward university
21 research, and to recognize the success of the university in
22 graduating students.

23 Sec. 469. Each university shall report the number of students
24 that graduated in academic year 2007-2008 and received a Pell grant
25 at any time during their enrollment at that university to the state
26 budget director and the house and senate fiscal agencies by
27 November 14, 2008.

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

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

15 (2) The program shall be administered by each state university
16 in a manner prescribed by the Michigan department of labor and
17 economic growth. The Michigan department of labor and economic
18 growth shall use a good faith effort standard to evaluate whether a
19 fellowship is in default.

20 Sec. 502. (1) Included in the appropriation for each state
21 university in part 1 is funding for the Martin Luther King, Jr. -
22 Cesar Chavez - Rosa Parks college day program that is intended to
23 introduce academically or economically disadvantaged schoolchildren
24 to the potential of a college education. Preference may not be
25 given to participants on the basis of race, color, ethnicity,
26 gender, or national origin. Institutions should encourage

1 participation from those who would otherwise not adequately be
2 represented in the student population.

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

13 (3) The program described in this section shall be
14 administered by each state university in a manner prescribed by the
15 Michigan department of labor and economic growth.

16 Sec. 505. (1) Included in the appropriation for each state
17 university in part 1 is funding for the Martin Luther King, Jr. -
18 Cesar Chavez - Rosa Parks visiting professors program which is
19 intended to increase the number of instructors in the classroom to
20 provide role models for academically or economically disadvantaged
21 students. Preference may not be given to participants on the basis
22 of race, color, ethnicity, gender, or national origin. Institutions
23 should encourage participation from those who would otherwise not
24 adequately be represented in the student population.

25 (2) The program described in this section shall be
26 administered by the Michigan department of labor and economic
27 growth.

1 **STUDENT PERFORMANCE REPORTING**

2 Sec. 601. (1) From the amount appropriated in part 1 for state
3 universities, the state universities shall systematically inform
4 Michigan high schools regarding the academic status of students
5 from each high school in a manner prescribed by the presidents
6 council, state universities of Michigan in cooperation with the
7 Michigan association of secondary school principals.

8 (2) The Michigan high schools shall systematically inform the
9 state universities about the use of information received under this
10 section in a manner prescribed by the Michigan association of
11 secondary school principals in cooperation with the presidents
12 council, state universities of Michigan.

13 Sec. 602. From the amount appropriated in part 1 for state
14 universities, the state universities shall inform Michigan
15 community colleges regarding the academic status of community
16 college transfer students in a manner prescribed by the presidents
17 council, state universities of Michigan in cooperation with the
18 Michigan community college association.

19 Sec. 603. State universities shall work with the state
20 community colleges to encourage the transfer of students from the
21 community colleges to the state universities and to facilitate the
22 transfer of credits from the community colleges to the state
23 universities.

24 **GENERAL REPORTS AND AUDITS**

25 Sec. 701. (1) The auditor general shall review higher

1 education institutional data inventory (HEIDI) enrollment data
2 submitted by all state universities and may perform audits of
3 selected state universities if determined necessary. The review and
4 audits shall be based upon the definitions, requirements, and
5 uniform reporting categories established by the state budget
6 director in consultation with the HEIDI advisory committee. The
7 auditor general shall submit a report of findings to the house and
8 senate appropriations committees and the state budget director no
9 later than July 1, 2009.

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

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

16 (b) Student credit hours generated through distance learning
17 instruction for students not eligible for the institution's in-
18 state main campus resident tuition rate.

19 (c) Student credit hours generated through credit by
20 examination.

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

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

27 (i) Represent new options, fields, or concentrations within

1 existing programs.

2 (ii) Are consistent with the current institutional role and
3 mission.

4 (iii) Are accommodated within the continuing funding base of the
5 institution.

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

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

13 (3) The auditor general shall periodically audit higher
14 education institutional data inventory (HEIDI) data as submitted by
15 the state universities for compliance with the definitions for the
16 HEIDI database established by the state budget director in
17 consultation with the HEIDI advisory committee.

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

25 Sec. 702. The principal executive officer of each institution
26 of higher education receiving an appropriation under this bill
27 shall expend a portion of the funds appropriated to that

1 institution to make a report to the auditor general, the house and
2 senate fiscal agencies, and the state budget director within 60
3 days after the auditor general issues his or her report on the
4 operation of the institution. The institution's report shall
5 specify all of the following:

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

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

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

13 Sec. 708. The auditor general may conduct performance audits
14 of state universities during the fiscal year ending September 30,
15 2009 as the auditor general considers necessary.

16 Sec. 709. An institution of higher education receiving funds
17 under this bill and also subject to the student right-to-know and
18 campus security act, Public Law 101-522, 104 Stat. 2381, shall make
19 a copy of all material prepared pursuant to the public information
20 reporting requirements under the crime awareness and campus
21 security act of 1990, title II of the student right-to-know and
22 campus security act, Public Law 101-542, 104 Stat. 2381, available
23 in electronic Internet format on their websites.

24 Sec. 714. An institution receiving funds under this bill and
25 also subject to the family educational rights and privacy act
26 (FERPA), 20 USC section 1232g, 34 CFR part 99, shall, when
27 requested, provide information from the records of a student to any

1 person or persons to whom the student has authorized disclosure on
 2 a written consent form pursuant to 34 CFR 99.30.

3 ARTICLE 4

4 STATE AND REGIONAL PROGRAMS, GRANTS, AND FINANCIAL AID

5 PART 1

6 LINE-ITEM APPROPRIATIONS

7 Sec. 101. Subject to the conditions set forth in this bill,
 8 the amounts listed in this part are appropriated for certain state
 9 purposes related to education for the fiscal year ending September
 10 30, 2009, from the funds indicated in this part.

11 **Sec. 102. STATE AND REGIONAL PROGRAMS**

12 Full-time equated positions 1.0

13 Higher education database modernization and

14 conversion--1.0 FTE position \$ 200,000

15 Midwestern higher education compact 95,000

16 GROSS APPROPRIATION..... \$ 295,000

17 Appropriated from:

18 Special revenue funds:

19 State general fund/general purpose \$ 295,000

20 **Sec. 103. MARTIN LUTHER KING, JR. - CESAR CHAVEZ -**

21 **ROSA PARKS PROGRAM**

22 Select student supportive services \$ 1,956,100

23 Michigan college/university partnership program 586,800

24 Morris Hood, Jr. educator development program 148,600

25 GROSS APPROPRIATION..... \$ 2,691,500

1	Appropriated from:	
2	Special revenue funds:	
3	State general fund/general purpose	\$ 2,691,500
4	Sec. 104. GRANTS AND FINANCIAL AID	
5	State competitive scholarships	\$ 35,530,500
6	Tuition grants	56,668,100
7	Michigan work-study program	7,326,300
8	Part-time independent student program	2,653,300
9	Michigan education opportunity grants	2,084,200
10	Robert C. Byrd honors scholarship program	1,500,000
11	Nursing scholarship and grant programs	4,250,000
12	Michigan merit award program	5,200,000
13	Michigan promise grant program	90,500,000
14	Tuition incentive program	25,200,000
15	Children of veterans tuition grant program	1,000,000
16	Project gear-up	<u>3,000,000</u>
17	GROSS APPROPRIATION	\$ 234,912,400
18	Appropriated from:	
19	Federal revenues:	
20	Higher education act of 1965, title IV, 20 USC	2,900,000
21	Higher education act of 1965, title IV, part A	1,500,000
22	United States department of education, office of	
23	elementary and secondary education, gear-up	3,000,000
24	Special revenue funds:	
25	Michigan merit award trust fund	115,800,000
26	Contributions to children of veterans tuition grant	
27	program	300,000

1 State general fund/general purpose..... \$ 111,412,400

2 PART 2

3 PROVISIONS CONCERNING APPROPRIATIONS

4 **GRANTS AND FINANCIAL AID**

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

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

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

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

25 (5) Students who receive aid under 1964 PA 208, MCL 390.971 to
26 390.981, shall be awarded scholarships on the basis of merit and

1 financial need. Veterans administration benefits shall not be
2 considered in determining eligibility under 1964 PA 208, MCL
3 390.971 to 390.981.

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

7 (2) Tuition grant awards shall be made to all eligible
8 Michigan residents who apply before June 1, 2008 and who are
9 qualified. Tuition grant awards shall not be made to students newly
10 enrolled in a juris doctor law degree program after the 1995-1996
11 academic year.

12 (3) The Michigan higher education assistance authority shall
13 determine an actual maximum tuition grant award per student that
14 ensures that the aggregate payments for the tuition grant program
15 do not exceed the appropriation contained in part 1 for the state
16 tuition grant program. By December 15, 2008, and again by February
17 1, 2009, the authority shall analyze the status of award
18 commitments, shall make any necessary adjustments, and shall
19 confirm that those award commitments will not exceed the
20 appropriation contained in part 1 for the tuition grant program.
21 The determination and actions shall be reported to the state budget
22 director and the house and senate fiscal agencies no later than
23 February 15, 2009. If award adjustments are necessary, the students
24 shall be notified of the adjustment by the third Monday in
25 February.

26 (4) The Michigan higher education assistance authority shall
27 continue a proportional tuition grant maximum award level for

1 recipients enrolled less than full-time in a given semester or
2 term.

3 (5) If the Michigan higher education assistance authority
4 increases the maximum award per eligible student from that provided
5 in the previous fiscal year, it shall not have the effect of
6 reducing the number of eligible students receiving awards in
7 relation to the total number of eligible applicants. Any increase
8 in the maximum grant shall be proportional for all eligible
9 students receiving awards for fiscal year 2008-2009.

10 Sec. 303. (1) Included in the appropriation in part 1 is
11 funding for the Michigan work-study program established under 1986
12 PA 288, MCL 390.1371 to 390.1382, and 1986 PA 303, MCL 390.1321 to
13 390.1332. An effort should be made by each institution
14 participating in the Michigan work-study program to assure that not
15 less than 10% of those undergraduate, graduate, and professional
16 students eligible to participate in the program are placed with
17 for-profit employers no later than December 31 of each year for
18 which funding is provided under this bill.

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

24 (3) The Michigan higher education assistance authority shall
25 set aside not more than 5% of the total work-study appropriation to
26 process requests from participating institutions for allocation
27 adjustments. Allocation adjustments shall be based on criteria set

1 by the authority prior to making the allocations under subsection
2 (2).

3 Sec. 307. The auditor general may audit selected enrollments,
4 degrees, and awards at selected independent colleges and
5 universities receiving awards administered by the department of
6 treasury. The audits shall be based upon definitions and
7 requirements established by the Michigan higher education
8 assistance authority, the state budget director, and the senate and
9 house fiscal agencies. The auditor general shall accept the Free
10 Application for Federal Student Aid (FAFSA) form as the standard of
11 residency documentation. The auditor general shall submit a report
12 of findings to the senate and house appropriations committees and
13 state budget director by May 1, 2009.

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

18 (a) For the state competitive scholarship, nursing
19 scholarship, tuition incentive, and tuition grant programs, 40%
20 shall be paid at the beginning of the state's first fiscal quarter,
21 40% at the beginning of the state's second fiscal quarter, 10% at
22 the beginning of the state's third fiscal quarter, and 10% at the
23 beginning of the state's fourth fiscal quarter.

24 (b) For the work-study program, payments shall be made in 11
25 monthly installments from October 1 to August 31 of any year.

26 (c) For the part-time independent student program and the
27 Michigan education opportunity grant program, 50% shall be paid at

1 the beginning of the state's first fiscal quarter, 25% at the
2 beginning of the state's second fiscal quarter, and 25% at the
3 beginning of the state's third fiscal quarter.

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

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

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

17 (2) As used in this section:

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

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

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

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

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

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

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

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

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

14 (v) Request information on filing a FAFSA.

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

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

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

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

1 (4) For phase I, the department shall provide payment on
2 behalf of a person eligible under subsection (3). The department
3 shall reject billings that are excessive or outside the guidelines
4 for the type of educational institution.

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

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

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

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

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

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

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

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

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

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

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

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

1 grants for the preceding, current, and ensuing fiscal years.

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

7 Sec. 314. By December 1 of each year, the Michigan higher
8 education assistance authority shall submit a report to the state
9 budget director, the house and senate appropriations subcommittees
10 on higher education, and the house and senate fiscal agencies for
11 the preceding fiscal year on the children of veterans tuition grant
12 program. The report shall include, but is not limited to, the total
13 number of tuition grants paid by the authority in the preceding
14 fiscal year, the total dollar amount of those tuition grants, and
15 the number of students receiving tuition grants and the total
16 amount of those tuition grants at each eligible institution.

17 **STATE AND REGIONAL PROGRAMS**

18 Sec. 405. The funds appropriated in part 1 for higher
19 education database modernization and conversion shall be expended
20 to maintain, coordinate, and improve the higher education
21 institutional data inventory (HEIDI) established under section 1299
22 of the management and budget act, 1984 PA 431, MCL 18.1299. The
23 advisory committee established under that section shall meet
24 regularly to review data definitions and requirements in order to
25 advise the state budget director regarding changes to those
26 definitions and requirements that would result in more useful and

1 reliable data being provided to state policymakers and university
2 officials.

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

4 Sec. 503. (1) Included in part 1 is funding for the Martin
5 Luther King, Jr. - Cesar Chavez - Rosa Parks select student support
6 services program for developing academically or economically
7 disadvantaged student retention programs for 4-year state and
8 independent educational institutions in this state. Preference may
9 not be given to participants on the basis of race, color,
10 ethnicity, gender, or national origin. Institutions should
11 encourage participation from those who would otherwise not
12 adequately be represented in the student population.

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

16 (3) The program described in this section shall be
17 administered by the Michigan department of labor and economic
18 growth.

19 Sec. 504. (1) Included in part 1 is funding for the Martin
20 Luther King, Jr. - Cesar Chavez - Rosa Parks college/university
21 partnership program between 4-year state and independent colleges
22 and universities and public community colleges, which is intended
23 to increase the number of academically or economically
24 disadvantaged students who transfer from community colleges into
25 baccalaureate programs. Preference may not be given to participants
26 on the basis of race, color, ethnicity, gender, or national origin.

1 Institutions should encourage participation from those who would
2 otherwise not adequately be represented in the transfer student
3 population.

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

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

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

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

27 (3) Approved teacher education institutions may and are

1 encouraged to use student support services funding in coordination
2 with the Morris Hood, Jr. funding to achieve the goals of the
3 program described in this section.

4 Sec. 507. Each state institution of higher education receiving
5 funds under section 503, 504, or 506 shall notify the Michigan
6 department of labor and economic growth by April 15, 2009 as to
7 whether it will expend by the end of its fiscal year the funds
8 received under section 503, 504, or 506. Notwithstanding the award
9 limitations in sections 503 and 504, the amount of funding reported
10 as not being expended will be reallocated to the institutions that
11 intend to expend all funding received under section 503, 504, or
12 506.