

**SUBSTITUTE FOR
SENATE BILL NO. 790**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 236, 236a, 236b, 236c, 237b, 238, 241, 246,
251, 252, 254, 256, 263, 263a, 264, 265, 265a, 267, 268, 269, 270,
274, 274c, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 289,
and 290 (MCL 388.1836, 388.1836a, 388.1836b, 388.1836c, 388.1837b,
388.1838, 388.1841, 388.1846, 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, 388.1884, 388.1889, and 388.1890),
sections 236, 236a, 236b, 236c, 241, 246, 252, 256, 263, 263a, 264,

265, 265a, 267, 268, 269, 270, 274, 276, 277, 278, 279, 280, 281, 282, 283, and 284 as amended and section 274c as added by 2015 PA 85, section 237b as added and sections 238, 251, and 254 as amended by 2012 PA 201, section 275 as amended by 2014 PA 196, and sections 289 and 290 as amended by 2013 PA 60, and by adding section 286a; 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, ~~2016,~~
4 **2017**, 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 ~~\$1,534,724,400.00.~~
7 **\$1,599,807,200.00**. After deducting total interdepartmental grants
8 and intradepartmental transfers in the amount of \$0.00, the
9 adjusted gross appropriation is
10 ~~\$1,534,724,400.00.~~ **\$1,599,807,200.00.**

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

13 (i) Total federal revenues, ~~\$97,026,400.00.~~ **\$100,179,200.00.**

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

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

16 (iv) Total other state restricted revenues,
17 ~~\$205,279,500.00.~~ **\$237,209,500.00.**

18 (v) State general fund/general purpose money,
19 ~~\$1,232,418,500.00.~~ **\$1,262,418,500.00.**

20 (2) Amounts appropriated for public universities are as

1 follows:

2 (a) The appropriation for Central Michigan University is
3 ~~\$80,904,400.00, \$79,164,800.00 for operations and \$1,739,600.00 for~~
4 ~~performance funding.~~ **\$85,332,200.00, \$81,127,100.00 FOR OPERATIONS**
5 **AND \$4,205,100.00 FOR PERFORMANCE FUNDING.**

6 (b) The appropriation for Eastern Michigan University is
7 ~~\$72,835,300.00, \$71,782,500.00 for operations and \$1,052,800.00 for~~
8 ~~performance funding.~~ **\$73,505,300.00, \$71,782,500.00 FOR OPERATIONS**
9 **AND \$1,722,800.00 FOR PERFORMANCE FUNDING.**

10 (c) The appropriation for Ferris State University is
11 ~~\$50,227,800.00, \$49,119,100.00 for operations and \$1,108,700.00 for~~
12 ~~performance funding.~~ **\$53,210,000.00, \$50,369,800.00 FOR OPERATIONS**
13 **AND \$2,840,200.00 FOR PERFORMANCE FUNDING.**

14 (d) The appropriation for Grand Valley State University is
15 ~~\$65,035,200.00, \$63,156,500.00 for operations and \$1,878,700.00 for~~
16 ~~performance funding.~~ **\$69,712,000.00, \$65,275,700.00 FOR OPERATIONS**
17 **AND \$4,436,300.00 FOR PERFORMANCE FUNDING.**

18 (e) The appropriation for Lake Superior State University is
19 ~~\$13,183,600.00, \$12,997,500.00 for operations and \$186,100.00 for~~
20 ~~performance funding.~~ **\$13,748,400.00, \$13,207,400.00 FOR OPERATIONS**
21 **AND \$541,000.00 FOR PERFORMANCE FUNDING.**

22 (f) The appropriation for Michigan State University is
23 ~~\$328,782,000.00, \$264,437,900.00 for operations, \$3,841,000.00 for~~
24 ~~performance funding, \$32,508,300.00 for MSU AgBioResearch, and~~
25 ~~\$27,994,800.00 for MSU Extension.~~ **\$341,709,000.00, \$268,770,700.00**
26 **FOR OPERATIONS, \$11,022,600.00 FOR PERFORMANCE FUNDING,**
27 **\$33,243,100.00 FOR MSU AGBIORESEARCH, AND \$28,672,600.00 FOR MSU**

1 **EXTENSION.**

2 (g) The appropriation for Michigan Technological University is
3 ~~\$46,662,000.00, \$45,938,000.00 for operations and \$724,000.00 for~~
4 ~~performance funding.~~**\$48,772,500.00, \$46,754,700.00 FOR OPERATIONS**
5 **AND \$2,017,800.00 FOR PERFORMANCE FUNDING.**

6 (h) The appropriation for Northern Michigan University is
7 ~~\$45,020,400.00, \$44,338,300.00 for operations and \$682,100.00 for~~
8 ~~performance funding.~~**\$46,868,000.00, \$45,107,700.00 FOR OPERATIONS**
9 **AND \$1,760,300.00 FOR PERFORMANCE FUNDING.**

10 (i) The appropriation for Oakland University is
11 ~~\$49,600,300.00, \$48,371,900.00 for operations and \$1,228,400.00 for~~
12 ~~performance funding.~~**\$50,231,900.00, \$48,371,900.00 FOR OPERATIONS**
13 **AND \$1,860,000.00 FOR PERFORMANCE FUNDING.**

14 (j) The appropriation for Saginaw Valley State University is
15 ~~\$28,117,700.00, \$27,621,600.00 for operations and \$496,100.00 for~~
16 ~~performance funding.~~**\$29,582,900.00, \$28,181,200.00 FOR OPERATIONS**
17 **AND \$1,401,700.00 FOR PERFORMANCE FUNDING.**

18 (k) The appropriation for University of Michigan - Ann Arbor
19 is ~~\$299,430,600.00, \$295,178,500.00 for operations and~~
20 ~~\$4,252,100.00 for performance funding.~~**\$313,360,600.00,**
21 **\$299,975,000.00 FOR OPERATIONS AND \$13,385,600.00 FOR PERFORMANCE**
22 **FUNDING.**

23 (l) The appropriation for University of Michigan - Dearborn is
24 ~~\$23,995,400.00, \$23,701,000.00 for operations and \$294,400.00 for~~
25 ~~performance funding.~~**\$25,190,500.00, \$24,033,100.00 FOR OPERATIONS**
26 **AND \$1,157,400.00 FOR PERFORMANCE FUNDING.**

27 (m) The appropriation for University of Michigan - Flint is

1 ~~\$21,763,700.00, \$21,359,600.00 for operations and \$404,100.00 for~~
 2 ~~performance funding.~~ **\$22,918,300.00, \$21,815,400.00 FOR OPERATIONS**
 3 **AND \$1,102,900.00 FOR PERFORMANCE FUNDING.**

4 (n) The appropriation for Wayne State University is
 5 ~~\$191,346,700.00, \$190,529,900.00 for operations and \$816,800.00 for~~
 6 ~~performance funding.~~ **\$198,749,900.00, \$191,451,300.00 FOR OPERATIONS**
 7 **AND \$7,298,600.00 FOR PERFORMANCE FUNDING.**

8 (o) The appropriation for Western Michigan University is
 9 ~~\$104,155,600.00, \$102,761,100.00 for operations and \$1,394,500.00~~
 10 ~~for performance funding.~~ **\$109,369,200.00, \$104,334,100.00 FOR**
 11 **OPERATIONS AND \$5,035,100.00 FOR PERFORMANCE FUNDING.**

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

14 (a) State school aid fund, ~~\$200,019,500.00.~~ **\$231,219,500.00.**

15 (b) State general fund/general purpose money,
 16 ~~\$1,221,041,200.00.~~ **\$1,251,041,200.00.**

17 (4) The amount appropriated for Michigan public school
 18 employees' retirement system reimbursement is ~~\$5,160,000.00,~~
 19 **\$5,890,000.00**, appropriated from the state school aid fund.

20 (5) The amount appropriated for state and regional programs is
 21 \$315,000.00, appropriated from general fund/general purpose money
 22 and allocated as follows:

23 (a) Higher education database modernization and conversion,
 24 \$200,000.00.

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

26 (6) The amount appropriated for the Martin Luther King, Jr. -
 27 Cesar Chavez - Rosa Parks program is \$2,691,500.00, appropriated

1 from general fund/general purpose money and allocated as follows:

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

3 (b) Michigan college/university partnership program,
4 \$586,800.00.

5 (c) Morris Hood, Jr. educator development program,
6 \$148,600.00.

7 (7) Subject to subsection (8), the amount appropriated for
8 grants and financial aid is ~~\$105,497,200.00~~, **\$108,650,000.00**,
9 allocated as follows:

10 (a) State competitive scholarships,
11 ~~\$18,361,700.00~~. **\$18,765,700.00**.

12 (b) Tuition grants, ~~\$34,035,500.00~~. **\$34,784,300.00**.

13 (c) Tuition incentive program, ~~\$48,500,000.00~~. **\$50,500,000.00**.

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

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

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

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

22 (b) Federal revenues under the social security act, temporary
23 assistance for needy families, ~~\$93,826,400.00~~. **\$96,979,200.00**.

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

26 (d) State general fund/general purpose money, \$8,370,800.00.

27 Sec. 236a. It is the intent of the legislature to provide

1 appropriations for the fiscal year ending on September 30, ~~2017~~
2 **2018** for the items listed in section 236. The fiscal year ~~2016-2017~~
3 **2017-2018** appropriations are anticipated to be the same as those
4 for fiscal year ~~2015-2016,~~ **2016-2017**, except that the amounts will
5 be adjusted for changes in caseload and related costs, federal fund
6 match rates, economic factors, and available revenue. These
7 adjustments will be determined after the January ~~2016-2017~~
8 consensus revenue estimating conference.

9 Sec. 236b. In addition to the funds appropriated in section
10 236, there is appropriated for grants and financial aid in fiscal
11 year ~~2015-2016-2016-2017~~ an amount not to exceed \$6,000,000.00 for
12 federal contingency funds. These funds are not available for
13 expenditure until they have been transferred under section 393(2)
14 of the management and budget act, 1984 PA 431, MCL 18.1393, for
15 another purpose under this article.

16 Sec. 236c. In addition to the funds appropriated for fiscal
17 year ~~2015-2016-2016-2017~~ in section 236, appropriations to the
18 department of technology, management, and budget in the act
19 providing general appropriations for fiscal year ~~2015-2016-2016-~~
20 **2017** for state building authority rent, totaling an estimated
21 ~~\$135,995,300.00,~~ **\$144,995,300.00**, provide funding for the state
22 share of costs for previously constructed capital projects for
23 state universities. These appropriations for state building
24 authority rent represent additional state general fund support
25 provided to public universities, and the following is an estimate
26 of the amount of that support to each university:

27 (a) Central Michigan University, ~~\$9,551,800.00-~~ **\$11,819,500.00.**

1 (b) Eastern Michigan University, ~~\$4,860,900.00~~-\$4,868,000.00.

2 (c) Ferris State University, ~~\$6,251,200.00~~-\$6,260,300.00.

3 (d) Grand Valley State University,

4 ~~\$6,952,300.00~~-\$6,635,900.00.

5 (e) Lake Superior State University,

6 ~~\$1,720,300.00~~-\$1,722,800.00.

7 (f) Michigan State University, ~~\$16,549,200.00~~-\$18,827,000.00.

8 (g) Michigan Technological University,

9 ~~\$7,443,400.00~~-\$6,793,200.00.

10 (h) Northern Michigan University, ~~\$9,706,200.00~~-\$9,447,600.00.

11 (i) Oakland University, ~~\$12,993,400.00~~-\$12,685,900.00.

12 (j) Saginaw Valley State University,

13 ~~\$9,865,800.00~~-\$10,331,000.00.

14 (k) University of Michigan - Ann Arbor,

15 ~~\$9,607,800.00~~-\$11,875,600.00.

16 (l) University of Michigan - Dearborn,

17 ~~\$6,745,200.00~~-\$9,008,800.00.

18 (m) University of Michigan - Flint,

19 ~~\$3,104,000.00~~-\$4,357,600.00.

20 (n) Wayne State University, ~~\$15,703,000.00~~-\$15,399,400.00.

21 (o) Western Michigan University,

22 ~~\$14,940,800.00~~-\$14,962,700.00.

23 Sec. 237b. As used in this article, the term "workforce
24 development agency" means the workforce development agency ~~of the~~

25 ~~Michigan strategic fund.~~ **WITHIN THE DEPARTMENT OF TALENT AND**

26 **ECONOMIC DEVELOPMENT--TALENT INVESTMENT AGENCY.**

27 Sec. 238. Unless otherwise specified, a public university

1 receiving appropriations in section 236 shall use the ~~internet~~
2 **INTERNET** to fulfill the reporting requirements of this article.
3 This requirement may include transmission of reports via electronic
4 mail to the recipients identified for each reporting requirement,
5 or it may include placement of reports on an ~~internet~~**INTERNET** or
6 intranet site.

7 Sec. 241. (1) Subject to sections 244 and 265a, the funds
8 appropriated in section 236 to public universities shall be paid
9 out of the state treasury and distributed by the state treasurer to
10 the respective institutions in 11 equal monthly installments on the
11 sixteenth of each month, or the next succeeding business day,
12 beginning with October 16, ~~2015~~**2016**. Except for Wayne State
13 University, each institution shall accrue its July and August ~~2016~~
14 **2017** payments to its institutional fiscal year ending June 30,
15 ~~2016~~**2017**.

16 (2) All public universities shall submit higher education
17 institutional data inventory (HEIDI) data and associated financial
18 and program information requested by and in a manner prescribed by
19 the state budget director. For public universities with fiscal
20 years ending June 30, ~~2015~~**2016**, these data shall be submitted to
21 the state budget director by October 15, ~~2015~~**2016**. Public
22 universities with a fiscal year ending September 30, ~~2015~~**2016**
23 shall submit preliminary HEIDI data by November 15, ~~2015~~**2016** and
24 final data by December 15, ~~2015~~**2016**. If a public university fails
25 to submit HEIDI data and associated financial aid program
26 information in accordance with this reporting schedule, the state
27 treasurer may withhold the monthly installments under subsection

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

2 Sec. 246. (1) All of the following apply to the allocation of
3 the ~~fiscal year 2015-2016~~ appropriations described in section
4 236(4) for payments to universities that are participating entities
5 of the Michigan public school employees' retirement system:

6 (a) The funds appropriated in section 236(4) for Michigan
7 public school employees' retirement system reimbursement shall be
8 allocated to each participating public university under this
9 section based on each participating public university's percentage
10 of the total combined payrolls of the universities' employees who
11 are members of the retirement system and who were hired before
12 January 1, 1996 and the universities' employees who would have been
13 members of the retirement system on or after January 1, 1996, but
14 for the enactment of 1995 PA 272 for all public universities that
15 are participating public universities for the immediately preceding
16 state fiscal year.

17 (b) The amount of a payment under section 236(4) shall be
18 equal to the difference between the unfunded actuarial accrued
19 liability contribution rate for university reporting units as
20 calculated under section 41 of the public school employees
21 retirement act of 1979, 1980 PA 300, MCL 38.1341, as calculated
22 without taking into account the maximum employer rate of 25.73%
23 included in section 41 of the public school employees retirement
24 act of 1979, 1980 PA 300, MCL 38.1341, and the maximum employer
25 rate for university reporting units of 25.73% under section 41 of
26 the public school employees retirement act of 1979, 1980 PA 300,
27 MCL 38.1341. Payments shall be made in a form and manner determined

1 by the office of retirement services.

2 (c) A public university that receives money under section
3 236(4) shall use that money solely for the purpose of retirement
4 contributions. Each participating university that receives funds
5 under section 236(4) shall forward an amount equal to the amount
6 received under section 236(4) to the Michigan public school
7 employees' retirement system in a form and manner determined by the
8 office of retirement services.

9 (2) As used in this section, "participating public university"
10 means a public university that is a reporting unit of the Michigan
11 public school employees' retirement system under the public school
12 employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to
13 38.1437, and that pays contributions to the Michigan public school
14 employees' retirement system for the state fiscal year.

15 Sec. 251. (1) Payments of the amounts included in section 236
16 for the state competitive scholarship program shall be distributed
17 pursuant to 1964 PA 208, MCL 390.971 to 390.981.

18 (2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the
19 department of treasury shall determine an actual maximum state
20 competitive scholarship award per student, which shall be not less
21 than \$575.00, that ensures that the aggregate payments for the
22 state competitive scholarship program do not exceed the
23 appropriation contained in section 236 for the state competitive
24 scholarship program. If the department determines that insufficient
25 funds are available to establish a maximum award amount equal to at
26 least \$575.00, the department shall immediately report to the house
27 and senate appropriations subcommittees on higher education, the

1 house and senate fiscal agencies, and the state budget director
2 regarding the estimated amount of additional funds necessary to
3 establish a \$575.00 maximum award amount.

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

7 (4) 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 (5) If the department of treasury increases the maximum award
14 per eligible student from that provided in the previous fiscal
15 year, it shall not have the effect of reducing the number of
16 eligible students receiving awards in relation to the total number
17 of eligible applicants. Any increase in the maximum grant shall be
18 proportional for all eligible students receiving awards.

19 (6) Veterans ~~administration~~ **ADMINISTRATION** benefits shall not
20 be considered in determining eligibility for the award of
21 scholarships under 1964 PA 208, MCL 390.971 to 390.981.

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

25 (2) Tuition grant awards shall be made to all eligible
26 Michigan residents enrolled in undergraduate degree programs who
27 are qualified and who apply before July 1 of each year for the next

1 academic year.

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

1 later than the final day of February of each year. If award
2 adjustments are necessary, the students shall be notified of the
3 adjustment by March 4 of each year.

4 (4) Any unexpended and unencumbered funds remaining on
5 September 30, ~~2016-2017~~ from the amounts appropriated in section
6 236 for the tuition grant program for fiscal year ~~2015-2016-2016-~~
7 ~~2017~~ shall not lapse on September 30, ~~2016,~~~~2017,~~ but shall
8 continue to be available for expenditure for tuition grants
9 provided in the ~~2016-2017-~~~~2017-2018~~ fiscal year under a work
10 project account. The use of these unexpended fiscal year ~~2015-2016~~
11 ~~2016-2017~~ funds shall terminate at the end of the ~~2016-2017-~~
12 ~~2018~~ fiscal year.

13 (5) The department of treasury shall continue a proportional
14 tuition grant maximum award level for recipients enrolled less than
15 full-time in a given semester or term.

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

23 (7) Except as provided in subsection (4), the department of
24 treasury shall not award more than ~~\$3,200,000.00-~~~~\$3,300,000.00~~ in
25 tuition grants to eligible students enrolled in the same
26 independent nonprofit college or university in this state. Any
27 decrease in the maximum grant shall be proportional for all

1 eligible students enrolled in that college or university, as
2 determined by the department.

3 (8) The department of treasury shall not award tuition grants
4 to otherwise eligible students enrolled in an independent college
5 or university that does not report, in a form and manner directed
6 by and satisfactory to the department of treasury, by September 30
7 of each year, all of the following:

8 (a) The number of students in the most recently completed
9 academic year who in any academic year received a state tuition
10 grant at the reporting institution and successfully completed a
11 program or graduated.

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

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

20 (9) By February 1, ~~2016~~, **2017**, each independent college and
21 university participating in the tuition grant program shall report
22 to the senate and house appropriations subcommittees on higher
23 education, the senate and house fiscal agencies, and the state
24 budget director on its efforts to develop and implement sexual
25 assault response training for the institution's title IX
26 coordinator, campus law enforcement personnel, campus public safety
27 personnel, and any other campus personnel charged with responding

1 to on-campus incidents, including information on sexual assault
2 response training materials and the status of implementing sexual
3 assault response training for institutional personnel.

4 Sec. 254. The sums appropriated in section 236 for the state
5 competitive scholarship, tuition incentive, and tuition grant
6 programs shall be paid out of the state treasury and shall be
7 distributed to the respective institutions under a quarterly
8 payment system as follows:

9 **(A) FOR THE STATE COMPETITIVE SCHOLARSHIP AND TUITION GRANT**
10 **PROGRAMS,** 50% shall be paid at the beginning of the state's first
11 fiscal quarter, 30% during the state's second fiscal quarter, 10%
12 during the state's third fiscal quarter, and 10% during the state's
13 fourth fiscal quarter.

14 **(B) FOR THE TUITION INCENTIVE PROGRAM, 55% SHALL BE PAID AT**
15 **THE BEGINNING OF THE STATE'S FIRST FISCAL QUARTER, 40% DURING THE**
16 **STATE'S SECOND FISCAL QUARTER, AND 5% DURING THE STATE'S THIRD**
17 **FISCAL QUARTER.**

18 Sec. 256. (1) The funds appropriated in section 236 for the
19 tuition incentive program shall be distributed as provided in this
20 section and pursuant to the administrative procedures for the
21 tuition incentive program of the department of treasury.

22 (2) As used in this section:

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

27 (b) "Phase II" means the second part of the tuition incentive

1 assistance program which provides assistance in the third and
2 fourth year of 4-year degree programs.

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

4 (3) An individual shall meet the following basic criteria and
5 financial thresholds to be eligible for tuition incentive **PROGRAM**
6 benefits:

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

9 (i) Apply for certification to the department any time after
10 he or she begins the sixth grade but before August 31 of the school
11 year in which he or she graduates from high school or before
12 completing a ~~general-education-development~~ **HIGH SCHOOL EQUIVALENCY**
13 certificate.

14 (ii) Be less than 20 years of age at the time he or she
15 graduates from high school with a diploma or certificate of
16 completion or completes a ~~general-education-development~~ **HIGH SCHOOL**
17 **EQUIVALENCY** certificate.

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

20 (iv) Be at least a half-time student, earning less than 80
21 semester or 120 term credits at a participating educational
22 institution within 4 years of high school graduation or completion
23 of a ~~general-education-development~~ **HIGH SCHOOL EQUIVALENCY**
24 certificate.

25 (v) Request information on filing a FAFSA.

26 (vi) ~~Must meet~~ **MEET** the satisfactory academic progress policy
27 of the educational institution he or she attends.

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

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

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

8 (c) To be eligible for phase I or phase II, an individual must
9 not be incarcerated and must be financially eligible as determined
10 by the department. An individual is financially eligible for the
11 tuition incentive program if he or she was eligible for Medicaid
12 from the state of Michigan for 24 months within the 36 **CONSECUTIVE**
13 months before application. The department shall accept
14 certification of Medicaid eligibility only from the department of
15 health and human services for the purposes of verifying if a person
16 is Medicaid eligible for 24 months within the 36 **CONSECUTIVE** months
17 before application. Certification of eligibility may begin in the
18 sixth grade. As used in this subdivision, "incarcerated" does not
19 include detention of a juvenile in a state-operated or privately
20 operated juvenile detention facility.

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

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

26 (a) Payments for associate degree or certificate programs
27 shall not be made for more than 80 semester or 120 term credits for

1 any individual student at any participating institution.

2 (b) For persons enrolled at a Michigan community college, the
3 department shall pay the current in-district tuition and mandatory
4 fees. For persons residing in an area that is not included in any
5 community college district, the out-of-district tuition rate may be
6 authorized.

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

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

17 **(E) IF THE AMOUNT APPROPRIATED FOR THE PHASE I PAYMENTS UNDER**
18 **THIS SUBSECTION IS NOT SUFFICIENT TO PAY EACH ELIGIBLE PERSON THE**
19 **AMOUNT REQUIRED UNDER THIS SUBSECTION, THE DEPARTMENT SHALL ADJUST**
20 **THE PHASE I AMOUNTS PAID UNDER THIS SUBSECTION BY PRORATING THE**
21 **AMOUNTS PAID TO EACH RECIPIENT AS NECESSARY TO REFLECT AVAILABLE**
22 **RESOURCES AND THE AMOUNT APPROPRIATED.**

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

27 (a) Credits are earned in a 4-year program at a Michigan

1 degree-granting 4-year college or university.

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

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

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

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

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

22 Sec. 263. (1) Included in the appropriation in section 236 for
23 fiscal year ~~2015-2016~~**2016-2017** for MSU AgBioResearch is
24 \$2,982,900.00 and included in the appropriation in section 236 for
25 MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN
26 is intended to address critical regulatory, food safety, economic,
27 and environmental problems faced by this state's plant-based

1 agriculture, forestry, and processing industries. "GREEN" is an
2 acronym for Generating Research and Extension to Meet Environmental
3 and Economic Needs.

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

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

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

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

20 (b) The metric goals that were used to evaluate the impacts of
21 programs operated by MSU Extension and MSU AgBioResearch. ~~It is the~~
22 ~~intent of the legislature that the~~ **THE** following metric goals will
23 be used to evaluate the impacts of those programs:

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

27 (ii) Increasing the number of individuals utilizing MSU

1 Extension's educational services by 5% per year.

2 (iii) Increasing external funds generated in support of
3 research and extension, beyond state appropriations, by 10% over
4 the amounts generated in the past 3 state fiscal years.

5 (iv) Increasing the sector's total economic impact to at least
6 \$100,000,000,000.00.

7 (v) Increasing Michigan's agricultural exports to at least
8 \$3,500,000,000.00.

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

11 (vii) Improving access by Michigan consumers to healthy foods
12 by 20%.

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

18 Sec. 264. Included in the appropriation in section 236 for
19 fiscal year ~~2015-2016~~-2016-2017 for Michigan State University is
20 \$80,000.00 for the Michigan Future Farmers of America Association.
21 This \$80,000.00 allocation shall not supplant any existing support
22 that Michigan State University provides to the Michigan Future
23 Farmers of America Association.

24 Sec. 265. (1) Payments under section 265a for performance
25 funding shall only be made to a public university that certifies to
26 the state budget director by August 31, ~~2015-2016~~ that its board
27 did not adopt an increase in tuition and fee rates for resident

1 undergraduate students after September 1, ~~2014-2015~~ for the ~~2014-~~
2 ~~2015-2015-2016~~ academic year and that its board will not adopt an
3 increase in tuition and fee rates for resident undergraduate
4 students for the ~~2015-2016-2016-2017~~ academic year that is greater
5 than ~~3.2%-4.8%~~. As used in this subsection:

6 (a) "Fee" means any board-authorized fee that will be paid by
7 more than 1/2 of all resident undergraduate students at least once
8 during their enrollment at a public university, **AS DESCRIBED IN THE**
9 **HIGHER EDUCATION INSTITUTIONAL DATA INVENTORY (HEIDI) USER MANUAL.**
10 A university increasing a fee that applies to a specific subset of
11 students or courses shall provide sufficient information to prove
12 that the increase applied to that subset will not cause the
13 increase in the average amount of board-authorized total tuition
14 and fees paid by resident undergraduate students in the ~~2015-2016~~
15 **2016-2017** academic year to exceed the limit established in this
16 subsection.

17 (b) "Tuition and fee rate" means the average of full-time
18 rates ~~for all~~ **PAID BY A MAJORITY OF STUDENTS IN EACH** undergraduate
19 ~~classes,~~ **CLASS**, based on an **UNWEIGHTED** average of the rates
20 authorized by the university board and actually charged to
21 students, deducting any uniformly rebated or refunded amounts, for
22 the 2 semesters with the highest levels of full-time equated
23 resident undergraduate enrollment during the academic year, **AS**
24 **DESCRIBED IN THE HIGHER EDUCATION INSTITUTIONAL DATA INVENTORY**
25 **(HEIDI) USER MANUAL.**

26 (c) For purposes of subdivision (a), for a public university
27 that compels resident undergraduate students to be covered by

1 health insurance as a condition to enroll at the university, "fee"
2 includes the annual amount a student is charged for coverage by the
3 university-affiliated group health insurance policy if he or she
4 does not provide proof that he or she is otherwise covered by
5 health insurance. This subdivision does not apply to limited
6 subsets of resident undergraduate students to be covered by health
7 insurance for specific reasons other than general enrollment at the
8 university.

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

19 **(3) UNIVERSITIES THAT EXCEED THE TUITION AND FEE RATE CAP**
20 **DESCRIBED IN SUBSECTION (1) SHALL NOT RECEIVE A PLANNING OR**
21 **CONSTRUCTION AUTHORIZATION FOR A STATE-FUNDED CAPITAL OUTLAY**
22 **PROJECT IN FISCAL YEAR 2017-2018 OR FISCAL YEAR 2018-2019.**

23 Sec. 265a. (1) Appropriations to public universities in
24 section 236 for fiscal year ~~2015-2016~~ **2016-2017** for performance
25 funding shall be paid only to a public university that complies
26 with section 265 and certifies to the state budget director, the
27 house and senate appropriations subcommittees on higher education,

1 and the house and senate fiscal agencies by August 31, ~~2015~~—**2016**
2 that it complies with all of the following requirements:

3 (a) The university participates in reverse transfer agreements
4 described in section 286 with at least 3 Michigan community
5 colleges. ~~or has made a good faith effort to enter into reverse~~
6 ~~transfer agreements.~~

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

13 (c) The university **ACTIVELY** participates in **AND SUBMITS TIMELY**
14 **UPDATES TO** the Michigan Transfer Network created as part of the
15 Michigan Association of Collegiate Registrars and Admissions
16 Officers transfer agreement.

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

24 (3) The state budget director shall report to the house and
25 senate appropriations subcommittees on higher education and the
26 house and senate fiscal agencies by September 30, ~~2015~~—**2016**,
27 regarding any performance funding amounts that are not paid to a

1 public university because it did not comply with 1 or more
 2 requirements under subsection (1) and any reappropriation of funds
 3 under subsection (2).

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

6 (A) **PROPORTIONAL TO EACH UNIVERSITY'S SHARE OF TOTAL**
 7 **OPERATIONS FUNDING APPROPRIATED IN FISCAL YEAR 2010-2011, 50%.**

8 (B) ~~(a)~~ Based on weighted undergraduate completions in
 9 critical skills areas, ~~22.2%~~ **11.1%**.

10 (C) ~~(b)~~ Based on research and development expenditures, for
 11 universities classified in Carnegie classifications as
 12 doctoral/research universities, research universities (high
 13 research activity), or research universities (very high research
 14 activity) only, ~~11.1%~~ **5.6%**.

15 (D) ~~(c)~~ Based on 6-year graduation rate, total degree
 16 completions, and institutional support as a percentage of core
 17 expenditures, and the percentage of students receiving Pell grants,
 18 scored against national Carnegie classification peers and weighted
 19 by total undergraduate fiscal year equated students, ~~66.7%~~ **33.3%**.

20 (5) For purposes of determining the score of a university
 21 under subsection ~~(4)(c)~~, **(4)(D)**, each university is assigned 1 of
 22 the following scores:

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

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

26 (c) A university classified as improving, a score of 2. It is
 27 the intent of the legislature that, beginning in the ~~2016~~ **2017**

1 2017-2018 state fiscal year, a university classified as improving
2 is assigned a score of 1.

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

5 (6) ~~For purposes of~~ **AS USED IN** this section, "Carnegie
6 classification" ~~shall mean~~ **MEANS** the basic classification of the
7 university according to the most recent version **PRIOR TO FEBRUARY**
8 **1, 2016** of the Carnegie classification of institutions of higher
9 education, published by the Carnegie Foundation for the Advancement
10 of Teaching.

11 Sec. 267. All public universities shall submit the amount of
12 tuition and fees actually charged to a full-time resident
13 undergraduate student for academic year ~~2015-2016~~ **2016-2017** as part
14 of their higher education institutional data inventory (HEIDI) data
15 by August 31 of each year. A public university shall report any
16 revisions for any semester of the reported academic year ~~2015-2016~~
17 **2016-2017** tuition and fee charges to HEIDI within 15 days of being
18 adopted.

19 Sec. 268. (1) For the fiscal year ending September 30, ~~2016,~~
20 **2017**, it is the intent of the legislature that funds be allocated
21 for unfunded North American Indian tuition waiver costs incurred by
22 public universities under 1976 PA 174, MCL 390.1251 to 390.1253,
23 from the general fund.

24 (2) By February 15 of each year, the department of civil
25 rights shall annually submit to the state budget director, the
26 house and senate appropriations subcommittees on higher education,
27 and the house and senate fiscal agencies a report on North American

1 Indian tuition waivers for the preceding fiscal year that includes,
2 but is not limited to, all of the following information: ~~for each~~
3 ~~postsecondary institution:~~

4 (a) The ~~total~~ number of waiver applications RECEIVED AND THE
5 NUMBER OF WAIVER APPLICATIONS APPROVED.

6 (B) FOR EACH UNIVERSITY SUBMITTING INFORMATION UNDER
7 SUBSECTION (3), ALL OF THE FOLLOWING:

8 (i) THE NUMBER OF GRADUATE AND UNDERGRADUATE NORTH AMERICAN
9 INDIAN STUDENTS ENROLLED EACH TERM FOR THE PREVIOUS FISCAL YEAR.

10 (ii) ~~(b)~~ The ~~total~~ number of NORTH AMERICAN INDIAN waivers
11 granted EACH TERM and the monetary value of each ~~waiver~~. THE WAIVERS
12 FOR THE PREVIOUS FISCAL YEAR.

13 (iii) ~~(c)~~ The number of GRADUATE AND UNDERGRADUATE students
14 ATTENDING UNDER A NORTH AMERICAN INDIAN TUITION WAIVER who ~~withdrew~~
15 WITHDREW from ~~classes~~. THE UNIVERSITY DURING THE PREVIOUS FISCAL
16 YEAR.

17 (iv) ~~(d)~~ The number of GRADUATE AND UNDERGRADUATE students
18 ATTENDING UNDER A NORTH AMERICAN INDIAN TUITION WAIVER who
19 successfully complete a degree or certificate program, SEPARATED BY
20 DEGREE OR CERTIFICATE LEVEL, and the ~~6-year~~ graduation rate FOR
21 GRADUATE AND UNDERGRADUATE STUDENTS ATTENDING UNDER A NORTH
22 AMERICAN INDIAN TUITION WAIVER WHO COMPLETE A DEGREE WITHIN 150% OF
23 THE NORMAL TIME TO COMPLETE, SEPARATED BY THE LEVEL OF THE DEGREE.

24 (3) A public university that receives funds under section 236
25 shall provide to the department of civil rights any information
26 necessary for preparing the report detailed in subsection (2),
27 USING GUIDELINES AND PROCEDURES DEVELOPED BY THE DEPARTMENT OF

1 CIVIL RIGHTS.

2 (4) THE DEPARTMENT OF CIVIL RIGHTS MAY CONSOLIDATE THE REPORT
3 REQUIRED UNDER THIS SECTION WITH THE REPORT REQUIRED UNDER SECTION
4 223, BUT A CONSOLIDATED REPORT MUST SEPARATELY IDENTIFY DATA FOR
5 UNIVERSITIES AND DATA FOR COMMUNITY COLLEGES.

6 Sec. 269. For fiscal year ~~2015-2016~~, **2016-2017**, from the
7 amount appropriated in section 236 to Central Michigan University
8 for operations, \$29,700.00 shall be paid to Saginaw Chippewa Tribal
9 College for the costs of waiving tuition for North American Indians
10 under 1976 PA 174, MCL 390.1251 to 390.1253.

11 Sec. 270. For fiscal year ~~2015-2016~~, **2016-2017**, from the
12 amount appropriated in section 236 to Lake Superior State
13 University for operations, \$100,000.00 shall be paid to Bay Mills
14 Community College for the costs of waiving tuition for North
15 American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

16 Sec. 274. It is the intent of the legislature that public and
17 private organizations that conduct human embryonic stem cell
18 derivation subject to section 27 of article I of the state
19 constitution of 1963 will provide information to the director of
20 the department of health and human services by December 1, ~~2015~~
21 **2016** that includes all of the following:

22 (a) Documentation that the organization conducting human
23 embryonic stem cell derivation is conducting its activities in
24 compliance with the requirements of section 27 of article I of the
25 state constitution of 1963 and all relevant National Institutes of
26 Health guidelines pertaining to embryonic stem cell derivation.

27 (b) A list of all human embryonic stem cell lines submitted by

1 the organization to the National Institutes of Health for inclusion
2 in the Human Embryonic Stem Cell Registry before and during fiscal
3 year ~~2014-2015,~~ **2015-2016**, and the status of each submission as
4 approved, pending approval, or review completed but not yet
5 accepted.

6 (c) Number of human embryonic stem cell lines derived and not
7 submitted for inclusion in the Human Embryonic Stem Cell Registry,
8 before and during fiscal year ~~2014-2015,~~ **2015-2016**.

9 Sec. 274c. By February 1, ~~2016,~~ **2017**, each university
10 receiving funds under section 236 shall report to the senate and
11 house appropriations subcommittees on higher education, the senate
12 and house fiscal agencies, and the state budget director on its
13 efforts to develop and implement sexual assault response training
14 for the university's title IX coordinator, campus law enforcement
15 personnel, campus public safety personnel, and any other campus
16 personnel charged with responding to on-campus incidents, including
17 information on sexual assault response training materials and the
18 status of implementing sexual assault response training for campus
19 personnel.

20 Sec. 275. (1) ~~It is the intent of the legislature that each~~
21 **EACH** public university that receives an appropriation in section
22 236 **IS ENCOURAGED TO** do all of the following:

23 (a) Meet the provisions of section 5003 of the post-911
24 veterans educational assistance act of 2008, 38 USC 3301 to ~~3324,~~
25 **3325**, including voluntary participation in the ~~yellow ribbon GI~~
26 ~~education enhancement program~~ **YELLOW RIBBON GI EDUCATION**
27 **ENHANCEMENT PROGRAM** established in that act in 38 USC 3317. By

1 October 1 of each year, each public university shall report to the
 2 house and senate appropriations subcommittees on higher education,
 3 the house and senate fiscal agencies, and the ~~presidents council,~~
 4 ~~state universities of Michigan~~ **MICHIGAN ASSOCIATION OF STATE**
 5 **UNIVERSITIES** on whether or not it has chosen to participate in the
 6 ~~yellow ribbon GI education enhancement program.~~ **YELLOW RIBBON GI**
 7 **EDUCATION ENHANCEMENT PROGRAM.** If at any time during the fiscal
 8 year a university participating in the ~~yellow ribbon program~~ **YELLOW**
 9 **RIBBON PROGRAM** chooses to leave the ~~yellow ribbon program,~~ **YELLOW**
 10 **RIBBON PROGRAM,** it shall notify the house and senate appropriations
 11 subcommittees on higher education, the house and senate fiscal
 12 agencies, and the ~~presidents council, state universities of~~
 13 ~~Michigan.~~ **MICHIGAN ASSOCIATION OF STATE UNIVERSITIES.**

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

16 (c) Provide flexible enrollment application deadlines for all
 17 veterans.

18 (d) Include in its admission application process a specific
 19 question as to whether an applicant for admission is a veteran, an
 20 active member of the military, a member of the ~~national guard~~
 21 **NATIONAL GUARD** or military reserves, or the spouse or dependent of
 22 a veteran, active member of the military, or member of the ~~national~~
 23 ~~guard~~ **NATIONAL GUARD** or military reserves, in order to more quickly
 24 identify potential educational assistance available to that
 25 applicant.

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

1 (f) Waive enrollment fees for all veterans.

2 (2) By October 1 of each year, each public university shall
3 report to the house and senate appropriations subcommittees on
4 higher education, the house and senate fiscal agencies, and the
5 department of military and veterans affairs regarding services
6 provided specifically to veterans and active military duty
7 personnel, including, but not limited to, the services described in
8 subsection (1).

9 (3) As used in this section, "veteran" means an honorably
10 discharged veteran entitled to educational assistance under the
11 provisions of section 5003 of the post-911 veterans educational
12 assistance act of 2008, 38 USC 3301 to ~~3324~~**3325**.

13 Sec. 276. (1) Included in the appropriation for fiscal year
14 ~~2015-2016-2016-2017~~ for each public university in section 236 is
15 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
16 future faculty program that is intended to increase the pool of
17 academically or economically disadvantaged candidates pursuing
18 faculty teaching careers in postsecondary education. Preference may
19 not be given to applicants on the basis of race, color, ethnicity,
20 gender, or national origin. Institutions should encourage
21 applications from applicants who would otherwise not adequately be
22 represented in the graduate student and faculty populations. Each
23 public university shall apply the percentage change applicable to
24 every public university in the calculation of appropriations in
25 section 236 to the amount of funds allocated to the future faculty
26 program.

27 (2) The program shall be administered by each public

1 university in a manner prescribed by the workforce development
2 agency. The workforce development agency shall use a good faith
3 effort standard to evaluate whether a fellowship is in default.

4 Sec. 277. (1) Included in the appropriation for fiscal year
5 ~~2015-2016-2016-2017~~ for each public university in section 236 is
6 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
7 college day program that is intended to introduce academically or
8 economically disadvantaged schoolchildren to the potential of a
9 college education. Preference may not be given to participants on
10 the basis of race, color, ethnicity, gender, or national origin.
11 Public universities should encourage participation from those who
12 would otherwise not adequately be represented in the student
13 population.

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

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

27 Sec. 278. (1) Included in section 236 for fiscal year ~~2015-~~

1 ~~2016~~—2016-2017 is funding for the Martin Luther King, Jr. - Cesar
2 Chavez - Rosa Parks select student support services program for
3 developing academically or economically disadvantaged student
4 retention programs for 4-year public and independent educational
5 institutions in this state. Preference may not be given to
6 participants on the basis of race, color, ethnicity, gender, or
7 national origin. Institutions should encourage participation from
8 those who would otherwise not adequately be represented in the
9 student population.

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

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

15 Sec. 279. (1) Included in section 236 for fiscal year ~~2015~~—
16 ~~2016~~—2016-2017 is funding for the Martin Luther King, Jr. - Cesar
17 Chavez - Rosa Parks college/university partnership program between
18 4-year public and independent colleges and universities and public
19 community colleges, which is intended to increase the number of
20 academically or economically disadvantaged students who transfer
21 from community colleges into baccalaureate programs. Preference may
22 not be given to participants on the basis of race, color,
23 ethnicity, gender, or national origin. Institutions should
24 encourage participation from those who would otherwise not
25 adequately be represented in the transfer student population.

26 (2) The grants shall be made under the program described in
27 this section to Michigan public and independent colleges and

1 universities. An award to any 1 institution shall not be greater
2 than \$150,000.00, and the amount awarded shall be matched on a 70%
3 state, 30% college or university basis.

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

6 Sec. 280. (1) Included in the appropriation for fiscal year
7 ~~2015-2016-2016-2017~~ for each public university in section 236 is
8 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
9 visiting professors program which is intended to increase the
10 number of instructors in the classroom to provide role models for
11 academically or economically disadvantaged students. Preference may
12 not be given to participants on the basis of race, color,
13 ethnicity, gender, or national origin. Public universities should
14 encourage participation from those who would otherwise not
15 adequately be represented in the student population.

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

18 Sec. 281. (1) Included in the appropriation for fiscal year
19 ~~2015-2016-2016-2017~~ in section 236 is funding under the Martin
20 Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the
21 Morris Hood, Jr. educator development program which is intended to
22 increase the number of academically or economically disadvantaged
23 students who enroll in and complete K-12 teacher education programs
24 at the baccalaureate level. Preference may not be given to
25 participants on the basis of race, color, ethnicity, gender, or
26 national origin. Institutions should encourage participation from
27 those who would otherwise not adequately be represented in the

1 teacher education student population.

2 (2) The program described in this section shall be
3 administered by each state-approved teacher education institution
4 in a manner prescribed by the workforce development agency.

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

9 Sec. 282. Each institution receiving funds for fiscal year
10 ~~2015-2016-2016-2017~~ under section 278, 279, or 281 shall notify the
11 workforce development agency by April 15, ~~2016-2017~~ as to whether
12 it will expend by the end of its fiscal year the funds received
13 under section 278, 279, or 281. Notwithstanding the award
14 limitations in sections 278 and 279, the amount of funding reported
15 as not being expended will be reallocated to the institutions that
16 intend to expend all funding received under section 278, 279, or
17 281.

18 Sec. 283. (1) From the amount appropriated in section 236, the
19 public universities shall systematically inform Michigan high
20 schools regarding the academic status of students from each high
21 school in a manner prescribed by the ~~Presidents Council, State~~
22 ~~Universities of Michigan~~ **MICHIGAN ASSOCIATION OF STATE UNIVERSITIES**
23 in cooperation with the Michigan Association of Secondary School
24 Principals. Public universities shall also work with the center for
25 educational performance and information to maintain a systematic
26 approach for accomplishing this task.

27 (2) Michigan high schools shall systematically inform the

1 public universities about the use of information received under
2 this section in a manner prescribed by the Michigan Association of
3 Secondary School Principals in cooperation with the ~~Presidents~~
4 ~~Council, State Universities of Michigan.~~ **MICHIGAN ASSOCIATION OF**
5 **STATE UNIVERSITIES.**

6 Sec. 284. From the amount appropriated in section 236, the
7 public universities shall inform Michigan community colleges
8 regarding the academic status of community college transfer
9 students in a manner prescribed by the ~~Presidents Council, State~~
10 ~~Universities of Michigan.~~ **MICHIGAN ASSOCIATION OF STATE UNIVERSITIES**
11 in cooperation with the Michigan Community College Association.
12 Public universities shall also work with the center for educational
13 performance and information to maintain a systematic approach for
14 accomplishing this task.

15 **SEC. 286A. BY FEBRUARY 1, 2017, THE MICHIGAN COMMUNITY COLLEGE**
16 **ASSOCIATION, THE MICHIGAN ASSOCIATION OF STATE UNIVERSITIES, AND**
17 **THE MICHIGAN INDEPENDENT COLLEGES AND UNIVERSITIES, ON BEHALF OF**
18 **THEIR MEMBER COLLEGES AND UNIVERSITIES, SHALL SUBMIT TO THE SENATE**
19 **AND HOUSE APPROPRIATIONS SUBCOMMITTEES ON HIGHER EDUCATION, THE**
20 **SENATE AND HOUSE APPROPRIATIONS SUBCOMMITTEES ON COMMUNITY**
21 **COLLEGES, THE SENATE AND HOUSE FISCAL AGENCIES, AND THE STATE**
22 **BUDGET DIRECTOR A COMPREHENSIVE REPORT DETAILING THE NUMBER OF**
23 **ACADEMIC PROGRAM PARTNERSHIPS BETWEEN PUBLIC COMMUNITY COLLEGES,**
24 **PUBLIC UNIVERSITIES, AND PRIVATE COLLEGES AND UNIVERSITIES,**
25 **INCLUDING, BUT NOT LIMITED TO, THE FOLLOWING INFORMATION:**

26 **(A) THE NAMES OF THE BACCALAUREATE DEGREE PROGRAMS OF STUDY**
27 **OFFERED BY PUBLIC AND PRIVATE UNIVERSITIES ON COMMUNITY COLLEGE**

1 **CAMPUSES.**

2 **(B) THE NAMES OF THE ARTICULATION AGREEMENTS FOR BACCALAUREATE**
3 **DEGREE PROGRAMS OF STUDY BETWEEN PUBLIC COMMUNITY COLLEGES, PUBLIC**
4 **UNIVERSITIES, AND PRIVATE COLLEGES AND UNIVERSITIES.**

5 **(C) THE NUMBER OF STUDENTS ENROLLED AND NUMBER OF DEGREES**
6 **AWARDED THROUGH ARTICULATION AGREEMENTS, AND THE NUMBER OF COURSES**
7 **OFFERED, NUMBER OF STUDENTS ENROLLED, AND NUMBER OF DEGREES AWARDED**
8 **THROUGH ON-CAMPUS PROGRAMS NAMED IN SUBDIVISION (A) FROM JULY 1,**
9 **2015 THROUGH JUNE 30, 2016.**

10 Sec. 289. (1) The auditor general shall periodically audit
11 higher education institutional data inventory (HEIDI) data
12 submitted by all public universities under section 241 and may
13 perform audits of selected public universities if determined
14 necessary. The audits shall be based upon the definitions,
15 requirements, and uniform reporting categories established by the
16 state budget director in consultation with the HEIDI advisory
17 committee. The auditor general shall submit a report of findings to
18 the house and senate appropriations committees and the state budget
19 director no later than July 1 of each year an audit takes place.

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

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

26 (b) Student credit hours generated through distance learning
27 instruction for students not eligible for the public university's

1 in-state main campus resident tuition rate. However, in instances
2 where a student is enrolled in distance education and non-distance
3 education credit hours in a given term and the student's non-
4 distance education enrollment is at a campus or site located within
5 Michigan, student credit hours per the student's eligibility for
6 in-state or out-of-state tuition rates may be reported.

7 (c) Student credit hours generated through credit by
8 examination.

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

11 (e) Student credit hours generated in new degree programs
12 created on or after January 1, 1975 and before January 1, 2013,
13 that were not specifically authorized for funding by the
14 legislature, except spin-off programs converted from existing core
15 programs, and student credit hours generated in any new degree
16 programs created after January 1, 2013, that are specifically
17 excluded from reporting by the legislature under this section.

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

25 Sec. 290. By March 1 of each year, the ~~presidents council,~~
26 ~~state universities of Michigan~~ **MICHIGAN ASSOCIATION OF STATE**
27 **UNIVERSITIES** shall provide a listing of new degree programs for

1 which enrollment information will be reported to HEIDI under
2 sections 241 and 289, as well as a listing of degree programs that
3 institutions of higher education will no longer offer in subsequent
4 academic years, to the house and senate appropriations
5 subcommittees on higher education, the house and senate fiscal
6 agencies, and the state budget director.

7 Enacting section 1. In accordance with section 30 of article
8 IX of the state constitution of 1963, total state spending from
9 state sources for higher education for fiscal year 2016-2017 under
10 article II is estimated at \$1,499,628,000.00 and the amount of that
11 state spending from state sources to be paid to local units of
12 government for fiscal year 2016-2017 is estimated at \$0.

13 Enacting section 2. Section 293 of the state school aid act of
14 1979, 1979 PA 94, MCL 388.1893, is repealed effective October 1,
15 2016.

16 Enacting section 3. This amendatory act takes effect October
17 1, 2016.