

SUBSTITUTE FOR  
SENATE BILL NO. 1099

A bill to make appropriations for certain 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:

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PART 1

LINE-ITEM APPROPRIATIONS

Sec. 101. Subject to the conditions set forth in this act, the amounts listed in this part are appropriated for certain 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 part. The following is a summary of the appropriations in this part:

### 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

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. 102. CENTRAL MICHIGAN UNIVERSITY

Operations..... \$ 84,399,300

GROSS APPROPRIATION..... \$ 84,399,300

Appropriated from:

State general fund/general purpose..... \$ 84,399,300

#### Sec. 103. EASTERN MICHIGAN UNIVERSITY

Operations..... \$ 80,107,300

GROSS APPROPRIATION..... \$ 80,107,300

Appropriated from:

State general fund/general purpose..... \$ 80,107,300

1	<b>Sec. 104. FERRIS STATE UNIVERSITY</b>	
2	Operations.....	\$ <u>51,222,700</u>
3	GROSS APPROPRIATION.....	\$ 51,222,700
4	Appropriated from:	
5	State general fund/general purpose.....	\$ 51,222,700
6	<b>Sec. 105. GRAND VALLEY STATE UNIVERSITY</b>	
7	Operations.....	\$ <u>65,289,100</u>
8	GROSS APPROPRIATION.....	\$ 65,289,100
9	Appropriated from:	
10	State general fund/general purpose.....	\$ 65,289,100
11	<b>Sec. 106. LAKE SUPERIOR STATE UNIVERSITY</b>	
12	Operations.....	\$ <u>13,371,400</u>
13	GROSS APPROPRIATION.....	\$ 13,371,400
14	Appropriated from:	
15	State general fund/general purpose.....	\$ 13,371,400
16	<b>Sec. 107. MICHIGAN STATE UNIVERSITY</b>	
17	Operations.....	\$ 298,844,000
18	Agricultural experiment station.....	35,016,100
19	Cooperative extension service.....	<u>30,202,000</u>
20	GROSS APPROPRIATION.....	\$ 364,062,100
21	Appropriated from:	
22	State general fund/general purpose.....	\$ 364,062,100
23	<b>Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY</b>	
24	Operations.....	\$ <u>50,499,000</u>
25	GROSS APPROPRIATION.....	\$ 50,499,000
26	Appropriated from:	
27	State general fund/general purpose.....	\$ 50,499,000

1	<b>Sec. 109. NORTHERN MICHIGAN UNIVERSITY</b>	
2	Operations.....	\$ <u>47,556,600</u>
3	GROSS APPROPRIATION.....	\$ 47,556,600
4	Appropriated from:	
5	State general fund/general purpose.....	\$ 47,556,600
6	<b>Sec. 110. OAKLAND UNIVERSITY</b>	
7	Operations.....	\$ <u>53,490,900</u>
8	GROSS APPROPRIATION.....	\$ 53,490,900
9	Appropriated from:	
10	State general fund/general purpose.....	\$ 53,490,900
11	<b>Sec. 111. SAGINAW VALLEY STATE UNIVERSITY</b>	
12	Operations.....	\$ <u>29,206,900</u>
13	GROSS APPROPRIATION.....	\$ 29,206,900
14	Appropriated from:	
15	State general fund/general purpose.....	\$ 29,206,900
16	<b>Sec. 112. UNIVERSITY OF MICHIGAN - ANN ARBOR</b>	
17	Operations.....	\$ <u>333,143,100</u>
18	GROSS APPROPRIATION.....	\$ 333,143,100
19	Appropriated from:	
20	State general fund/general purpose.....	\$ 333,143,100
21	<b>Sec. 113. UNIVERSITY OF MICHIGAN - DEARBORN</b>	
22	Operations.....	\$ <u>26,053,900</u>
23	GROSS APPROPRIATION.....	\$ 26,053,900
24	Appropriated from:	
25	State general fund/general purpose.....	\$ 26,053,900
26	<b>Sec. 114. UNIVERSITY OF MICHIGAN - FLINT</b>	
27	Operations.....	\$ <u>22,021,300</u>

1	GROSS APPROPRIATION.....	\$	22,021,300
2	Appropriated from:		
3	State general fund/general purpose.....	\$	22,021,300
4	<b>Sec. 115. WAYNE STATE UNIVERSITY</b>		
5	Operations.....	\$	<u>225,617,900</u>
6	GROSS APPROPRIATION.....	\$	225,617,900
7	Appropriated from:		
8	State general fund/general purpose.....	\$	225,617,900
9	<b>Sec. 116. WESTERN MICHIGAN UNIVERSITY</b>		
10	Operations.....	\$	<u>115,485,600</u>
11	GROSS APPROPRIATION.....	\$	115,485,600
12	Appropriated from:		
13	State general fund/general purpose.....	\$	115,485,600
14	<b>Sec. 117. STATE AND REGIONAL PROGRAMS</b>		
15	Full-time equated positions .....		1.0
16	Higher education database modernization and		
17	conversion--1.0 FTE position .....	\$	200,000
18	Midwestern higher education compact.....		<u>95,000</u>
19	GROSS APPROPRIATION.....	\$	295,000
20	Appropriated from:		
21	State general fund/general purpose.....	\$	295,000
22	<b>Sec. 118. MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA</b>		
23	<b>PARKS PROGRAM</b>		
24	Select student supportive services.....	\$	1,956,100
25	Michigan college/university partnership program.....		586,800
26	Morris Hood, Jr. educator development program.....		<u>148,600</u>
27	GROSS APPROPRIATION.....	\$	2,691,500

1	Appropriated from:	
2	State general fund/general purpose .....	\$ 2,691,500
3	<b>Sec. 119. GRANTS AND FINANCIAL AID</b>	
4	State competitive scholarships .....	\$ 35,530,500
5	Tuition grants .....	56,668,100
6	Michigan work-study program .....	7,326,300
7	Part-time independent student program .....	2,653,300
8	Michigan education opportunity grants .....	2,084,200
9	Robert C. Byrd honors scholarship program .....	1,500,000
10	Nursing scholarship and grant programs .....	4,250,000
11	Michigan merit award program .....	5,200,000
12	Michigan promise grant program .....	90,500,000
13	Tuition incentive program .....	25,200,000
14	Children of veterans tuition grant program .....	1,000,000
15	Project gear-up .....	<u>3,000,000</u>
16	GROSS APPROPRIATION .....	\$ 234,912,400
17	Appropriated from:	
18	Federal revenues:	
19	Higher education act of 1965, title IV, 20 USC .....	2,900,000
20	Higher education act of 1965, title IV, part A .....	1,500,000
21	United States department of education, office of	
22	elementary and secondary education, gear-up .....	3,000,000
23	Special revenue funds:	
24	Michigan merit award trust fund .....	115,800,000
25	Contributions to children of veterans tuition grant	
26	program .....	300,000
27	State general fund/general purpose .....	\$ 111,412,400

## PART 2

## PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources under part 1 for fiscal year 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 \$3,759,100.00. The itemized statement below identifies the estimated appropriations from which spending to local units of government will occur:

Part-time independent student program.....	\$	1,255,700
Michigan education opportunity grants.....		932,900
Michigan work-study.....		<u>1,570,500</u>
TOTAL.....	\$	3,759,100

Sec. 202. The appropriations authorized under this part and part 1 are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

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

Sec. 209. Funds appropriated in part 1 shall not be used for the purchase of foreign goods or services, or both, if

1 competitively priced and of comparable quality American goods and  
2 services, or both, are available. Preference should be given to  
3 goods or services, or both, manufactured or provided by Michigan  
4 businesses if they are competitively priced and of comparable  
5 value. In addition, preference should be given to goods or  
6 services, or both, that are manufactured or provided by Michigan  
7 businesses owned and operated by veterans, if they are  
8 competitively priced and of comparable quality.

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

17       (2) All universities shall submit higher education  
18 institutional data inventory (HEIDI) data and associated financial  
19 and program information requested by and in a manner prescribed by  
20 the state budget director. For universities with fiscal years  
21 ending June 30, 2008, these data shall be submitted to the state  
22 budget director by October 15, 2008. Universities with a fiscal  
23 year ending September 30, 2008 shall submit preliminary HEIDI data  
24 by November 15, 2008 and final data by December 15, 2008. If a  
25 university fails to submit HEIDI data and associated financial aid  
26 program information in accordance with this reporting schedule, the  
27 state treasurer shall withhold the monthly installments under



1 subsection (1) to the university until those data are submitted.

2 (3) A detailed description of procedures utilized to arrive at  
3 the amounts appropriated in part 1 shall be submitted to each  
4 institution by the senate and house fiscal agencies.

5 Sec. 213. Funds received by the state from the federal  
6 government or private sources for the use of a college or  
7 university are appropriated for the purposes for which they are  
8 provided. The acceptance and use of federal or private funds do not  
9 place an obligation upon the legislature to continue the purposes  
10 for which the funds are made available.

11 Sec. 214. If section 274 of the income tax act of 1967, 1967  
12 PA 281, MCL 206.274, is not repealed and if a state institution of  
13 higher education that receives funds under this act notifies the  
14 department of treasury regarding its tuition and fee rates in order  
15 to qualify as an eligible institution for the Michigan tuition tax  
16 credit under section 274 of the income tax act of 1967, 1967 PA  
17 281, MCL 206.274, the institution shall also submit the  
18 notification and applicable documentation of tuition and fee  
19 changes to the house and senate fiscal agencies.

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

#### 25 GRANTS AND FINANCIAL AID

26 Sec. 301. (1) Payments of the amounts included in part 1 for

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

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

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

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

20 (5) Students who receive aid under 1964 PA 208, MCL 390.971 to  
21 390.981, shall be awarded scholarships on the basis of merit and  
22 financial need. Veterans administration benefits shall not be  
23 considered in determining eligibility under 1964 PA 208, MCL  
24 390.971 to 390.981.

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

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

6           (3) The Michigan higher education assistance authority shall  
7 determine an actual maximum tuition grant award per student, which  
8 shall be no less than \$2,100.00, that ensures that the aggregate  
9 payments for the tuition grant program do not exceed the  
10 appropriation contained in part 1 for the state tuition grant  
11 program. If the authority determines that insufficient funds are  
12 available to establish a maximum award amount of \$2,100.00, the  
13 authority shall immediately report to the house and senate  
14 appropriations subcommittees on higher education, the house and  
15 senate fiscal agencies, and the state budget director, regarding  
16 the estimated amount of additional funds necessary to establish a  
17 \$2,100.00 maximum award amount. By December 15, 2008, and again by  
18 February 1, 2009, the authority shall analyze the status of award  
19 commitments, shall make any necessary adjustments, and shall  
20 confirm that those award commitments will not exceed the  
21 appropriation contained in part 1 for the tuition grant program.  
22 The determination and actions shall be reported to the state budget  
23 director and the house and senate fiscal agencies no later than  
24 February 15, 2009. If award adjustments are necessary, the students  
25 shall be notified of the adjustment by the third Monday in  
26 February.

27           (4) Any unexpended and unencumbered funds remaining on

1 September 30, 2009 from the amounts appropriated in part 1 for the  
2 tuition grant program shall not lapse on September 30, 2009, but  
3 shall continue to be available for expenditure for tuition grants  
4 provided in the 2009-2010 fiscal year under a work project account.  
5 The use of these unexpended fiscal year 2008-2009 funds shall  
6 terminate at the end of the 2009-2010 fiscal year.

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

11 (6) If the Michigan higher education assistance authority  
12 increases the maximum award per eligible student from that provided  
13 in the previous fiscal year, it shall not have the effect of  
14 reducing the number of eligible students receiving awards in  
15 relation to the total number of eligible applicants. Any increase  
16 in the maximum grant shall be proportional for all eligible  
17 students receiving awards for fiscal year 2008-2009.

18 (7) It is the intent of the legislature to secure funding to  
19 provide a 3.0% increase for Michigan tuition grants for fiscal year  
20 2008-2009.

21 Sec. 303. (1) Included in the appropriation in part 1 is  
22 funding for the Michigan work-study programs established under 1986  
23 PA 288, MCL 390.1371 to 390.1382, and 1986 PA 303, MCL 390.1321 to  
24 390.1332. An effort should be made by each institution  
25 participating in the Michigan work-study programs to assure that  
26 not less than 10% of those undergraduate, graduate, and  
27 professional students eligible to participate in the programs are

1 placed with for-profit employers no later than December 31 of each  
2 year for which funding is provided under this act.

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

8 (3) The Michigan higher education assistance authority shall  
9 set aside not more than 5% of the total work-study appropriation to  
10 process requests from participating institutions for allocation  
11 adjustments. Allocation adjustments shall be based on criteria set  
12 by the authority prior to making the allocations under subsection  
13 (2).

14 Sec. 307. The auditor general may audit selected enrollments,  
15 degrees, and awards at selected independent colleges and  
16 universities receiving awards administered by the department of  
17 treasury. The audits shall be based upon definitions and  
18 requirements established by the Michigan higher education  
19 assistance authority, the state budget director, and the senate and  
20 house fiscal agencies. The auditor general shall accept the Free  
21 Application for Federal Student Aid (FAFSA) form as the standard of  
22 residency documentation. The auditor general shall submit a report  
23 of findings to the senate and house appropriations committees and  
24 state budget director by May 1, 2009.

25 Sec. 308. The sums appropriated in part 1 for the student  
26 financial aid programs shall be paid out of the state treasury and  
27 shall be distributed to the respective institutions under a

1 quarterly payment system as follows:

2 (a) For the state competitive scholarship, nursing  
3 scholarship, tuition incentive, and tuition grant programs, 40%  
4 shall be paid at the beginning of the state's first fiscal quarter,  
5 40% at the beginning of the state's second fiscal quarter, 10% at  
6 the beginning of the state's third fiscal quarter, and 10% at the  
7 beginning of the state's fourth fiscal quarter.

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

10 (c) For the part-time independent student program and the  
11 Michigan education opportunity grant program, 50% shall be paid at  
12 the beginning of the state's first fiscal quarter, 25% at the  
13 beginning of the state's second fiscal quarter, and 25% at the  
14 beginning of the state's third fiscal quarter.

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

18 Sec. 309. The Michigan higher education assistance authority  
19 shall determine the needs analysis criteria for students to qualify  
20 for the state competitive scholarship program and tuition grant  
21 program. To be consistent with federal requirements, student wages  
22 may be taken into consideration when determining the amount of the  
23 award.

24 Sec. 310. (1) The funds appropriated in part 1 for the tuition  
25 incentive program shall be distributed as provided in this section  
26 and pursuant to the administrative procedures for the tuition  
27 incentive program of the department of treasury.

1 (2) As used in this section:

2 (a) "Phase I" means the first part of the tuition incentive  
3 assistance program defined as the academic period of 80 semester or  
4 120 term credits, or less, leading to an associate degree or  
5 certificate.

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

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

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

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

14 (i) Apply for certification to the department before graduating  
15 from high school or completing the general education development  
16 (GED) certificate.

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

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

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

25 (v) Request information on filing a FAFSA.

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

1 (a):

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

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

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

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

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

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

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

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



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

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

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

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

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

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

26 (9) Each institution shall ensure that all known available  
27 restricted grants for tuition and fees are used prior to billing

1 the tuition incentive program for any portion of a student's  
2 tuition and fees.

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

8 Sec. 311. To enable the legislature and the state budget  
9 director to evaluate the appropriation needs of higher education,  
10 each independent college and university shall make available to the  
11 legislature or state budget director, upon request, data regarding  
12 grants for the preceding, current, and ensuing fiscal years.

13 Sec. 312. From the funds appropriated in part 1 for nursing  
14 scholarship and grant programs, the Michigan higher education  
15 assistance authority shall administer any nursing scholarship or  
16 nursing school grant programs authorized under the Michigan nursing  
17 scholarship act, 2002 PA 591, MCL 390.1181 to 390.1189.

18 Sec. 314. By December 1 of each year, the Michigan higher  
19 education assistance authority shall submit a report to the state  
20 budget director, the house and senate appropriations subcommittees  
21 on higher education, and the house and senate fiscal agencies for  
22 the preceding fiscal year on the children of veterans tuition grant  
23 program. The report shall include, but is not limited to, the total  
24 number of tuition grants paid by the authority in the preceding  
25 fiscal year, the total dollar amount of those tuition grants, and  
26 the number of students receiving tuition grants and the total  
27 amount of those tuition grants at each eligible institution.

1    **STATE UNIVERSITIES**

2           Sec. 402. The University of Michigan biological station at  
3 Douglas Lake in Cheboygan County is regarded as a unique resource  
4 and is designated as a special research reserve. It is the intent  
5 of the legislature to protect and preserve the unique long-term  
6 research value and capabilities of the biological station area and  
7 Douglas Lake. The legislature further intends that no state  
8 programs or policies be developed that would have a deleterious  
9 impact on the research value of Douglas Lake.

10          Sec. 405. The funds appropriated in part 1 for higher  
11 education database modernization and conversion shall be expended  
12 to maintain, coordinate, and improve the higher education  
13 institutional data inventory (HEIDI) established under section 1299  
14 of the management and budget act, 1984 PA 431, MCL 18.1299. The  
15 advisory committee established under that section shall meet  
16 regularly to review data definitions and requirements in order to  
17 advise the state budget director regarding changes to those  
18 definitions and requirements that would result in more useful and  
19 reliable data being provided to state policymakers and university  
20 officials.

21          Sec. 426. (1) It is the legislative intent that private  
22 bookstores that sell textbooks to university students and student  
23 governments that provide a book swap for university students have  
24 accurate and timely access to lists of universities' required  
25 textbooks in order to provide prompt and efficient service for  
26 students. It is further the legislative intent that each state

1 university allow students who are on financial aid or are receiving  
2 tuition grants to decide where to purchase their textbooks.

3 (2) It is the intent of the legislature that each state  
4 university that provides for the use of funds in a university-  
5 administered account or financial aid for the purchase of required  
6 textbooks and supplies at bookstores operated by or affiliated with  
7 the university also provide for the use of funds in a university-  
8 administered account or financial aid at bookstores providing  
9 required textbooks or supplies that are not operated by or  
10 affiliated with the university. A state university may require  
11 bookstores not operated by or affiliated with the university to  
12 reimburse the university for any reasonable costs attributable to  
13 these transactions and to pay a reasonable rate or commission to  
14 the university.

15 Sec. 433. (1) Included in part 1 is \$3,042,000.00 for the  
16 agricultural experiment station and \$2,697,600.00 for the  
17 cooperative extension service for project GREEN. Project GREEN is  
18 intended to address critical regulatory, food safety, economic, and  
19 environmental problems faced by this state's plant-based  
20 agriculture, forestry, and processing industries. "GREEN" is an  
21 acronym for generating research and extension to meet environmental  
22 and economic needs.

23 (2) The department of agriculture and Michigan State  
24 University, in consultation with agricultural commodity groups and  
25 other interested parties, shall develop project GREEN and its  
26 program priorities.

27 (3) Not later than September 30, 2009, a report shall be

1 submitted by Michigan State University to the state budget  
2 director, the house and senate appropriations subcommittees on  
3 agriculture and on higher education, and the house and senate  
4 fiscal agencies for the preceding fiscal year regarding project  
5 GREEN projects. The report shall include, but is not limited to,  
6 the dollar amount of each project and a review of each project's  
7 performance and accomplishments.

8       Sec. 434. Included in the appropriation in part 1 for Michigan  
9 State University is \$80,000.00 for the Michigan future farmers of  
10 America association. This \$80,000.00 appropriation shall not  
11 supplant any existing support that Michigan State University  
12 provides to the Michigan future farmers of America association.

13       Sec. 436. It is the intent of the legislature that if any  
14 state university increases its resident undergraduate tuition and  
15 required fees from academic year 2007-2008 to academic year 2008-  
16 2009, then that university shall increase its fiscal year 2008-2009  
17 general fund expenditures for student financial aid by at least the  
18 same percentage as the percentage change in resident undergraduate  
19 tuition and required fees. Each state university shall report its  
20 proposed fiscal year 2008-2009 general fund expenditures for  
21 student financial aid compared to its projected fiscal year 2007-  
22 2008 general fund expenditures for student financial aid, and its  
23 projected academic year 2008-2009 resident undergraduate tuition  
24 and required fee changes from academic year 2007-2008, to the state  
25 budget director and the house and senate appropriations  
26 subcommittees on higher education by November 15, 2008.

27       Sec. 440. All universities shall submit the amount of tuition

1 and fees actually charged to a full-time resident undergraduate  
2 student for academic year 2008-2009 as part of their higher  
3 education institutional data inventory (HEIDI) data by August 31,  
4 2008. A university shall report any revisions for any semester of  
5 the reported academic year 2008-2009 tuition and fee charges to  
6 HEIDI within 15 days of being adopted.

7       Sec. 450. (1) For the fiscal year ending September 30, 2009,  
8 it is the intent of the legislature that an amount calculated under  
9 subsection (2) be allocated for per-student floor funding from the  
10 general fund/general purpose unreserved balances at the close of  
11 the 2007-2008 fiscal year.

12       (2) The amount allocated under subsection (1) for per-student  
13 floor funding is equal to \$3,775.00 per 2006-2007 fiscal-year-  
14 equated student at each university. The number of 2006-2007  
15 students at a university is determined by reference to the higher  
16 education institutional data inventory (HEIDI).

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

21       Sec. 464. Each state university receiving an appropriation in  
22 part 1 shall submit a plan by January 15, 2009 to the state budget  
23 director, the house and senate appropriations subcommittees on  
24 higher education, and the house and senate fiscal agencies on its  
25 process to inform both the private and public sectors regarding  
26 research and technology that could be developed commercially. If a  
27 state university does not submit its plan by January 15, 2009, then

1 that state university will not be eligible to receive an allocation  
2 from the technology commercialization incentive fund when it is  
3 established.

4 Sec. 466. The state universities shall coordinate their  
5 purchases of goods and services whenever possible. This may  
6 include, but is not limited to, group purchases for vehicles,  
7 utilities, supplies, electronic equipment, maintenance equipment,  
8 books, and contractual services. To the extent possible, the state  
9 universities shall use both the "Michigan delivering extended  
10 agreements locally" (MiDEAL) purchasing services of the state  
11 department of management and budget that makes state contracts  
12 available to local units of government, colleges, and universities  
13 and the purchasing services available through the state's  
14 membership in the Midwestern Higher Education Compact (MHEC). Not  
15 later than January 1 of each year, the presidents council, state  
16 universities of Michigan shall submit to the members of the house  
17 and senate appropriations subcommittees on higher education, the  
18 house and senate fiscal agencies, and the state budget director a  
19 report on group or pooled purchases and the savings achieved by the  
20 state universities in the previous fiscal year.

21 Sec. 470. It is the intent of the legislature that each state  
22 university receiving an appropriation in part 1 limit any annual  
23 salary increase for its university president or chancellor to the  
24 annual average percentage increase in the Detroit consumer price  
25 index in the immediately preceding state fiscal year. As used in  
26 this section, "Detroit consumer price index" means the most  
27 comprehensive index of consumer prices available for the Detroit

1 area from the bureau of labor statistics of the United States  
2 department of labor.

3 Sec. 471. (1) It is the intent of the legislature that each  
4 state university receiving an appropriation in part 1 limit any  
5 changes to the general requirements or credits needed for a student  
6 to graduate from a degree program while that student is enrolled in  
7 that program.

8 (2) It is the intent of the legislature that each state  
9 university receiving an appropriation in part 1, to the extent  
10 possible, provide sufficient counseling to students to facilitate  
11 the timely graduation of those students.

12 Sec. 472. It is the intent of the legislature that if a state  
13 university receiving an appropriation in part 1 raised its  
14 undergraduate resident tuition for the 2007-2008 academic year  
15 based on the assumption that it would not receive the August 2007  
16 appropriation payment delayed pursuant to Executive Order No. 2007-  
17 3 and 2007 PA 17, the state university shall rebate to students any  
18 amount of the tuition increase that was based on that assumption.  
19 If the state university does not provide the tuition rebate  
20 described in this section, the fiscal year 2008-2009 appropriation  
21 for that state university shall be reduced by the same percentage  
22 that tuition was increased by the state university because of its  
23 assumption regarding the August 2007 payment.

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

25 Sec. 501. (1) Included in the appropriation for each state  
26 university in part 1 is funding for the Martin Luther King, Jr. -



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

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

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

26 (2) Individual program plans of each state university shall  
27 include a budget of equal contributions from the program described

1 in this section, the participating state university, the  
2 participating school district, and the participating independent  
3 degree-granting college. College day funds shall not be expended to  
4 cover indirect costs. Not more than 20% of the university match  
5 shall be attributable to indirect costs. Each state university  
6 shall apply the percentage change applicable to every state  
7 university in the calculation of appropriations in part 1 to the  
8 amount of funds allocated to the college day program.

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

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

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

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

1       Sec. 504. (1) Included in part 1 is funding for the Martin  
2 Luther King, Jr. - Cesar Chavez - Rosa Parks college/university  
3 partnership program between 4-year state and independent colleges  
4 and universities and public community colleges, which is intended  
5 to increase the number of academically or economically  
6 disadvantaged students who transfer from community colleges into  
7 baccalaureate programs. Preference may not be given to participants  
8 on the basis of race, color, ethnicity, gender, or national origin.  
9 Institutions should encourage participation from those who would  
10 otherwise not adequately be represented in the transfer student  
11 population.

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

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

20       Sec. 505. (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 visiting professors program which is  
23 intended to increase the number of instructors in the classroom to  
24 provide role models for academically or economically disadvantaged  
25 students. Preference may not be given to participants on the basis  
26 of race, color, ethnicity, gender, or national origin. Institutions  
27 should encourage participation from those who would otherwise not

1 adequately be represented in the student population.

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

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

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

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

24 Sec. 507. Each state institution of higher education receiving  
25 funds under section 503, 504, or 506 shall notify the Michigan  
26 department of labor and economic growth by April 15, 2009 as to  
27 whether it will expend by the end of its fiscal year the funds

1 received under section 503, 504, or 506. Notwithstanding the award  
2 limitations in sections 503 and 504, the amount of funding reported  
3 as not being expended will be reallocated to the institutions that  
4 intend to expend all funding received under section 503, 504, or  
5 506.

#### 6 **STUDENT PERFORMANCE REPORTING**

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

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

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

24       Sec. 603. The state universities shall work with the state  
25 community colleges to encourage the transfer of students from the  
26 community colleges to the state universities and to facilitate the

1 transfer of credits from the community colleges to the state  
2 universities.

3 **GENERAL REPORTS AND AUDITS**

4 Sec. 701. (1) The auditor general shall review higher  
5 education institutional data inventory (HEIDI) enrollment data  
6 submitted by all state universities and may perform audits of  
7 selected state universities if determined necessary. The review and  
8 audits shall be based upon the definitions, requirements, and  
9 uniform reporting categories established by the state budget  
10 director and the senate and house fiscal agencies. The auditor  
11 general shall submit a report of findings to the house and senate  
12 appropriations committees and the state budget director no later  
13 than July 1, 2009.

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

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

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

23 (c) Student credit hours generated through credit by  
24 examination.

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

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

5 (i) Represent new options, fields, or concentrations within  
6 existing programs.

7 (ii) Are consistent with the current institutional role and  
8 mission.

9 (iii) Are accommodated within the continuing funding base of the  
10 institution.

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

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

18 (3) The auditor general shall periodically audit higher  
19 education institutional data inventory (HEIDI) data as submitted by  
20 the state universities for compliance with the definitions approved  
21 by the HEIDI advisory committee for the HEIDI database.

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

1 cable television, teleconference, or mail.

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

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

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

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

17       Sec. 708. The auditor general may conduct performance audits  
18 of state universities during the fiscal year ending September 30,  
19 2009 as the auditor general considers necessary.

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



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

7       Sec. 715. By December 1, 2008, the Michigan department of  
8 labor and economic growth shall submit a report to the state budget  
9 director, the house and senate appropriations committees, and the  
10 house and senate fiscal agencies on the status of nursing education  
11 in Michigan. The report shall include, but is not limited to, the  
12 number of nursing degree programs offered at Michigan postsecondary  
13 institutions, the type of nursing degrees offered (associate,  
14 bachelor's, master's, doctoral), the number of available openings  
15 for new nursing students, the number and type of faculty needed to  
16 expand nursing education, and any barriers there may be to the  
17 employment of more nurses in the state of Michigan.