

SUBSTITUTE FOR  
SENATE BILL NO. 138

A bill to amend 1979 PA 94, entitled  
"The state school aid act of 1979,"  
by amending sections 236, 236a, 236b, 236c, 237b, 241, 244, 251,  
252, 254, 256, 263, 263a, 264, 265, 265a, 267, 268, 269, 270, 274,  
274c, 275, 276, 277, 278, 279, 280, 281, 282, 283, and 284 (MCL  
388.1836, 388.1836a, 388.1836b, 388.1836c, 388.1837b, 388.1841,  
388.1844, 388.1851, 388.1852, 388.1854, 388.1856, 388.1863,  
388.1863a, 388.1864, 388.1865, 388.1865a, 388.1867, 388.1868,  
388.1869, 388.1870, 388.1874, 388.1874c, 388.1875, 388.1876,  
388.1877, 388.1878, 388.1879, 388.1880, 388.1881, 388.1882,  
388.1883, and 388.1884), sections 236, 236a, 236b, 236c, 237b, 241,  
251, 252, 254, 256, 263, 263a, 264, 265, 265a, 267, 268, 269, 270,  
274, 274c, 275, 276, 277, 278, 279, 280, 281, 282, 283, and 284 as  
amended by 2016 PA 249 and section 244 as amended by 2015 PA 85,  
and by adding sections 236e, 249, and 275c; and to repeal acts and

parts of acts.

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

1       Sec. 236. (1) Subject to the conditions set forth in this  
2 article, the amounts listed in this section are appropriated for  
3 higher education for the fiscal year ending September 30, ~~2017,~~  
4 **2018**, from the funds indicated in this section. The following is a  
5 summary of the appropriations in this section:

6       (a) The gross appropriation is ~~\$1,582,640,400.00.~~  
7 **\$1,630,224,400.00.** After deducting total interdepartmental grants  
8 and intradepartmental transfers in the amount of \$0.00, the  
9 adjusted gross appropriation is  
10 ~~\$1,582,640,400.00.~~**\$1,630,224,400.00.**

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

13       (i) Total federal revenues, ~~\$101,526,400.00.~~**\$111,526,400.00.**

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

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

16       (iv) Total other state restricted revenues,  
17 ~~\$237,209,500.00.~~**\$235,743,500.00.**

18       (v) State general fund/general purpose money,  
19 ~~\$1,243,904,500.00.~~**\$1,282,954,500.00.**

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

22       (a) The appropriation for Central Michigan University is  
23 ~~\$83,925,500.00, \$81,127,100.00 for operations and \$2,798,400.00 for~~  
24 ~~performance funding.~~**\$85,654,400.00, \$83,925,500.00 FOR OPERATIONS**  
25 **AND \$1,728,900.00 FOR PERFORMANCE FUNDING.**

(b) The appropriation for Eastern Michigan University is  
~~\$73,593,800.00, \$71,782,500.00 for operations and \$1,811,300.00 for~~  
~~performance funding.~~**\$75,169,900.00, \$73,593,800.00 FOR OPERATIONS**  
**AND \$1,576,100.00 FOR PERFORMANCE FUNDING.**

(c) The appropriation for Ferris State University is  
~~\$52,259,900.00, \$50,369,800.00 for operations and \$1,890,100.00 for~~  
~~performance funding.~~**\$53,595,500.00, \$52,259,900.00 FOR OPERATIONS**  
**AND \$1,335,600.00 FOR PERFORMANCE FUNDING.**

(d) The appropriation for Grand Valley State University is  
~~\$68,227,900.00, \$65,275,700.00 for operations and \$2,952,200.00 for~~  
~~performance funding.~~**\$70,100,100.00, \$68,227,900.00 FOR OPERATIONS**  
**AND \$1,872,200.00 FOR PERFORMANCE FUNDING.**

(e) The appropriation for Lake Superior State University is  
~~\$13,567,400.00, \$13,207,400.00 for operations and \$360,000.00 for~~  
~~performance funding.~~**13,775,000.00, \$13,567,400.00 FOR OPERATIONS**  
**AND \$207,600.00 FOR PERFORMANCE FUNDING.**

(f) The appropriation for Michigan State University is  
~~\$337,777,800.00, \$268,770,700.00 for operations, \$7,091,400.00 for~~  
~~performance funding, \$33,243,100.00 for MSU AgBioResearch, and~~  
~~\$28,672,600.00 for MSU Extension.~~**\$344,404,800.00, \$275,862,100.00**  
**FOR OPERATIONS, \$5,377,000.00 FOR PERFORMANCE FUNDING,**  
**\$33,913,100.00 FOR MSU AGBIORESEARCH, AND \$29,252,600.00 FOR MSU**  
**EXTENSION.**

(g) The appropriation for Michigan Technological University is  
~~\$48,097,500.00, \$46,754,700.00 for operations and \$1,342,800.00 for~~  
~~performance funding.~~**\$49,052,200.00, \$48,097,500.00 FOR OPERATIONS**  
**AND \$954,700.00 FOR PERFORMANCE FUNDING.**

(h) The appropriation for Northern Michigan University is  
~~\$46,279,200.00, \$45,107,700.00 for operations and \$1,171,500.00 for~~  
~~performance funding.~~**\$47,137,400.00, \$46,279,200.00 FOR OPERATIONS**  
**AND \$858,200.00 FOR PERFORMANCE FUNDING.**

(i) The appropriation for Oakland University is  
~~\$49,920,700.00, \$48,371,900.00 for operations and \$1,548,800.00 for~~  
~~performance funding.~~**\$51,235,900.00, \$49,920,700.00 FOR OPERATIONS**  
**AND \$1,315,200.00 FOR PERFORMANCE FUNDING.**

(j) The appropriation for Saginaw Valley State University is  
~~\$29,114,000.00, \$28,181,200.00 for operations and \$932,800.00 for~~  
~~performance funding.~~**\$29,766,100.00, \$29,114,000.00 FOR OPERATIONS**  
**AND \$652,100.00 FOR PERFORMANCE FUNDING.**

(k) The appropriation for University of Michigan - Ann Arbor  
is ~~\$308,639,000.00, \$299,975,000.00 for operations and~~  
~~\$8,664,000.00 for performance funding.~~**\$314,589,100.00,**  
**\$308,639,000.00 FOR OPERATIONS AND \$5,950,100.00 FOR PERFORMANCE**  
**FUNDING.**

(l) The appropriation for University of Michigan - Dearborn is  
~~\$24,803,300.00, \$24,033,100.00 for operations and \$770,200.00 for~~  
~~performance funding.~~**\$25,421,900.00, \$24,803,300.00 FOR OPERATIONS**  
**AND \$618,600.00 FOR PERFORMANCE FUNDING.**

(m) The appropriation for University of Michigan - Flint is  
~~\$22,549,300.00, \$21,815,400.00 for operations and \$733,900.00 for~~  
~~performance funding.~~**\$23,061,800.00, \$22,549,300.00 FOR OPERATIONS**  
**AND \$512,500.00 FOR PERFORMANCE FUNDING.**

(n) The appropriation for Wayne State University is  
~~\$196,064,500.00, \$191,451,300.00 for operations and \$4,613,200.00~~

1 ~~for performance funding.~~ **\$199,169,800.00, \$196,064,500.00 FOR**  
 2 **OPERATIONS AND \$3,105,300.00 FOR PERFORMANCE FUNDING.**

3 (o) The appropriation for Western Michigan University is  
 4 ~~\$107,440,900.00, \$104,334,100.00 for operations and \$3,106,800.00~~  
 5 ~~for performance funding.~~ **\$109,376,800.00, \$107,440,900.00 FOR**  
 6 **OPERATIONS AND \$1,935,900.00 FOR PERFORMANCE FUNDING.**

7 (3) The amount appropriated in subsection (2) for public  
 8 universities is appropriated from the following:

9 (a) State school aid fund, \$231,219,500.00.

10 (b) State general fund/general purpose money,  
 11 ~~\$1,231,041,200.00.~~ **\$1,260,291,200.00.**

12 (4) The amount appropriated for Michigan public school  
 13 employees' retirement system reimbursement is ~~\$5,890,000.00,~~  
 14 **\$4,005,000.00,** appropriated from the state school aid fund.

15 (5) The amount appropriated for state and regional programs is  
 16 \$315,000.00, appropriated from general fund/general purpose money  
 17 and allocated as follows:

18 (a) Higher education database modernization and conversion,  
 19 \$200,000.00.

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

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

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

25 (b) Michigan college/university partnership program,  
 26 \$586,800.00.

27 (c) Morris Hood, Jr. educator development program,

1 \$148,600.00.

2 (7) Subject to subsection (8), the amount appropriated for  
3 grants and financial aid is ~~\$110,983,200.00,~~ **\$127,583,200.00,**  
4 allocated as follows:

5 (a) State competitive scholarships,  
6 ~~\$18,361,700.00.~~ **\$26,361,700.00.**

7 (b) Tuition grants, ~~\$35,021,500.00.~~ **\$38,021,500.00.**

8 (c) Tuition incentive program, ~~\$53,000,000.00.~~ **\$58,300,000.00.**

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

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

12 **(F) NORTH AMERICAN INDIAN TUITION WAIVER, \$300,000.00.**

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

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

18 (b) Federal revenues under the social security act, temporary  
19 assistance for needy families, ~~\$98,326,400.00.~~ **\$108,326,400.00.**

20 (c) Contributions to children of veterans tuition grant  
21 program, \$100,000.00.

22 (d) State general fund/general purpose money,  
23 ~~\$9,356,800.00.~~ **\$15,956,800.00.**

24 ~~— (9) For fiscal year 2016-2017 only, \$500,000.00 is~~  
25 ~~appropriated for the Michigan State University Diagnostic Center~~  
26 ~~for Population and Animal Health, appropriated from state general~~  
27 ~~fund/general purpose money.~~

(9) FOR FISCAL YEAR 2017-2018 ONLY, IN ADDITION TO THE ALLOCATION UNDER SUBSECTION (4), FROM THE APPROPRIATIONS DESCRIBED IN SUBSECTION (1), THERE IS ALLOCATED AN AMOUNT NOT TO EXCEED \$419,000.00 FOR PAYMENTS TO PARTICIPATING PUBLIC UNIVERSITIES, APPROPRIATED FROM THE STATE SCHOOL AID FUND. A UNIVERSITY THAT RECEIVES MONEY UNDER THIS SUBSECTION SHALL USE THAT MONEY SOLELY FOR THE PURPOSE OF OFFSETTING THE NORMAL COST CONTRIBUTION RATE. AS USED IN THIS SUBSECTION, "PARTICIPATING PUBLIC UNIVERSITIES" MEANS PUBLIC UNIVERSITIES THAT ARE A REPORTING UNIT OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM UNDER THE PUBLIC SCHOOL EMPLOYEES RETIREMENT ACT OF 1979, 1980 PA 300, MCL 38.1301 TO 38.1437, AND THAT PAY CONTRIBUTIONS TO THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM FOR THE STATE FISCAL YEAR.

(10) FOR FISCAL YEAR 2017-2018 ONLY, \$2,500,000.00 IS APPROPRIATED FOR THE MICHIGAN STATE UNIVERSITY ANIMAL AGRICULTURE INITIATIVE, APPROPRIATED FROM GENERAL FUND/GENERAL PURPOSE MONEY.

(11) FOR FISCAL YEAR 2017-2018 ONLY, \$1,200,000.00 IS APPROPRIATED FOR THE MICHIGAN STATE UNIVERSITY AGRICULTURE WORKFORCE INITIATIVE, APPROPRIATED FROM GENERAL FUND/GENERAL PURPOSE MONEY.

Sec. 236a. It is the intent of the legislature to provide appropriations for the fiscal year ending on September 30, ~~2018~~ 2019 for the items listed in section 236. The fiscal year ~~2017-2018~~ 2018-2019 appropriations are anticipated to be the same as those for fiscal year ~~2016-2017, 2017-2018~~, except that the amounts will be adjusted for changes in caseload and related costs, federal fund match rates, economic factors, and available revenue. These

adjustments will be determined after the January ~~2017-2018~~  
consensus revenue estimating conference.

Sec. 236b. In addition to the funds appropriated in section 236, there is appropriated for grants and financial aid in fiscal year ~~2016-2017-2017-2018~~ an amount not to exceed \$6,000,000.00 for federal contingency funds. These funds are not available for expenditure until they have been transferred under section 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393, for another purpose under this article.

Sec. 236c. In addition to the funds appropriated for fiscal year ~~2016-2017-2017-2018~~ in section 236, appropriations to the department of technology, management, and budget in the act providing general appropriations for fiscal year ~~2016-2017-2017-2018~~ for state building authority rent, totaling an estimated \$144,995,300.00, provide funding for the state share of costs for previously constructed capital projects for state universities. These appropriations for state building authority rent represent additional state general fund support provided to public universities, and the following is an estimate of the amount of that support to each university:

(a) Central Michigan University,

~~\$11,819,500.00-\$12,570,900.00.~~

(b) Eastern Michigan University, ~~\$4,868,000.00-\$5,177,500.00.~~

(c) Ferris State University, ~~\$6,260,300.00-\$6,658,300.00.~~

(d) Grand Valley State University,

~~\$6,635,900.00-\$7,057,800.00.~~

(e) Lake Superior State University,



1 ~~\$1,722,800.00~~-\$1,832,400.00.

2 (f) Michigan State University, ~~\$18,827,000.00~~-\$15,500,500.00.

3 (g) Michigan Technological University,

4 ~~\$6,793,200.00~~-\$7,225,100.00.

5 (h) Northern Michigan University, ~~\$9,447,600.00~~-\$7,786,500.00.

6 (i) Oakland University, ~~\$12,685,900.00~~-\$13,492,400.00.

7 (j) Saginaw Valley State University,

8 ~~\$10,331,000.00~~-\$10,918,500.00.

9 (k) University of Michigan - Ann Arbor,

10 ~~\$11,875,600.00~~-\$10,586,200.00.

11 (l) University of Michigan - Dearborn,

12 ~~\$9,008,800.00~~-\$9,581,500.00.

13 (m) University of Michigan - Flint,

14 ~~\$4,357,600.00~~-\$4,315,600.00.

15 (n) Wayne State University, ~~\$15,399,400.00~~-\$16,378,300.00.

16 (o) Western Michigan University,

17 ~~\$14,962,700.00~~-\$15,913,800.00.

18 SEC. 236E. (1) SUBJECT TO THE CONDITIONS SET FORTH IN THIS  
 19 ARTICLE AND IN ADDITION TO THE AMOUNTS APPROPRIATED IN SECTION 236,  
 20 THERE IS APPROPRIATED \$2,600,000.00 FOR HIGHER EDUCATION TO  
 21 INCREASE THE ALLOCATION FOR THE TUITION INCENTIVE PROGRAM FOR THE  
 22 FISCAL YEAR ENDING SEPTEMBER 30, 2017. THE SUMMARY OF  
 23 APPROPRIATIONS IN SECTION 236(1)(A) AND (B) FOR THE FISCAL YEAR  
 24 ENDING SEPTEMBER 30, 2017 IS ACCORDINGLY REVISED AS FOLLOWS:

25 (A) THE GROSS APPROPRIATION IS \$1,585,240,400.00. AFTER  
 26 DEDUCTING TOTAL INTERDEPARTMENTAL GRANTS AND INTRADEPARTMENTAL  
 27 TRANSFERS IN THE AMOUNT OF \$0.00, THE ADJUSTED GROSS APPROPRIATION

1 IS \$1,585,240,400.00.

2 (B) THE SOURCES OF THE ADJUSTED GROSS APPROPRIATION DESCRIBED  
3 IN SUBDIVISION (A) ARE AS FOLLOWS:

4 (i) TOTAL FEDERAL REVENUES, \$104,126,400.00.

5 (ii) TOTAL LOCAL REVENUES, \$0.00.

6 (iii) TOTAL PRIVATE REVENUES, \$0.00.

7 (iv) TOTAL OTHER STATE RESTRICTED REVENUES, \$237,209,500.00.

8 (v) STATE GENERAL FUND/GENERAL PURPOSE MONEY,  
9 \$1,243,904,500.00.

10 (2) AS A RESULT OF THE APPROPRIATION IN SUBSECTION (1), THE  
11 AMOUNT APPROPRIATED FOR GRANTS AND FINANCIAL AID FOR THE FISCAL  
12 YEAR ENDING SEPTEMBER 30, 2017 IN SECTION 236(7) IS INCREASED TO  
13 \$113,583,200.00, AND THE ALLOCATION FOR THE TUITION INCENTIVE  
14 PROGRAM IN SECTION 236(7)(C) FOR THE FISCAL YEAR ENDING SEPTEMBER  
15 30, 2017 IS INCREASED TO \$55,600,000.00.

16 (3) THE MONEY APPROPRIATED FOR THE FISCAL YEAR ENDING  
17 SEPTEMBER 30, 2017 IN SECTION 236(7) FOR GRANTS AND FINANCIAL AID,  
18 AS REVISED IN SUBSECTION (2), IS APPROPRIATED BY INCREASING THE  
19 APPROPRIATION FROM FEDERAL REVENUES UNDER THE SOCIAL SECURITY ACT,  
20 TEMPORARY ASSISTANCE FOR NEEDY FAMILIES, TO \$100,926,400.00.

21 Sec. 237b. As used in this article: ~~the term "workforce~~  
22 ~~development agency" means the workforce development agency within~~  
23 ~~the department of talent and economic development talent~~  
24 ~~investment agency.~~

25 (A) "CENTER" MEANS THE CENTER FOR EDUCATIONAL PERFORMANCE AND  
26 INFORMATION CREATED IN SECTION 94A.

27 (B) "WORKFORCE DEVELOPMENT AGENCY" MEANS THE WORKFORCE

1 **DEVELOPMENT AGENCY WITHIN THE DEPARTMENT OF TALENT AND ECONOMIC**  
2 **DEVELOPMENT--TALENT INVESTMENT AGENCY.**

3       Sec. 241. (1) Subject to sections 244 and 265a, the funds  
4 appropriated in section 236 to public universities shall be paid  
5 out of the state treasury and distributed by the state treasurer to  
6 the respective institutions in 11 equal monthly installments on the  
7 sixteenth of each month, or the next succeeding business day,  
8 beginning with October 16, ~~2016.~~**2017.** Except for Wayne State  
9 University, each institution shall accrue its July and August ~~2017~~  
10 **2018** payments to its institutional fiscal year ending June 30,  
11 ~~2017-2018.~~

12       (2) All public universities shall submit higher education  
13 institutional data inventory (HEIDI) data and associated financial  
14 and program information requested by and in a manner prescribed by  
15 the state budget director. For public universities with fiscal  
16 years ending June 30, ~~2016,~~**2017,** these data shall be submitted to  
17 the state budget director by October 15, ~~2016.~~**2017.** Public  
18 universities with a fiscal year ending September 30, ~~2016-2017~~  
19 shall submit preliminary HEIDI data by November 15, ~~2016-2017~~ and  
20 final data by December 15, ~~2016.~~**2017.** If a public university fails  
21 to submit HEIDI data and associated financial aid program  
22 information in accordance with this reporting schedule, the state  
23 treasurer may withhold the monthly installments under subsection  
24 (1) to the public university until those data are submitted.

25       Sec. 244. ~~A BY OCTOBER 15 OF EACH YEAR, A~~ public university  
26 receiving funds in section 236 shall ~~cooperate with all measures~~  
27 ~~taken by the state to develop, operate, and maintain~~ **PROVIDE ITS**

1 LONGITUDINAL DATA SYSTEM DATA SET FOR THE PRECEDING ACADEMIC YEAR  
2 TO THE CENTER FOR INCLUSION IN the statewide P-20 longitudinal data  
3 system described in section 94a. If the state budget director finds  
4 that a university has not complied with this section, the state  
5 budget director is authorized to withhold the monthly installments  
6 provided to that university under section 241 until he or she finds  
7 the university has complied with this section.

8 SEC. 249. (1) THE FUNDS APPROPRIATED IN SECTION 236 FOR THE  
9 CHILDREN OF VETERANS AND OFFICER'S SURVIVOR TUITION GRANT PROGRAMS  
10 SHALL BE SUPPORTED WITH REVENUE FROM THE RESTRICTED ACCOUNT CREATED  
11 IN SECTION 5 OF THE CHILDREN OF VETERANS TUITION GRANT ACT, 2005 PA  
12 248, MCL 390.1345. AS PROVIDED IN SECTION 5 OF THE CHILDREN OF  
13 VETERANS TUITION GRANT ACT, 2005 PA 248, MCL 390.1345, UNEXPENDED  
14 FUNDS REMAINING IN THE RESTRICTED ACCOUNT AT THE END OF THE FISCAL  
15 YEAR SHALL NOT LAPSE TO THE GENERAL FUND.

16 (2) THE GENERAL FUND/GENERAL PURPOSE FUNDS APPROPRIATED IN  
17 SECTION 236 FOR THE CHILDREN OF VETERANS AND OFFICER'S SURVIVOR  
18 TUITION GRANT PROGRAMS SHALL BE DEPOSITED INTO THE RESTRICTED  
19 ACCOUNT DESCRIBED IN SUBSECTION (1), AS REQUIRED IN SECTION 5 OF  
20 THE CHILDREN OF VETERANS TUITION GRANT ACT, 2005 PA 248, MCL  
21 390.1345.

22 (3) FUNDS DEPOSITED INTO THE RESTRICTED ACCOUNT UNDER  
23 SUBSECTION (2) FOR THE CHILDREN OF VETERANS AND OFFICER'S SURVIVOR  
24 TUITION GRANT PROGRAMS ARE APPROPRIATED AND AVAILABLE FOR  
25 ALLOCATION AS REQUIRED IN THE CHILDREN OF VETERANS TUITION GRANT  
26 ACT, 2005 PA 248, MCL 390.1341 TO 390.1346.

27 Sec. 251. (1) Payments of the amounts included in section 236

1 for the state competitive scholarship program shall be distributed  
2 pursuant to 1964 PA 208, MCL 390.971 to 390.981.

3 (2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the  
4 department of treasury shall determine an actual maximum state  
5 competitive scholarship award per student, which shall be not less  
6 than ~~\$575.00~~, **\$1,000.00**, that ensures that the aggregate payments  
7 for the state competitive scholarship program do not exceed the  
8 appropriation contained in section 236 for the state competitive  
9 scholarship program. If the department determines that insufficient  
10 funds are available to establish a maximum award amount equal to at  
11 least ~~\$575.00~~, **\$1,000.00**, the department shall immediately report  
12 to the house and senate appropriations subcommittees on higher  
13 education, the house and senate fiscal agencies, and the state  
14 budget director regarding the estimated amount of additional funds  
15 necessary to establish a ~~\$575.00~~ **\$1,000.00** maximum award amount.

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

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

25 (5) If the department of treasury increases the maximum award  
26 per eligible student from that provided in the previous fiscal  
27 year, it shall not have the effect of reducing the number of

1 eligible students receiving awards in relation to the total number  
2 of eligible applicants. Any increase in the maximum grant shall be  
3 proportional for all eligible students receiving awards.

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

7 (7) ANY UNEXPENDED AND UNENCUMBERED FUNDS REMAINING ON  
8 SEPTEMBER 30, 2018 FROM THE AMOUNTS APPROPRIATED IN SECTION 236 FOR  
9 THE COMPETITIVE SCHOLARSHIP PROGRAM FOR FISCAL YEAR 2017-2018 DO  
10 NOT LAPSE ON SEPTEMBER 30, 2018, BUT CONTINUE TO BE AVAILABLE FOR  
11 EXPENDITURE FOR COMPETITIVE SCHOLARSHIP GRANTS PROVIDED IN THE  
12 2018-2019 FISCAL YEAR UNDER A WORK PROJECT ACCOUNT. THE USE OF  
13 THESE UNEXPENDED FISCAL YEAR 2017-2018 FUNDS TERMINATES AT THE END  
14 OF THE 2018-2019 FISCAL YEAR.

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

18 (2) Tuition grant awards shall be made to all eligible  
19 Michigan residents enrolled in undergraduate degree programs who  
20 are qualified and who apply before July 1, ~~of each year for the~~  
21 ~~next academic year.~~ 2017 FOR THE 2017-2018 ACADEMIC YEAR. BEGINNING  
22 WITH THE 2018-2019 ACADEMIC YEAR, TUITION GRANT AWARDS SHALL BE  
23 MADE TO ALL ELIGIBLE MICHIGAN RESIDENTS ENROLLED IN UNDERGRADUATE  
24 DEGREE PROGRAMS WHO ARE QUALIFIED AND WHO APPLY BEFORE MARCH 1 OF  
25 EACH YEAR FOR THE NEXT ACADEMIC YEAR.

26 (3) BEGINNING WITH THE 2018-2019 ACADEMIC YEAR, A TUITION  
27 GRANT MAY BE RENEWED FOR NOT MORE THAN 10 SEMESTERS OR ITS

1 EQUIVALENT IN TRIMESTERS OR QUARTERS OF UNDERGRADUATE EDUCATION, OR  
2 IF AN ELIGIBLE APPLICANT HAS NOT COMPLETED USING THE GRANT WITHIN  
3 10 YEARS AFTER HIS OR HER ELIGIBILITY IS DETERMINED, WHICHEVER  
4 OCCURS FIRST. THE DEPARTMENT SHALL DETERMINE AN EQUIVALENT TO 10  
5 SEMESTERS OR ITS EQUIVALENT IN TRIMESTERS OR QUARTERS OF  
6 UNDERGRADUATE EDUCATION FOR LESS THAN FULL-TIME BUT MORE THAN HALF-  
7 TIME STUDENTS.

8 (4) ~~(3)~~ Pursuant to section 5 of 1966 PA 313, MCL 390.995, and  
9 subject to subsections ~~(7)~~ **(8)** and ~~(8)~~ **(9)**, the department of  
10 treasury shall determine an actual maximum tuition grant award per  
11 student, which shall be no less than ~~\$1,512.00,~~ **\$2,000.00**, that  
12 ensures that the aggregate payments for the tuition grant program  
13 do not exceed the appropriation contained in section 236 for the  
14 state tuition grant program. If the department determines that  
15 insufficient funds are available to establish a maximum award  
16 amount equal to at least ~~\$1,512.00,~~ **\$2,000.00**, the department shall  
17 immediately report to the house and senate appropriations  
18 subcommittees on higher education, the house and senate fiscal  
19 agencies, and the state budget director regarding the estimated  
20 amount of additional funds necessary to establish a ~~\$1,512.00~~  
21 **\$2,000.00** maximum award amount. If the department determines that  
22 sufficient funds are available to establish a maximum award amount  
23 equal to at least ~~\$1,512.00,~~ **\$2,000.00**, the department shall  
24 immediately report to the house and senate appropriations  
25 subcommittees on higher education, the house and senate fiscal  
26 agencies, and the state budget director regarding the maximum award  
27 amount established and the projected amount of any projected year-

1 end appropriation balance based on that maximum award amount. By  
 2 February 18 of each fiscal year, the department shall analyze the  
 3 status of award commitments, shall make any necessary adjustments,  
 4 and shall confirm that those award commitments will not exceed the  
 5 appropriation contained in section 236 for the tuition grant  
 6 program. The determination and actions shall be reported to the  
 7 state budget director and the house and senate fiscal agencies no  
 8 later than the final day of February of each year. If award  
 9 adjustments are necessary, the students shall be notified of the  
 10 adjustment by March 4 of each year.

11 (5) ~~(4)~~ Any unexpended and unencumbered funds remaining on  
 12 September 30, ~~2017-2018~~ from the amounts appropriated in section  
 13 236 for the tuition grant program for fiscal year ~~2016-2017~~ shall  
 14 ~~2017-2018~~ DO not lapse on September 30, ~~2017,~~ **2018**, but shall  
 15 continue to be available for expenditure for tuition grants  
 16 provided in the ~~2017-2018~~ **2018-2019** fiscal year under a work  
 17 project account. The use of these unexpended fiscal year ~~2016-2017~~  
 18 ~~2017-2018~~ funds shall ~~terminate~~ **TERMINATES** at the end of the ~~2017-~~  
 19 ~~2018-2018-2019~~ fiscal year.

20 (6) ~~(5)~~ The department of treasury shall continue a  
 21 proportional tuition grant maximum award level for recipients  
 22 enrolled less than full-time in a given semester or term.

23 (7) ~~(6)~~ If the department of treasury increases the maximum  
 24 award per eligible student from that provided in the previous  
 25 fiscal year, it shall not have the effect of reducing the number of  
 26 eligible students receiving awards in relation to the total number  
 27 of eligible applicants. Any increase in the maximum grant shall be



1 proportional for all eligible students receiving awards for that  
2 fiscal year.

3       (8) ~~(7)~~—Except as provided in subsection ~~(4)~~, **(5)**, the  
4 department of treasury shall not award more than ~~\$3,200,000.00~~  
5 **\$3,500,000.00** in tuition grants to eligible students enrolled in  
6 the same independent nonprofit college or university in this state.  
7 Any decrease in the maximum grant shall be proportional for all  
8 eligible students enrolled in that college or university, as  
9 determined by the department.

10       (9) ~~(8)~~—The department of treasury shall not award tuition  
11 grants to otherwise eligible students enrolled in an independent  
12 college or university that does not report, in a form and manner  
13 directed by and satisfactory to the department of treasury, by  
14 September 30 of each year, all of the following:

15       (a) The number of students in the most recently completed  
16 academic year who in any academic year received a state tuition  
17 grant at the reporting institution and successfully completed a  
18 program or graduated.

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

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

27       (10) ~~(9)~~—By February 1, ~~2017~~, **2018**, each independent college

1 and university participating in the tuition grant program shall  
2 report to the senate and house appropriations subcommittees on  
3 higher education, the senate and house fiscal agencies, and the  
4 state budget director on its efforts to develop and implement  
5 sexual assault response training for the institution's title IX  
6 coordinator, campus law enforcement personnel, campus public safety  
7 personnel, and any other campus personnel charged with responding  
8 to on-campus incidents, including information on sexual assault  
9 response training materials and the status of implementing sexual  
10 assault response training for institutional personnel.

11 Sec. 254. The sums appropriated in section 236 for the state  
12 competitive scholarship, tuition incentive, and tuition grant  
13 programs shall be paid out of the state treasury and shall be  
14 distributed to the respective institutions under a quarterly  
15 payment system as follows:

16 (a) For the state competitive scholarship and tuition grant  
17 programs, 50% shall be paid at the beginning of the state's first  
18 fiscal quarter, 30% during the state's second fiscal quarter, 10%  
19 during the state's third fiscal quarter, and 10% during the state's  
20 fourth fiscal quarter.

21 (b) For the tuition incentive program, ~~55%~~**65%** shall be paid  
22 at the beginning of the state's first fiscal quarter ~~, 40% AND~~ **35%**  
23 during the state's second fiscal quarter. ~~, and 5% during the~~  
24 ~~state's third fiscal quarter.~~

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

1 tuition incentive program of the department of treasury.

2 (2) As used in this section:

3 (a) "Phase I" means the first part of the tuition incentive  
4 ~~assistance~~ program defined as the academic period of 80 semester or  
5 120 term credits, or less, leading to an associate degree or  
6 certificate. **STUDENTS MUST BE ENROLLED IN A CERTIFICATE OR**  
7 **ASSOCIATE DEGREE PROGRAM AND TAKING CLASSES WITHIN THE PROGRAM OF**  
8 **STUDY FOR A CERTIFICATE OR ASSOCIATE DEGREE. TUITION WILL NOT BE**  
9 **COVERED FOR COURSES OUTSIDE OF A CERTIFICATE OR ASSOCIATE DEGREE**  
10 **PROGRAM.**

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

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

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

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

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

22 (i) Apply for certification to the department any time after  
23 he or she begins the sixth grade but before August 31 of the school  
24 year in which he or she graduates from high school or before  
25 achieving a high school equivalency certificate.

26 (ii) Be less than 20 years of age at the time he or she  
27 graduates from high school with a diploma or certificate of

1 completion or achieves a high school equivalency certificate OR,  
 2 FOR STUDENTS ATTENDING A 5-YEAR MIDDLE COLLEGE APPROVED BY THE  
 3 MICHIGAN DEPARTMENT OF EDUCATION, BE LESS THAN 21 YEARS OF AGE WHEN  
 4 HE OR SHE GRADUATES FROM HIGH SCHOOL.

5 (iii) Be a United States citizen and a resident of ~~Michigan~~  
 6 **THIS STATE** according to institutional criteria.

7 (iv) Be at least a half-time student, earning less than 80  
 8 semester or 120 term credits at a participating educational  
 9 institution within 4 years of high school graduation or achievement  
 10 of a high school equivalency certificate. **ALL PROGRAM ELIGIBILITY**  
 11 **EXPIRES 6 YEARS FROM HIGH SCHOOL GRADUATION OR ACHIEVEMENT OF A**  
 12 **HIGH SCHOOL EQUIVALENCY CERTIFICATE.**

13 ~~—— (v) Request information on filing a FAFSA.~~

14 (v) ~~(vi)~~ Meet the satisfactory academic progress policy of the  
 15 educational institution he or she attends.

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

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

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

23 (c) To be eligible for phase I or phase II, an individual must  
 24 not be incarcerated and must be financially eligible as determined  
 25 by the department. An individual is financially eligible for the  
 26 tuition incentive program if he or she was eligible for Medicaid  
 27 from ~~the~~ **THIS** state of ~~Michigan~~ for 24 months within the 36

1 consecutive months before application. The department shall accept  
2 certification of Medicaid eligibility only from the department of  
3 health and human services for the purposes of verifying if a person  
4 is Medicaid eligible for 24 months within the 36 consecutive months  
5 before application. Certification of eligibility may begin in the  
6 sixth grade. As used in this subdivision, "incarcerated" does not  
7 include detention of a juvenile in a state-operated or privately  
8 operated juvenile detention facility.

9 (4) Beginning in fiscal year 2017-2018, the department shall  
10 not award more than \$8,500,000.00 annually in tuition incentive  
11 program funds to eligible students enrolled in the same college or  
12 university in this state.

13 (5) For phase I, the department shall provide payment on  
14 behalf of a person eligible under subsection (3). The department  
15 **SHALL ONLY ACCEPT STANDARD PER CREDIT HOUR TUITION BILLINGS AND**  
16 shall reject billings that are excessive or outside the guidelines  
17 for the type of educational institution.

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

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

22 (b) For persons enrolled at a Michigan community college, the  
23 department shall pay the current in-district tuition and mandatory  
24 fees. For persons residing in an area that is not included in any  
25 community college district, the out-of-district tuition rate may be  
26 authorized.

27 (c) For persons enrolled at a Michigan public university, the

1 department shall pay lower division resident tuition and mandatory  
2 fees for the current year.

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

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

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

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

18 (8) The department shall work closely with participating  
19 institutions to develop an application and eligibility  
20 determination process that will provide the highest level of  
21 participation and ensure that all requirements of the program are  
22 met.

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

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

5       (11) The department shall ensure that the tuition incentive  
6 program is well publicized and that eligible Medicaid clients are  
7 provided information on the program. The department shall provide  
8 the necessary funding and staff to fully operate the program.

9       (12) THE DEPARTMENT OF TREASURY SHALL COLLABORATE WITH THE  
10 CENTER TO USE THE P-20 LONGITUDINAL DATA SYSTEM TO REPORT THE  
11 FOLLOWING INFORMATION FOR EACH QUALIFIED POSTSECONDARY INSTITUTION:

12       (A) THE NUMBER OF PHASE I STUDENTS IN THE MOST RECENTLY  
13 COMPLETED ACADEMIC YEAR WHO IN ANY ACADEMIC YEAR RECEIVED A TUITION  
14 INCENTIVE PROGRAM AWARD AND WHO SUCCESSFULLY COMPLETED A DEGREE OR  
15 CERTIFICATE PROGRAM. COHORT GRADUATION RATES FOR PHASE I STUDENTS  
16 SHALL BE CALCULATED USING THE ESTABLISHED SUCCESS RATE METHODOLOGY  
17 DEVELOPED BY THE CENTER IN COLLABORATION WITH THE POSTSECONDARY  
18 INSTITUTIONS.

19       (B) THE NUMBER OF STUDENTS IN THE MOST RECENTLY COMPLETED  
20 ACADEMIC YEAR WHO IN ANY ACADEMIC YEAR RECEIVED A PELL GRANT AT THE  
21 REPORTING INSTITUTION AND WHO SUCCESSFULLY COMPLETED A DEGREE OR  
22 CERTIFICATE PROGRAM. COHORT GRADUATION RATES FOR STUDENTS WHO  
23 RECEIVED PELL GRANTS SHALL BE CALCULATED USING THE ESTABLISHED  
24 SUCCESS RATE METHODOLOGY DEVELOPED BY THE CENTER IN COLLABORATION  
25 WITH THE POSTSECONDARY INSTITUTIONS.

26       (13) IF A QUALIFIED POSTSECONDARY INSTITUTION DOES NOT REPORT  
27 THE DATA NECESSARY TO COMPLY WITH SUBSECTION (12) TO THE P-20

1 LONGITUDINAL DATA SYSTEM, THE INSTITUTION SHALL REPORT, IN A FORM  
2 AND MANNER SATISFACTORY TO THE DEPARTMENT OF TREASURY AND THE  
3 CENTER, ALL OF THE INFORMATION NEEDED TO COMPLY WITH SUBSECTION  
4 (12) BY DECEMBER 1, 2017.

5 (14) BEGINNING IN FISCAL YEAR 2018-2019, IF A QUALIFIED  
6 POSTSECONDARY INSTITUTION DOES NOT REPORT THE DATA NECESSARY TO  
7 COMPLETE THE REPORTING IN SUBSECTION (12) TO THE P-20 LONGITUDINAL  
8 DATA SYSTEM BY OCTOBER 15 FOR THE PRIOR ACADEMIC YEAR, THE  
9 DEPARTMENT OF TREASURY SHALL NOT AWARD PHASE I TUITION INCENTIVE  
10 PROGRAM FUNDING TO OTHERWISE ELIGIBLE STUDENTS ENROLLED IN THAT  
11 INSTITUTION UNTIL THE DATA ARE SUBMITTED.

12 (15) ANY UNEXPENDED AND UNENCUMBERED FUNDS REMAINING ON  
13 SEPTEMBER 30, 2018 FROM THE AMOUNTS APPROPRIATED IN SECTION 236 FOR  
14 THE TUITION INCENTIVE PROGRAM FOR FISCAL YEAR 2017-2018 DO NOT  
15 LAPSE ON SEPTEMBER 30, 2018, BUT CONTINUE TO BE AVAILABLE FOR  
16 EXPENDITURE FOR TUITION INCENTIVE PROGRAM GRANTS PROVIDED IN THE  
17 2018-2019 FISCAL YEAR UNDER A WORK PROJECT ACCOUNT. THE USE OF  
18 THESE UNEXPENDED FISCAL YEAR 2017-2018 FUNDS TERMINATES AT THE END  
19 OF THE 2018-2019 FISCAL YEAR.

20 Sec. 263. (1) Included in the appropriation in section 236 for  
21 fiscal year ~~2016-2017~~ 2017-2018 for MSU AgBioResearch is  
22 \$2,982,900.00 and included in the appropriation in section 236 for  
23 MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN  
24 is intended to address critical regulatory, food safety, economic,  
25 and environmental problems faced by this state's plant-based  
26 agriculture, forestry, and processing industries. "GREEN" is an  
27 acronym for Generating Research and Extension to Meet Environmental



1 and Economic Needs.

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

6 Sec. 263a. (1) Not later than September 30 of each year,  
7 Michigan State University shall submit a report on MSU  
8 AgBioResearch and MSU Extension to the house and senate  
9 appropriations subcommittees on agriculture and on higher  
10 education, the house and senate standing committees on agriculture,  
11 the house and senate fiscal agencies, and the state budget director  
12 for the preceding academic fiscal year.

13 (2) The report required under subsection (1) shall include all  
14 of the following:

15 (a) Total funds expended by MSU AgBioResearch and by MSU  
16 Extension identified by state, local, private, federal, and  
17 university fund sources.

18 (b) The metric goals that were used to evaluate the impacts of  
19 programs operated by MSU Extension and MSU AgBioResearch. The  
20 following metric goals will be used to evaluate the impacts of  
21 those programs:

22 (i) Increasing the number of agriculture and food-related  
23 firms collaborating with and using services of research and  
24 extension faculty and staff by 3% per year.

25 (ii) Increasing the number of individuals utilizing MSU  
26 Extension's educational services by 5% per year.

27 (iii) Increasing external funds generated in support of

research and extension, beyond state appropriations, by 10% over the amounts generated in the past 3 state fiscal years.

(iv) Increasing the sector's total economic impact to at least ~~\$100,000,000,000.00.~~**\$125,000,000,000.00.**

(v) Increasing Michigan's agricultural exports to at least ~~\$3,500,000,000.00.~~**\$4,250,000,000.00.**

~~(vi) Increasing jobs in the food and agriculture sector by 10%.~~

**(vi)** ~~(vii)~~ Improving access by Michigan consumers to healthy foods by 20%.

(c) A review of major programs within both MSU AgBioResearch and MSU Extension with specific reference to accomplishments, impacts, and the metrics described in subdivision (b), including a specific accounting of Project GREEN expenditures and the impact of those expenditures.

Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2016-2017~~**2017-2018** for Michigan State University is \$80,000.00 for the Michigan Future Farmers of America Association. This \$80,000.00 allocation shall not supplant any existing support that Michigan State University provides to the Michigan Future Farmers of America Association.

Sec. 265. (1) Payments under section 265a for performance funding shall only be made to a public university that certifies to the state budget director by August 31, ~~2016-2017~~ that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after September 1, ~~2015-2016~~ for the ~~2015-2016-2016-2017~~ academic year and that its board will not adopt an

1 increase in tuition and fee rates for resident undergraduate  
2 students for the ~~2016-2017~~ **2017-2018** academic year that is greater  
3 than ~~4.2%.~~ **3.8% OR \$475.00, WHICHEVER IS GREATER.** As used in this  
4 subsection:

5 (a) "Fee" means any board-authorized fee that will be paid by  
6 more than 1/2 of all resident undergraduate students at least once  
7 during their enrollment at a public university, as described in the  
8 higher education institutional data inventory (HEIDI) user manual.  
9 A university increasing a fee that applies to a specific subset of  
10 students or courses shall provide sufficient information to prove  
11 that the increase applied to that subset will not cause the  
12 increase in the average amount of board-authorized total tuition  
13 and fees paid by resident undergraduate students in the ~~2016-2017~~  
14 **2017-2018** academic year to exceed the limit established in this  
15 subsection.

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

24 (c) For purposes of subdivision (a), for a public university  
25 that compels resident undergraduate students to be covered by  
26 health insurance as a condition to enroll at the university, "fee"  
27 includes the annual amount a student is charged for coverage by the

1 university-affiliated group health insurance policy if he or she  
2 does not provide proof that he or she is otherwise covered by  
3 health insurance. This subdivision does not apply to limited  
4 subsets of resident undergraduate students to be covered by health  
5 insurance for specific reasons other than general enrollment at the  
6 university.

7 (2) The state budget director shall implement uniform  
8 reporting requirements to ensure that a public university receiving  
9 a payment under section 265a for performance funding has satisfied  
10 the tuition restraint requirements of this section. The state  
11 budget director shall have the sole authority to determine if a  
12 public university has met the requirements of this section.  
13 Information reported by a public university to the state budget  
14 director under this subsection shall also be reported to the house  
15 and senate appropriations subcommittees on higher education and the  
16 house and senate fiscal agencies.

17 (3) Universities that exceed the tuition and fee rate cap  
18 described in subsection (1) shall not receive a planning or  
19 construction authorization for a state-funded capital outlay  
20 project in fiscal year ~~2017-2018-2018-2019~~ or fiscal year ~~2018-~~  
21 ~~2019-2019-2020~~.

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

27 Sec. 265a. (1) Appropriations to public universities in

1 section 236 for fiscal year ~~2016-2017~~**2017-2018** for performance  
2 funding shall be paid only to a public university that complies  
3 with section 265 and certifies to the state budget director, the  
4 house and senate appropriations subcommittees on higher education,  
5 and the house and senate fiscal agencies by August 31, ~~2016-2017~~  
6 that it complies with all of the following requirements:

7 (a) The university participates in reverse transfer agreements  
8 described in section 286 with at least 3 Michigan community  
9 colleges.

10 (b) The university does not and will not consider whether dual  
11 enrollment credits earned by an incoming student were utilized  
12 towards his or her high school graduation requirements when making  
13 a determination as to whether those credits may be used by the  
14 student toward completion of a university degree or certificate  
15 program.

16 (c) The university actively participates in and submits timely  
17 updates to the Michigan Transfer Network created as part of the  
18 Michigan Association of Collegiate Registrars and Admissions  
19 Officers transfer agreement.

20 (2) Any performance funding amounts under section 236 that are  
21 not paid to a public university because it did not comply with 1 or  
22 more requirements under subsection (1) are unappropriated and  
23 reappropriated for performance funding to those public universities  
24 that meet the requirements under subsection (1), distributed in  
25 proportion to their performance funding appropriation amounts under  
26 section 236.

27 (3) The state budget director shall report to the house and

senate appropriations subcommittees on higher education and the house and senate fiscal agencies by September 30, ~~2016,~~ **2017**, regarding any performance funding amounts that are not paid to a public university because it did not comply with 1 or more requirements under subsection (1) and any reappropriation of funds under subsection (2).

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

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

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

(c) Based on research and development expenditures, for universities classified in Carnegie classifications as ~~doctoral/research universities, research universities (high research activity), or research universities (very high research activity)~~ **DOCTORAL UNIVERSITIES: MODERATE RESEARCH ACTIVITY, DOCTORAL UNIVERSITIES: HIGHER RESEARCH ACTIVITY, OR DOCTORAL UNIVERSITIES: HIGHEST RESEARCH ACTIVITY** only, 5.6%.

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

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

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

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

4 (c) A university classified as improving, a score of 2. It is  
5 the intent of the legislature that, beginning in the ~~2017-2018~~  
6 **2018-2019** state fiscal year, a university classified as improving  
7 is assigned a score of 1.

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

10 (6) As used in this section, "Carnegie classification" means  
11 the basic classification of the university according to the most  
12 recent version ~~prior to February 1, 2016~~ of the Carnegie  
13 classification of institutions of higher education, published by  
14 the Carnegie Foundation for the Advancement of Teaching.

15 **(7) IT IS THE INTENT OF THE LEGISLATURE TO ALLOCATE MORE**  
16 **FUNDING BASED ON PERFORMANCE METRICS IN FUTURE YEARS.**

17 Sec. 267. All public universities shall submit the amount of  
18 tuition and fees actually charged to a full-time resident  
19 undergraduate student for academic year ~~2016-2017~~ **2017-2018** as part  
20 of their higher education institutional data inventory (HEIDI) data  
21 by August 31 of each year. A public university shall report any  
22 revisions for any semester of the reported academic year ~~2016-2017~~  
23 **2017-2018** tuition and fee charges to HEIDI within 15 days of being  
24 adopted.

25 Sec. 268. (1) For the fiscal year ending September 30, ~~2017,~~  
26 **2018**, it is the intent of the legislature that funds be allocated  
27 for unfunded North American Indian tuition waiver costs incurred by

1 public universities under 1976 PA 174, MCL 390.1251 to 390.1253,  
2 from the general fund.

3 (2) APPROPRIATIONS IN SECTION 236(7)(F) FOR NORTH AMERICAN  
4 INDIAN TUITION WAIVERS SHALL BE PAID TO UNIVERSITIES UNDER SECTION  
5 2A OF 1976 PA 174, MCL 390.1252A. ALLOCATIONS SHALL BE ADJUSTED FOR  
6 AMOUNTS INCLUDED IN UNIVERSITY OPERATIONS APPROPRIATIONS. IF FUNDS  
7 ARE INSUFFICIENT TO SUPPORT THE ENTIRE COST OF WAIVERS, AMOUNTS  
8 SHALL BE PRORATED PROPORTIONATE TO EACH INSTITUTION'S SHORTFALL AS  
9 A PERCENTAGE OF ITS FISCAL YEAR 2017-2018 STATE APPROPRIATION FOR  
10 OPERATIONS.

11 (3) ~~(2)~~ By February 15 of each year, the department of civil  
12 rights shall annually submit to the state budget director, the  
13 house and senate appropriations subcommittees on higher education,  
14 and the house and senate fiscal agencies a report on North American  
15 Indian tuition waivers for the preceding ~~fiscal~~ **ACADEMIC** year that  
16 includes, but is not limited to, all of the following information:

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

19 (b) For each university submitting information under  
20 subsection (3), all of the following:

21 (i) The number of graduate and undergraduate North American  
22 Indian students enrolled each term for the previous ~~fiscal~~ **ACADEMIC**  
23 year.

24 (ii) The number of North American Indian waivers granted each  
25 term, **INCLUDING CONTINUING EDUCATION STUDENTS**, and the monetary  
26 value of the waivers for the previous ~~fiscal~~ **ACADEMIC** year.

27 (iii) The number of graduate and undergraduate students



1 attending under a North American Indian tuition waiver who withdrew  
 2 from the university **EACH TERM** during the previous ~~fiscal~~**ACADEMIC**  
 3 year. **FOR PURPOSES OF THIS SUBPARAGRAPH, A WITHDRAWAL OCCURS WHEN A**  
 4 **STUDENT WHO HAS BEEN AWARDED THE WAIVER WITHDRAWS FROM THE**  
 5 **INSTITUTION AT ANY POINT DURING THE TERM, REGARDLESS OF ENROLLMENT**  
 6 **IN SUBSEQUENT TERMS.**

7 (iv) The number of graduate and undergraduate students  
 8 attending under a North American Indian tuition waiver who  
 9 successfully complete a degree or certificate program, separated by  
 10 degree or certificate level, and the graduation rate for graduate  
 11 and undergraduate students attending under a North American Indian  
 12 tuition waiver who complete a degree **OR CERTIFICATE** within 150% of  
 13 the normal time to complete, separated by the level of the degree  
 14 **OR CERTIFICATE.**

15 (4) ~~(3)~~—A public university that receives funds under section  
 16 236 shall provide to the department of civil rights any information  
 17 necessary for preparing the report detailed in subsection ~~(2)~~, **(3)**,  
 18 using guidelines and procedures developed by the department of  
 19 civil rights.

20 (5) ~~(4)~~—The department of civil rights may consolidate the  
 21 report required under this section with the report required under  
 22 section 223, but a consolidated report must separately identify  
 23 data for universities and data for community colleges.

24 Sec. 269. For fiscal year ~~2016-2017~~, **2017-2018**, from the  
 25 amount appropriated in section 236 to Central Michigan University  
 26 for operations, \$29,700.00 shall be paid to Saginaw Chippewa Tribal  
 27 College for the costs of waiving tuition for North American Indians

1 under 1976 PA 174, MCL 390.1251 to 390.1253.

2 Sec. 270. For fiscal year ~~2016-2017~~, **2017-2018**, from the  
3 amount appropriated in section 236 to Lake Superior State  
4 University for operations, \$100,000.00 shall be paid to Bay Mills  
5 Community College for the costs of waiving tuition for North  
6 American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

7 Sec. 274. It is the intent of the legislature that public and  
8 private organizations that conduct human embryonic stem cell  
9 derivation subject to section 27 of article I of the state  
10 constitution of 1963 will provide information to the director of  
11 the department of health and human services by December 1, ~~2016~~  
12 **2017** that includes all of the following:

13 (a) Documentation that the organization conducting human  
14 embryonic stem cell derivation is conducting its activities in  
15 compliance with the requirements of section 27 of article I of the  
16 state constitution of 1963 and all relevant National Institutes of  
17 Health guidelines pertaining to embryonic stem cell derivation.

18 (b) A list of all human embryonic stem cell lines submitted by  
19 the organization to the National Institutes of Health for inclusion  
20 in the Human Embryonic Stem Cell Registry before and during fiscal  
21 year ~~2015-2016~~, **2016-2017**, and the status of each submission as  
22 approved, pending approval, or review completed but not yet  
23 accepted.

24 (c) Number of human embryonic stem cell lines derived and not  
25 submitted for inclusion in the Human Embryonic Stem Cell Registry,  
26 before and during fiscal year ~~2015-2016~~, **2016-2017**.

27 Sec. 274c. By February 1, ~~2017~~, **2018**, each university

1 receiving funds under section 236 shall report to the senate and  
2 house appropriations subcommittees on higher education, the senate  
3 and house fiscal agencies, and the state budget director on its  
4 efforts to develop and implement sexual assault response training  
5 for the university's title IX coordinator, campus law enforcement  
6 personnel, campus public safety personnel, and any other campus  
7 personnel charged with responding to on-campus incidents, including  
8 information on sexual assault response training materials and the  
9 status of implementing sexual assault response training for campus  
10 personnel.

11 Sec. 275. (1) It is the intent of the legislature that each  
12 public university that receives an appropriation in section 236 do  
13 all of the following:

14 (a) Meet the provisions of section 5003 of the post-911  
15 veterans educational assistance act of 2008, 38 USC 3301 to ~~3325,~~  
16 **3327**, including voluntary participation in the Yellow Ribbon GI  
17 Education Enhancement Program established in that act in 38 USC  
18 3317. By October 1 of each year, each public university shall  
19 report to the house and senate appropriations subcommittees on  
20 higher education, the house and senate fiscal agencies, and the  
21 Michigan Association of State Universities on whether or not it has  
22 chosen to participate in the Yellow Ribbon GI Education Enhancement  
23 Program. If at any time during the fiscal year a university  
24 participating in the Yellow Ribbon Program chooses to leave the  
25 Yellow Ribbon Program, it shall notify the house and senate  
26 appropriations subcommittees on higher education, the house and  
27 senate fiscal agencies, and the Michigan Association of State

1 Universities.

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

4 (c) Provide flexible enrollment application deadlines for all  
5 veterans.

6 (d) Include in its admission application process a specific  
7 question as to whether an applicant for admission is a veteran, an  
8 active member of the military, a member of the National Guard or  
9 military reserves, or the spouse or dependent of a veteran, active  
10 member of the military, or member of the National Guard or military  
11 reserves, in order to more quickly identify potential educational  
12 assistance available to that applicant.

13 (e) Consider all veterans residents of this state for  
14 determining their tuition rates and fees.

15 (f) Waive enrollment fees for all veterans.

16 (2) By October 1 of each year, each public university shall  
17 report to the house and senate appropriations subcommittees on  
18 higher education, the house and senate fiscal agencies, and the  
19 department of military and veterans affairs regarding services  
20 provided specifically to veterans and active military duty  
21 personnel, including, but not limited to, the services described in  
22 subsection (1).

23 (3) As used in this section, "veteran" means an honorably  
24 discharged veteran entitled to educational assistance under the  
25 provisions of section 5003 of the post-911 veterans educational  
26 assistance act of 2008, 38 USC 3301 to ~~3325-3327~~.

27 **SEC. 275C. EACH UNIVERSITY RECEIVING FUNDS UNDER SECTION 236**

1 SHALL PROVIDE STUDENTS WITH MATERIALS CONTAINING INFORMATION ABOUT  
2 MENINGOCOCCAL MENINGITIS AND THE VACCINE FOR MENINGOCOCCAL  
3 MENINGITIS, AS PROVIDED BY THE DEPARTMENT OF HEALTH AND HUMAN  
4 SERVICES PURSUANT TO SECTION 9205A OF THE PUBLIC HEALTH CODE, 1978  
5 PA 368, MCL 333.9205A. THE MATERIALS SHALL CONTAIN INFORMATION  
6 ABOUT, AT A MINIMUM, THE CAUSES AND SYMPTOMS OF MENINGOCOCCAL  
7 MENINGITIS, HOW IT IS SPREAD, AND SOURCES WHERE STUDENTS MAY OBTAIN  
8 ADDITIONAL INFORMATION ABOUT MENINGOCOCCAL MENINGITIS AND WHERE  
9 THEY MAY OBTAIN VACCINATION AGAINST MENINGOCOCCAL MENINGITIS.

10 Sec. 276. (1) Included in the appropriation for fiscal year  
11 ~~2016-2017~~ 2017-2018 for each public university in section 236 is  
12 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks  
13 future faculty program that is intended to increase the pool of  
14 academically or economically disadvantaged candidates pursuing  
15 faculty teaching careers in postsecondary education. Preference may  
16 not be given to applicants on the basis of race, color, ethnicity,  
17 gender, or national origin. Institutions should encourage  
18 applications from applicants who would otherwise not adequately be  
19 represented in the graduate student and faculty populations. Each  
20 public university shall apply the percentage change applicable to  
21 every public university in the calculation of appropriations in  
22 section 236 to the amount of funds allocated to the future faculty  
23 program.

24 (2) The program shall be administered by each public  
25 university in a manner prescribed by the workforce development  
26 agency. The workforce development agency shall use a good faith  
27 effort standard to evaluate whether a fellowship is in default.

1       Sec. 277. (1) Included in the appropriation for fiscal year  
2 ~~2016-2017-2017-2018~~ for each public university in section 236 is  
3 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks  
4 college day program that is intended to introduce academically or  
5 economically disadvantaged schoolchildren to the potential of a  
6 college education. Preference may not be given to participants on  
7 the basis of race, color, ethnicity, gender, or national origin.  
8 Public universities should encourage participation from those who  
9 would otherwise not adequately be represented in the student  
10 population.

11       (2) Individual program plans of each public university shall  
12 include a budget of equal contributions from this program, the  
13 participating public university, the participating school district,  
14 and the participating independent degree-granting college. College  
15 day funds shall not be expended to cover indirect costs. Not more  
16 than 20% of the university match shall be attributable to indirect  
17 costs. Each public university shall apply the percentage change  
18 applicable to every public university in the calculation of  
19 appropriations in section 236 to the amount of funds allocated to  
20 the college day program.

21       (3) The program described in this section shall be  
22 administered by each public university in a manner prescribed by  
23 the workforce development agency.

24       Sec. 278. (1) Included in section 236 for fiscal year ~~2016-~~  
25 ~~2017-2017-2018~~ is funding for the Martin Luther King, Jr. - Cesar  
26 Chavez - Rosa Parks select student support services program for  
27 developing academically or economically disadvantaged student

1 retention programs for 4-year public and independent educational  
2 institutions in this state. Preference may not be given to  
3 participants on the basis of race, color, ethnicity, gender, or  
4 national origin. Institutions should encourage participation from  
5 those who would otherwise not adequately be represented in the  
6 student population.

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

10 (3) The program described in this section shall be  
11 administered by the workforce development agency.

12 Sec. 279. (1) Included in section 236 for fiscal year ~~2016-~~  
13 ~~2017-2017-2018~~ is funding for the Martin Luther King, Jr. - Cesar  
14 Chavez - Rosa Parks college/university partnership program between  
15 4-year public and independent colleges and universities and public  
16 community colleges, which is intended to increase the number of  
17 academically or economically disadvantaged students who transfer  
18 from community colleges into baccalaureate programs. Preference may  
19 not be given to participants on the basis of race, color,  
20 ethnicity, gender, or national origin. Institutions should  
21 encourage participation from those who would otherwise not  
22 adequately be represented in the transfer student population.

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

1           (3) The program described in this section shall be  
2 administered by the workforce development agency.

3           Sec. 280. (1) Included in the appropriation for fiscal year  
4 ~~2016-2017-2017-2018~~ for each public university in section 236 is  
5 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks  
6 visiting professors program which is intended to increase the  
7 number of instructors in the classroom to provide role models for  
8 academically or economically disadvantaged students. Preference may  
9 not be given to participants on the basis of race, color,  
10 ethnicity, gender, or national origin. Public universities should  
11 encourage participation from those who would otherwise not  
12 adequately be represented in the student population.

13           (2) The program described in this section shall be  
14 administered by the workforce development agency.

15           Sec. 281. (1) Included in the appropriation for fiscal year  
16 ~~2016-2017-2017-2018~~ in section 236 is funding under the Martin  
17 Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the  
18 Morris Hood, Jr. educator development program which is intended to  
19 increase the number of academically or economically disadvantaged  
20 students who enroll in and complete K-12 teacher education programs  
21 at the baccalaureate level. Preference may not be given to  
22 participants on the basis of race, color, ethnicity, gender, or  
23 national origin. Institutions should encourage participation from  
24 those who would otherwise not adequately be represented in the  
25 teacher education student population.

26           (2) The program described in this section shall be  
27 administered by each state-approved teacher education institution



1 in a manner prescribed by the workforce development agency.

2 (3) Approved teacher education institutions may and are  
3 encouraged to use student support services funding in coordination  
4 with the Morris Hood, Jr. funding to achieve the goals of the  
5 program described in this section.

6 Sec. 282. Each institution receiving funds for fiscal year  
7 ~~2016-2017-2017-2018~~ under section 278, 279, or 281 shall ~~notify~~  
8 **PROVIDE TO** the workforce development agency by April 15, ~~2017 as to~~  
9 ~~whether it will expend by the end of its fiscal year the funds~~  
10 ~~received under section 278, 279, or 281.~~ **2018 THE UNOBLIGATED AND**  
11 **UNEXPENDED FUNDS AS OF MARCH 31, 2018 AND A PLAN TO EXPEND THE**  
12 **REMAINING FUNDS BY THE END OF THE FISCAL YEAR.** Notwithstanding the  
13 award limitations in sections 278 and 279, the amount of funding  
14 reported as not being expended will be reallocated to the  
15 institutions that intend to expend all funding received under  
16 section 278, 279, or 281.

17 Sec. 283. (1) ~~From the amount appropriated in section 236, the~~  
18 ~~public universities shall systematically~~ **USING THE DATA PROVIDED TO**  
19 **THE CENTER AS REQUIRED BY SECTION 244 OF THIS ACT, THE CENTER SHALL**  
20 **USE THE P-20 LONGITUDINAL DATA SYSTEM TO** inform **INTERESTED** Michigan  
21 high schools **AND THE PUBLIC** regarding the **AGGREGATE** academic status  
22 of **ITS** students. ~~from each high school in a manner prescribed by~~  
23 **THE CENTER SHALL WORK WITH UNIVERSITIES AND** the Michigan  
24 Association of State Universities **AND** in cooperation with the  
25 Michigan Association of Secondary School Principals. ~~Public~~  
26 ~~universities shall also work with the center for educational~~  
27 ~~performance and information to maintain a systematic approach for~~

1 ~~accomplishing this task.~~

2 (2) Michigan high schools shall systematically inform the  
3 public universities about the use of information received under  
4 this section in a manner prescribed by the Michigan Association of  
5 Secondary School Principals in cooperation with the Michigan  
6 Association of State Universities.

7 Sec. 284. ~~From the amount appropriated in section 236, the~~  
8 ~~public universities shall~~ **USING THE DATA PROVIDED TO THE CENTER AS**  
9 **REQUIRED BY SECTION 244 OF THIS ACT, THE CENTER SHALL USE THE P-20**  
10 **LONGITUDINAL DATA SYSTEM TO** inform Michigan community colleges  
11 regarding the academic status of community college transfer  
12 students. ~~in a manner prescribed by~~ **THE CENTER SHALL WORK WITH THE**  
13 **UNIVERSITIES AND** the Michigan Association of State Universities in  
14 cooperation with the Michigan Community College Association. ~~Public~~  
15 ~~universities shall also work with the center for educational~~  
16 ~~performance and information to maintain a systematic approach for~~  
17 ~~accomplishing this task.~~

18 Enacting section 1. In accordance with section 30 of article  
19 IX of the state constitution of 1963, total state spending from  
20 state sources for higher education for fiscal year 2017-2018 under  
21 article III of the state school aid act of 1979, 1979 PA 94, MCL  
22 388.1836 to 388.1894, is estimated at \$1,518,698,000.00 and the  
23 amount of that state spending from state sources to be paid to  
24 local units of government for fiscal year 2017-2018 is estimated at  
25 \$0.00.

26 Enacting section 2. Sections 236e and 286a of the state school  
27 aid act of 1979, 1979 PA 94, MCL 388.1836e and 388.1886a, are

1 repealed effective October 1, 2017.

2 Enacting section 3. (1) Except as otherwise provided in  
3 subsection (2), this amendatory act takes effect October 1, 2017.

4 (2) Section 236e of the state school aid act of 1979, 1979 PA  
5 94, MCL 388.1836e, as added by this amendatory act, takes effect  
6 upon enactment of this amendatory act.