

**SUBSTITUTE FOR
HOUSE BILL NO. 5505**

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending sections 236, 236b, 236c, 236j, 236m, 241, 241a, 241c,
244, 248, 248a, 250, 251, 252, 253, 255, 256, 258, 259, 260, 263,
263b, 264, 268, 269, 270c, 275b, 276, 277, 278, 279, 280, 281, and
282 (MCL 388.1836, 388.1836b, 388.1836c, 388.1836j, 388.1836m,
388.1841, 388.1841a, 388.1841c, 388.1844, 388.1848, 388.1848a,
388.1850, 388.1851, 388.1852, 388.1853, 388.1855, 388.1856,
388.1858, 388.1859, 388.1860, 388.1863, 388.1863b, 388.1864,
388.1868, 388.1869, 388.1870c, 388.1875b, 388.1876, 388.1877,
388.1878, 388.1879, 388.1880, 388.1881, and 388.1882), sections
236, 236m, and 248 as amended by 2023 PA 320, sections 236b, 236c,
236j, 241, 248a, 251, 252, 256, 259, 260, 263, 264, 268, 269, 270c,

276, 277, 278, 279, 280, 281, and 282 as amended and sections 241a, 241c, and 263b as added by 2023 PA 103, section 244 as amended and section 250 as added by 2017 PA 108, sections 253 and 255 as amended by 2012 PA 201, section 258 as amended by 2013 PA 60, and section 275b as amended by 2022 PA 144, and by adding section 270; 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, ~~2024,~~
4 **2025**, from the funds indicated in this section. The following is a
5 summary of the appropriations in this section and section 236j:

6 (a) The gross appropriation is ~~\$2,291,048,800.00.~~
7 **\$2,279,353,400.00**. After deducting total interdepartmental grants
8 and intradepartmental transfers in the amount of \$0.00, the
9 adjusted gross appropriation is
10 ~~\$2,291,048,800.00.~~ **\$2,279,353,400.00**.

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

13 (i) Total federal revenues, ~~\$131,026,400.00.~~ **\$3,200,000.00**.

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

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

16 (iv) Total other state restricted revenues,
17 ~~\$482,268,300.00.~~ **\$457,668,300.00**.

18 (v) State general fund/general purpose money,
19 ~~\$1,677,754,100.00.~~ **\$1,818,485,100.00**.

20 (c) The totals and subtotals reflected in subdivisions (a) and
21 (b) do not include amounts appropriated under subsection (7)(f) or
22 ~~(8)(e)~~ **(8)(b)** to avoid duplicating totals of amounts appropriated

1 in this section and section 236j.

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

4 (a) The appropriation for Central Michigan University is
5 ~~\$95,413,800.00, \$89,352,000.00 for operations, \$0.00 for per-~~
6 ~~student floor funding, \$4,467,600.00 for operations increase, and~~
7 ~~\$1,594,200.00 for costs incurred under the North American Indian~~
8 ~~tuition waiver.~~ **\$98,522,400.00, \$93,819,600.00 for operations,**
9 **\$3,096,000.00 for operations increase, and \$1,606,800.00 for costs**
10 **incurred under the North American Indian tuition waiver.**

11 (b) The appropriation for Eastern Michigan University is
12 ~~\$83,144,700.00, \$78,798,800.00 for operations, \$0.00 for per-~~
13 ~~student floor funding, \$3,939,900.00 for operations increase, and~~
14 ~~\$406,000.00 for costs incurred under the North American Indian~~
15 ~~tuition waiver.~~ **\$85,870,300.00, \$82,738,700.00 for operations,**
16 **\$2,730,400.00 for operations increase, and \$401,200.00 for costs**
17 **incurred under the North American Indian tuition waiver.**

18 (c) The appropriation for Ferris State University is
19 ~~\$59,646,500.00, \$56,126,000.00 for operations, \$0.00 for per-~~
20 ~~student floor funding, \$2,806,300.00 for operations increase, and~~
21 ~~\$714,200.00 for costs incurred under the North American Indian~~
22 ~~tuition waiver.~~ **\$61,609,200.00, \$58,932,300.00 for operations,**
23 **\$1,944,800.00 for operations increase, and \$732,100.00 for costs**
24 **incurred under the North American Indian tuition waiver.**

25 (d) The appropriation for Grand Valley State University is
26 ~~\$97,365,000.00, \$79,974,500.00 for operations, \$11,560,000.00 for~~
27 ~~per-student floor funding, \$4,576,700.00 for operations increase,~~
28 ~~and \$1,253,800.00 for costs incurred under the North American~~
29 ~~Indian tuition waiver.~~ **\$100,606,100.00, \$96,111,200.00 for**

1 operations, \$3,171,700.00 for operations increase, and
 2 \$1,323,200.00 for costs incurred under the North American Indian
 3 tuition waiver.

4 (e) The appropriation for Lake Superior State University is
 5 ~~\$15,190,300.00, \$13,573,100.00 for operations, \$0.00 for per-~~
 6 ~~student floor funding, \$678,700.00 for operations increase, and~~
 7 ~~\$938,500.00 for costs incurred under the North American Indian~~
 8 ~~tuition waiver.~~ \$16,095,300.00, \$14,251,800.00 for operations,
 9 \$470,300.00 for operations increase, and \$1,373,200.00 for costs
 10 incurred under the North American Indian tuition waiver.

11 (f) The appropriation for Michigan State University is
 12 ~~\$390,452,600.00, \$301,681,300.00 for operations, \$0.00 for per-~~
 13 ~~student floor funding, \$15,084,100.00 for operations increase,~~
 14 ~~\$1,943,800.00 for costs incurred under the North American Indian~~
 15 ~~tuition waiver, \$38,518,400.00 for MSU AgBioResearch, and~~
 16 ~~\$33,225,000.00 for MSU Extension.~~ \$403,458,400.00, \$316,765,400.00
 17 for operations, \$10,453,300.00 for operations increase,
 18 \$2,143,100.00 for costs incurred under the North American Indian
 19 tuition waiver, \$39,781,800.00 for MSU AgBioResearch, and
 20 \$34,314,800.00 for MSU Extension.

21 (g) The appropriation for Michigan Technological University is
 22 ~~\$54,525,700.00, \$51,103,600.00 for operations, \$0.00 for per-~~
 23 ~~student floor funding, \$2,555,200.00 for operations increase, and~~
 24 ~~\$866,900.00 for costs incurred under the North American Indian~~
 25 ~~tuition waiver.~~ \$56,211,100.00, \$53,658,800.00 for operations,
 26 \$1,770,700.00 for operations increase, and \$781,600.00 for costs
 27 incurred under the North American Indian tuition waiver.

28 (h) The appropriation for Northern Michigan University is
 29 ~~\$53,320,000.00, \$49,589,800.00 for operations, \$0.00 for per-~~

1 ~~student floor funding, \$2,479,500.00 for operations increase, and~~
 2 ~~\$1,250,700.00 for costs incurred under the North American Indian~~
 3 ~~tuition waiver.~~**\$55,200,300.00, \$52,069,300.00 for operations,**
 4 **\$1,718,300.00 for operations increase, and \$1,412,700.00 for costs**
 5 **incurred under the North American Indian tuition waiver.**

6 (i) The appropriation for Oakland University is
 7 ~~\$72,288,800.00, \$60,406,600.00 for operations, \$8,123,900.00 for~~
 8 ~~per student floor funding, \$3,426,500.00 for operations increase,~~
 9 ~~and \$331,800.00 for costs incurred under the North American Indian~~
 10 ~~tuition waiver.~~**\$74,622,800.00, \$71,957,000.00 for operations,**
 11 **\$2,374,600.00 for operations increase, and \$291,200.00 for costs**
 12 **incurred under the North American Indian tuition waiver.**

13 (j) The appropriation for Saginaw Valley State University is
 14 ~~\$33,894,500.00, \$32,086,300.00 for operations, \$0.00 for per-~~
 15 ~~student floor funding, \$1,604,300.00 for operations increase, and~~
 16 ~~\$203,900.00 for costs incurred under the North American Indian~~
 17 ~~tuition waiver.~~**\$35,000,900.00, \$33,690,600.00 for operations,**
 18 **\$1,111,800.00 for operations increase, and \$198,500.00 for costs**
 19 **incurred under the North American Indian tuition waiver.**

20 (k) The appropriation for University of Michigan - Ann Arbor
 21 is ~~\$356,568,800.00, \$338,360,300.00 for operations, \$0.00 for per-~~
 22 ~~student floor funding, \$16,918,000.00 for operations increase, and~~
 23 ~~\$1,290,500.00 for costs incurred under the North American Indian~~
 24 ~~tuition waiver.~~**\$368,488,300.00, \$355,278,300.00 for operations,**
 25 **\$11,688,700.00 for operations increase, and \$1,521,300.00 for costs**
 26 **incurred under the North American Indian tuition waiver.**

27 (l) The appropriation for University of Michigan - Dearborn is
 28 ~~\$31,233,500.00, \$27,869,700.00 for operations, \$1,699,800.00 for~~
 29 ~~per student floor funding, \$1,478,500.00 for operations increase,~~

1 ~~and \$185,500.00 for costs incurred under the North American Indian~~
2 ~~tuition waiver.~~**\$32,281,400.00, \$31,048,000.00 for operations,**
3 **\$1,024,600.00 for operations increase, and \$208,800.00 for costs**
4 **incurred under the North American Indian tuition waiver.**

5 (m) The appropriation for University of Michigan - Flint is
6 ~~\$26,404,700.00, \$24,774,800.00 for operations, \$0.00 for per-~~
7 ~~student floor funding, \$1,238,700.00 for operations increase, and~~
8 ~~\$391,200.00 for costs incurred under the North American Indian~~
9 ~~tuition waiver.~~**\$27,163,800.00, \$26,013,500.00 for operations,**
10 **\$858,400.00 for operations increase, and \$291,900.00 for costs**
11 **incurred under the North American Indian tuition waiver.**

12 (n) The appropriation for Wayne State University is
13 ~~\$224,354,500.00, \$213,286,600.00 for operations, \$0.00 for per-~~
14 ~~student floor funding, \$10,664,300.00 for operations increase, and~~
15 ~~\$403,600.00 for costs incurred under the North American Indian~~
16 ~~tuition waiver.~~**\$231,767,000.00, \$223,950,900.00 for operations,**
17 **\$7,390,400.00 for operations increase, and \$425,700.00 for costs**
18 **incurred under the North American Indian tuition waiver.**

19 (o) The appropriation for Western Michigan University is
20 ~~\$119,983,900.00, \$113,752,600.00 for operations, \$0.00 for per-~~
21 ~~student floor funding, \$5,687,600.00 for operations increase, and~~
22 ~~\$543,700.00 for costs incurred under the North American Indian~~
23 ~~tuition waiver.~~**\$123,995,300.00, \$119,440,200.00 for operations,**
24 **\$3,941,500.00 for operations increase, and \$613,600.00 for costs**
25 **incurred under the North American Indian tuition waiver.**

26 (3) The amount appropriated in subsection (2) for public
27 universities is ~~\$1,713,787,300.00, \$1,770,892,600.00, appropriated~~
28 ~~from the following:~~

29 (a) State school aid fund, ~~\$443,168,300.00.~~**\$449,168,300.00.**

1 (b) State general fund/general purpose money,
 2 ~~\$1,270,619,000.00.~~ **\$1,321,724,300.00.**

3 (4) The amount appropriated for Michigan public school
 4 employees' retirement system reimbursement is \$0.00.

5 (5) The amount appropriated for state and regional programs is
 6 \$316,800.00, appropriated from general fund/general purpose money
 7 and allocated as follows:

8 (a) Higher education database modernization and conversion,
 9 \$200,000.00.

10 (b) Midwestern Higher Education Compact, \$116,800.00.

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

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

15 (b) Michigan college/university partnership program,
 16 \$586,800.00.

17 (c) Morris Hood, Jr. educator development program,
 18 \$148,600.00.

19 (7) Subject to subsection (8), the amount appropriated for
 20 grants and financial aid is ~~\$447,283,200.00,~~ **\$496,952,400.00,**
 21 allocated as follows:

22 (a) State competitive scholarships,
 23 ~~\$26,861,700.00.~~ **\$19,930,900.00.**

24 (b) Tuition grants, \$42,021,500.00.

25 (c) Tuition incentive program, ~~\$73,800,000.00.~~ **\$93,800,000.00.**

26 (d) Children of veterans and officer's survivor tuition grant
 27 programs, ~~\$1,400,000.00.~~ **\$2,000,000.00.**

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

29 (f) Michigan achievement scholarships, ~~\$300,000,000.00.~~

1 **\$336,000,000.00.** From this amount, up to \$10,000,000.00 may be used
2 to award skills scholarships under section 248a.

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

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

8 ~~(b) Federal revenues under the social security act, temporary~~
9 ~~assistance for needy families, \$127,826,400.00.~~

10 ~~(b) (e) Postsecondary scholarship fund,~~
11 ~~\$300,000,000.00.~~ **\$336,000,000.00.**

12 ~~(c) (d) State general fund/general purpose money,~~
13 ~~\$16,256,800.00.~~ **\$157,752,400.00.**

14 (9) For fiscal year ~~2023-2024~~ **2024-2025** only, in addition to
15 the allocation under subsection (4), from the appropriations
16 described in subsection (1), there is allocated an amount not to
17 exceed ~~\$9,100,000.00~~ **\$8,500,000.00** for payments to participating
18 public universities, appropriated from the state school aid fund. A
19 public university that receives money under this subsection shall
20 use that money solely for the purpose of offsetting the normal cost
21 contribution rate. As used in this subsection, "participating
22 public universities" means public universities that are a reporting
23 unit of the Michigan public school employees' retirement system
24 under the public school employees retirement act of 1979, 1980 PA
25 300, MCL 38.1301 to 38.1437, and that pay contributions to the
26 Michigan public school employees' retirement system for the state
27 fiscal year.

28 ~~(10) For fiscal year 2023-2024 only, from the appropriations~~
29 ~~described in subsection (1), the amount appropriated for Michigan~~

1 ~~Technological University for the creation of a bachelor of science~~
2 ~~degree in nursing program is \$870,000.00, appropriated from state~~
3 ~~general fund/general purpose money.~~

4 ~~(11) For fiscal year 2023-2024 only, from the appropriations~~
5 ~~described in subsection (1), \$3,000,000.00 is appropriated from~~
6 ~~state general fund/general purpose money to the Michigan geological~~
7 ~~survey for costs related to the development, construction, and~~
8 ~~equipment purchases for a new facility.~~

9 ~~(12) For fiscal year 2023-2024 only, from the appropriations~~
10 ~~described in subsection (1), \$5,000,000.00 is appropriated from~~
11 ~~state general fund/general purpose money for critical incident~~
12 ~~mapping. These funds must be distributed to universities~~
13 ~~proportionately to the amounts in subsection (2) for operations.~~

14 ~~(10) (13)~~ **(10)** ~~For fiscal year 2023-2024~~ **2024-2025** only, from the
15 appropriations described in subsection (1), subject to ~~sections~~
16 **section 236m, and 236o,** ~~\$79,000,000.00~~ **\$100.00** is appropriated from
17 general fund/general purpose money for infrastructure, technology,
18 equipment, maintenance, and safety.

19 ~~(14) For fiscal year 2023-2024 only, from the appropriations~~
20 ~~described in subsection (1), \$30,000,000.00 is appropriated from~~
21 ~~the state school aid fund to Michigan State University for the~~
22 ~~Engineering and Digital Innovation Center.~~

23 Sec. 236b. In addition to the funds appropriated in section
24 236, there is appropriated for grants and financial aid in fiscal
25 year ~~2023-2024~~ **2024-2025** an amount not to exceed \$6,000,000.00 for
26 federal contingency authorization. These funds are not available
27 for expenditure until they have been transferred under section
28 393(2) of the management and budget act, 1984 PA 431, MCL 18.1393,
29 for another purpose under this article.

1 Sec. 236c. In addition to the funds appropriated for fiscal
 2 year ~~2023-2024-2024-2025~~ in section 236, appropriations to the
 3 department of technology, management, and budget in the act
 4 providing general appropriations for fiscal year ~~2023-2024-2024-~~
 5 **2025** for state building authority rent, totaling an estimated
 6 ~~\$134,595,300.00,~~ **\$140,195,300.00**, provide funding for the state
 7 share of costs for previously constructed capital projects for
 8 state universities. These appropriations for state building
 9 authority rent represent additional state general fund support
 10 provided to public universities, and the following is an estimate
 11 of the amount of that support to each public university:

12 (a) Central Michigan University,

13 ~~\$13,013,100.00.~~ **\$12,927,300.00.**

14 (b) Eastern Michigan University, ~~\$6,068,200.00.~~ **\$6,028,200.00.**

15 (c) Ferris State University, ~~\$9,756,300.00.~~ **\$9,555,800.00.**

16 (d) Grand Valley State University,

17 ~~\$8,680,100.00.~~ **\$8,622,800.00.**

18 (e) Lake Superior State University,

19 ~~\$2,246,100.00.~~ **\$2,231,300.00.**

20 (f) Michigan State University, ~~\$16,725,300.00.~~ **\$16,615,000.00.**

21 (g) Michigan Technological University,

22 ~~\$4,030,700.00.~~ **\$5,787,900.00.**

23 (h) Northern Michigan University, ~~\$7,768,000.00.~~ **\$8,917,700.00.**

24 (i) Oakland University, ~~\$9,517,400.00.~~ **\$11,256,500.00.**

25 (j) Saginaw Valley State University,

26 ~~\$7,880,000.00.~~ **\$7,828,000.00.**

27 (k) University of Michigan - Ann Arbor,

28 ~~\$11,757,500.00.~~ **\$12,280,600.00.**

29 (l) University of Michigan - Dearborn,

1 ~~\$10,807,200.00.~~ **\$10,736,000.00.**

2 (m) University of Michigan - Flint,

3 ~~\$6,103,500.00.~~ **\$6,063,200.00.**

4 (n) Wayne State University, ~~\$10,092,800.00.~~ **\$10,082,300.00.**

5 (o) Western Michigan University,

6 ~~\$10,149,100.00.~~ **\$11,262,700.00.**

7 Sec. 236j. (1) The postsecondary scholarship fund is created
8 in the department of treasury for the purpose of providing
9 scholarship awards to eligible students who attend eligible
10 postsecondary educational institutions in this state, as provided
11 in subsection (5).

12 (2) The state treasurer may receive money or other assets from
13 any source for deposit into the postsecondary scholarship fund. The
14 state treasurer shall direct the investment of the postsecondary
15 scholarship fund. The state treasurer shall credit to the
16 postsecondary scholarship fund interest and earnings from
17 postsecondary scholarship fund investments.

18 (3) Money in the postsecondary scholarship fund at the close
19 of the fiscal year must remain in the postsecondary scholarship
20 fund and not lapse to the general fund.

21 (4) The department of treasury shall be the administrator of
22 the postsecondary scholarship fund for auditing purposes.

23 (5) Money must be expended from the postsecondary scholarship
24 fund only for the purpose of providing Michigan achievement
25 scholarship awards to eligible students who attend eligible
26 postsecondary educational institutions in this state. Not more than
27 \$10,000,000.00 may be used by the department **of lifelong education,**
28 **advancement, and potential** annually for the purposes of outreach
29 and marketing programs as specified in section ~~248(9).~~ **248.**

1 (6) For the fiscal year ending September 30, ~~2024,~~
 2 ~~\$300,000,000.00~~ **2025, \$336,000,000.00** is deposited into the
 3 postsecondary scholarship fund from the state general fund/general
 4 purpose money.

5 (7) It is the intent of the legislature that the postsecondary
 6 scholarship fund serves as the primary funding source of the
 7 Michigan achievement scholarship. To ensure the Michigan
 8 achievement scholarship provides ongoing supports for students, it
 9 is the intent of the legislature to increase annual deposits into
 10 the postsecondary scholarship fund by ~~\$50,000,000.00~~ **at least**
 11 **\$30,000,000.00** per year until the fully implemented costs of the
 12 Michigan achievement scholarship are deposited annually into the
 13 postsecondary scholarship fund.

14 Sec. 236m. (1) Subject to subsection (2), funds appropriated
 15 in section ~~236(13)~~ **236(10)** for infrastructure, technology,
 16 equipment, maintenance, and safety are intended to be used for
 17 necessary improvements and deferred maintenance of public
 18 university buildings, facilities, and other physical
 19 infrastructure; necessary improvements and deferred maintenance of
 20 information technology, other technology infrastructure, and other
 21 equipment; and other purposes related to infrastructure,
 22 technology, equipment, and maintenance. A public university may
 23 also use these funds for debt or to upgrade safety and security
 24 infrastructure. These funds are not intended to be used for any
 25 other purpose than what is specified in this section.

26 ~~(2) If the University of Michigan - Ann Arbor receives funds~~
 27 ~~subject to the allowable uses under this section, the university~~
 28 ~~must, as a condition on receiving those funds, agree to allocate~~
 29 ~~not less than \$5,000,000.00 of those funds for costs related to the~~

1 ~~university's involvement with a semiconductor research alliance.~~

2 ~~(3) To receive funds under this section, a public university~~
 3 ~~must certify to the state budget director by January 1, 2024 that~~
 4 ~~it did not receive an appropriation for a planning or construction~~
 5 ~~authorization for a capital outlay project between January 1, 2023~~
 6 ~~and December 15, 2023.~~

7 ~~(2) (4) Funds appropriated in section 236(13) 236(10) are~~
 8 ~~distributed to each public university that certified it did not~~
 9 ~~receive a capital outlay appropriation under subsection (3).~~
 10 **receives an appropriation in section 236.** The payment for each
 11 public university must be calculated based on each public
 12 university's respective share of total fiscal year equated students
 13 as reported to the higher education institutional data inventory
 14 for the fiscal year ending September 30, 2022 ~~for all public~~
 15 ~~universities that receive a payment under this section. 2023.~~
 16 Payments to public universities under this section must be
 17 distributed in 1 lump sum to each institution with the January 16,
 18 ~~2024-2025~~ payment described in section 241.

19 Sec. 241. Subject to sections 241a, 241b, 241c, and 244, the
 20 funds appropriated in section 236 to public universities must be
 21 paid out of the state treasury and distributed by the state
 22 treasurer to the respective institutions in 11 equal monthly
 23 installments on the sixteenth of each month, or the next succeeding
 24 business day, beginning with October 16, ~~2023-2024~~. Except for
 25 Wayne State University, each institution shall accrue its July and
 26 August ~~2024-2025~~ payments to its institutional fiscal year ending
 27 June 30, ~~2024-2025~~.

28 Sec. 241a. (1) All public universities shall submit higher
 29 education institutional data inventory (HEIDI) data and associated

1 financial aid program information requested by and in a manner
2 prescribed by the state budget director. For public universities
3 with fiscal years ending June 30, these data must be submitted to
4 the state budget director by October 15 of each fiscal year. Public
5 universities with a fiscal year ending September 30 ~~, 2023~~ shall
6 submit preliminary HEIDI data by November 15 ~~, 2023~~ and final data
7 by December 15. ~~, 2023.~~

8 (2) It is intended that accountability reporting for public
9 universities will be streamlined through HEIDI. The state budget
10 director and the center will work to combine the reporting
11 requirements outlined in this subsection with the existing HEIDI
12 collection cycle. All of the following must be reported to the
13 house and senate fiscal agencies and the state budget director:

14 (a) Each public university's certification of its compliance
15 with the requirements described in subsections (4) and (5).

16 (b) The reporting requirements described in sections 241b and
17 241c.

18 (3) If a public university fails to submit HEIDI data and
19 associated financial aid program information in accordance with the
20 required reporting schedule, the state treasurer may withhold the
21 monthly installments under section 241 to the public university
22 until those data are submitted. If a public university does not
23 comply with all of the requirements described in subsections (4)
24 and (5) by the end of the fiscal year, the public university
25 forfeits the amount withheld. The state budget director shall
26 notify the chairs of the house and senate appropriations
27 subcommittees on higher education at least 10 days before
28 withholding funds from any public university.

29 (4) No later than October 15 each year, a public university

1 shall maintain a public transparency website available through a
2 link on its website homepage. The website must include all of the
3 following concerning the public university:

4 (a) The annual operating budget and subsequent budget
5 revisions.

6 (b) A summary of current expenditures for the most recent
7 fiscal year for which they are available, expressed as pie charts
8 in the following 2 categories:

9 (i) A chart of personnel expenditures, broken into the
10 following subcategories:

11 (A) Earnings and wages.

12 (B) Employee benefit costs, including, but not limited to,
13 medical, dental, vision, life, disability, and long-term care
14 benefits.

15 (C) Retirement benefit costs.

16 (D) All other personnel costs.

17 (ii) A chart of all current expenditures the public university
18 reported as part of its higher education institutional data
19 inventory data under subsection (1), broken into the same
20 subcategories in which it reported those data.

21 (c) Links to all of the following for the public university:

22 (i) The current collective bargaining agreement for each
23 bargaining unit.

24 (ii) Each health care benefits plan, including, but not limited
25 to, medical, dental, vision, disability, long-term care, or any
26 other type of benefits that would constitute health care services,
27 offered to any bargaining unit or employee of the public
28 university.

29 (iii) Audits and financial reports for the most recent fiscal

1 year for which they are available.

2 (d) General fund revenue and expenditure projections for the
3 current fiscal year and the next fiscal year.

4 (e) A listing of all debt service obligations, detailed by
5 project, anticipated fiscal year payment for each project, and
6 total outstanding debt for the current fiscal year.

7 (f) The institution's policy regarding the transferability of
8 core college courses between community colleges and the public
9 university.

10 (g) A listing of all community colleges that have entered into
11 reverse transfer agreements with the public university.

12 (h) A dashboard or report card demonstrating the public
13 university's performance in several "best practice" measures. The
14 dashboard or report card must include at least all of the following
15 for the 3 most recent academic years for which the data are
16 available:

17 (i) Enrollment.

18 (ii) Student retention rate.

19 (iii) Six-year graduation rates.

20 (iv) Number of Pell grant recipients and graduating Pell grant
21 recipients.

22 (v) Geographic origination of students, categorized as in-
23 state, out-of-state, and international.

24 (vi) Faculty to student ratios and total public university
25 employee to student ratios.

26 (vii) Teaching load by faculty classification.

27 (viii) Graduation outcome rates, including employment and
28 continuing education.

29 (i) An icon badge that provides statewide consistency and

1 public visibility. For this purpose, public universities shall use
2 the icon badge provided by the department of technology,
3 management, and budget consistent with the icon badge developed by
4 the department of education for K-12 school districts. It must
5 appear on the front of each public university's homepage. The size
6 of the icon may be reduced to 150 x 150 pixels. The font size and
7 style for this reporting must be consistent with other documents on
8 each public university's website.

9 (j) A collection and report of the number and percentage of
10 all enrolled students who complete the Free Application for Federal
11 Student Aid, broken out by undergraduate and graduate/professional
12 classifications, reported to the center and posted on its website
13 under the budget transparency icon badge.

14 (5) No later than October 15 each year, a public university
15 shall develop, maintain, and update a "campus safety information
16 and resources" link, prominently displayed on the homepage of its
17 website, to a section of its website containing, at a minimum, all
18 of the following information:

19 (a) Emergency contact numbers for police, fire, health, and
20 other services.

21 (b) Hours, locations, telephone numbers, and email contacts
22 for campus public safety offices and title IX offices.

23 (c) A list of safety and security services provided by the
24 public university, including transportation, escort services,
25 building surveillance, anonymous tip lines, and other available
26 security services.

27 (d) The public university's policies applicable to minors on
28 university property.

29 (e) A directory of resources available at the public

1 university or surrounding community for students or employees who
2 are survivors of sexual assault or sexual abuse.

3 (f) An electronic copy of "A Resource Handbook for Campus
4 Sexual Assault Survivors, Friends and Family", published in 2018.

5 (g) Campus security policies and crime statistics pursuant to
6 the student right-to-know and campus security act, Public Law 101-
7 542, 104 Stat 2381. Information must include all material prepared
8 pursuant to the public information reporting requirements under the
9 crime awareness and campus security act of 1990, title II of the
10 student right-to-know and campus security act, Public Law 101-542,
11 104 Stat 2381.

12 Sec. 241c. (1) No later than the last business day of August
13 each year, each public university that receives an appropriation in
14 section 236 shall submit the amount of tuition and fees actually
15 charged to a full-time resident undergraduate student for academic
16 year ~~2023-2024~~**2024-2025** as part of the public university's higher
17 education institutional data inventory (HEIDI) data. A public
18 university shall report any revisions for any semester of the
19 reported academic year to HEIDI within 15 days of being adopted.

20 (2) Payments under section 236 for operations increase ~~and~~
21 ~~per-student floor funding~~ must be made only to a public university
22 that certifies to the state budget director by the last business
23 day of August each year that its board did not adopt an increase in
24 tuition and fee rates for resident undergraduate students after
25 September 1, ~~2022-2023~~ for the ~~2022-2023~~**2023-2024** academic year
26 and that its board will not adopt an increase in tuition and fee
27 rates for resident undergraduate students for the ~~2023-2024~~**2024-**
28 **2025** academic year that is greater than 4.5% or ~~\$676.00,~~**\$703.00,**
29 whichever is greater. **For the academic year 2025-2026, the tuition**

1 and fee restraint rate for resident undergraduate students is an
2 increase of not greater than 4.5% or \$735.00, whichever is greater.
3 It is the intent of the legislature that in the next fiscal year,
4 the tuition and fee restraint rate will be adjusted only for the
5 subsequent academic year. 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 public university increasing a fee that applies to a specific
11 subset of students or courses shall provide sufficient information
12 to prove that the increase applied to that subset will not cause
13 the increase in the average amount of board-authorized total
14 tuition and fees paid by resident undergraduate students in the
15 ~~2023-2024~~ **2024-2025** academic year to exceed the limit established
16 in this subsection.

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

25 (3) Each public university must certify to the state budget
26 director by the last business day of August each year that it
27 complies with all of the following requirements:

28 (a) The public university participates in reverse transfer
29 agreements described in section 286 with at least 3 community

1 colleges in this state.

2 (b) The public university does not and will not apply any of
3 the following criteria when determining whether credits earned
4 outside the public university by a student count toward a degree or
5 certificate program offered by the public university:

6 (i) Whether the credits were earned in a dual enrollment
7 program that counted the credits toward high school graduation
8 requirements.

9 (ii) Whether the credits were earned in a course that was
10 delivered in a high school classroom, community college classroom
11 or campus, or another location.

12 (iii) Whether the credits were earned in a course that was
13 delivered online, in person, or hybrid.

14 (iv) Whether other students enrolled in the course in which the
15 credits were earned were enrolled in high school or counted the
16 course toward high school graduation requirements.

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

21 (4) The state budget director shall implement uniform
22 reporting requirements to ensure that a public university receiving
23 a payment under section 236 for operations increase ~~or per-student~~
24 ~~floor funding~~ has satisfied the tuition restraint requirements of
25 this section. The state budget director has the sole authority to
26 determine if a public university has met the requirements of this
27 section. Information reported by a public university to the state
28 budget director under this subsection must also be reported to the
29 house and senate appropriations subcommittees on higher education

1 and the house and senate fiscal agencies.

2 Sec. 244. By October 15 of each year, a public university
3 receiving funds in section 236 shall provide its longitudinal data
4 system data set for the preceding academic year to the center for
5 inclusion in the statewide P-20 longitudinal data system described
6 in section 94a. If the state budget director finds that a
7 university has not complied with this section, the state budget
8 director is authorized to withhold the monthly installments
9 provided to that university under section 241 until ~~he or she~~**the**
10 **state budget director** finds **that** the university has complied with
11 this section.

12 Sec. 248. (1) The funds appropriated in section 236 for
13 Michigan achievement scholarships must be distributed as provided
14 in this section and section 248a, pursuant to the administrative
15 procedures for Michigan achievement scholarships of the department.

16 (2) As used in this section:

17 **(a) "Cost of attendance" means expenses for fees, books,**
18 **supplies, and equipment required for courses of instruction;**
19 **housing and food costs; transportation expenses; federal student**
20 **loan fees; miscellaneous expenses, including a reasonable amount**
21 **for the documented cost of a personal computer, allowance for child**
22 **care, or allowance for other dependent care; costs related to a**
23 **disability; costs of obtaining a license, certification, or first**
24 **professional credential; and reasonable costs for study abroad**
25 **programs.**

26 **(b) ~~(a)~~"Department" means the department of ~~treasury.~~lifelong**
27 **education, advancement, and potential.**

28 **(c) ~~(b)~~"Eligible institution" means a public university that**
29 **receives an appropriation in section 236, a community college that**

1 receives an appropriation in section 201, a federally recognized
2 tribal college in this state, or an independent nonprofit college
3 or university in this state as described in section 1 of 1966 PA
4 313, MCL 390.991.

5 (d) ~~(e)~~—"Gift aid" includes federal Pell grants under 20 USC
6 1070a, tuition incentive program benefits under section 256, state
7 tuition grants under section 252, awards received for minimum
8 payments awarded in subsection (4), higher education expenses paid
9 under the Michigan promise zone authority act, 2008 PA 549, MCL
10 390.1661 to 390.1679, and all other federal, state, local, or
11 institutional aid in the form of grants, scholarships, or discounts
12 applied toward tuition and mandatory fees. Gift aid does not
13 include student loans, work-study awards, qualified withdrawals
14 made from education savings accounts to pay higher education
15 expenses pursuant to the Michigan education savings program act,
16 2000 PA 161, MCL 390.1471 to 390.1486, or higher education expenses
17 paid under the Michigan education trust program pursuant to the
18 Michigan education trust act, 1986 PA 316, MCL 390.1421 to
19 390.1442.

20 (e) ~~(d)~~—"High school equivalency certificate" means that term
21 as defined in section 4.

22 (f) "Last-dollar payment amount" means an amount equal to the
23 cost of attendance for each student's actual program of study,
24 minus all gift aid received by the student.

25 (g) "Minimum payment" means a payment for any eligible cost
26 within the student's individual cost of attendance. The minimum
27 payment must be awarded as a separate payment not included in the
28 student's need-based financial aid. The minimum payment must not be
29 reduced.

1 (h) "SAI eligible student" means a student who has completed
2 the Free Application for Federal Student Aid and meets at least 1
3 of the following:

4 (i) For awards made during academic year 2023-2024, has an
5 expected family contribution of \$25,000.00 or less. An individual
6 is considered to have met the requirements of subsection (4) if the
7 individual received the Michigan achievement scholarship in
8 academic year 2023-2024, was determined to have an expected family
9 contribution of \$25,000.00 or less in academic year 2023-2024, and
10 has completed the Free Application for Federal Student Aid for the
11 subsequent award cycles.

12 (ii) For awards made during academic year 2024-2025 or a
13 subsequent academic year, has completed the Free Application for
14 Federal Student Aid and has a student aid index number of 1 of the
15 following, as applicable:

16 (A) For a student indicating on the student's Free Application
17 for Federal Student Aid that the student is the only member of the
18 student's household or the student's parents' household attending a
19 postsecondary institution during that academic year, \$35,000.00 or
20 less.

21 (B) For a student indicating on the student's Free Application
22 for Federal Student Aid that the student is not the only member of
23 the student's household or the student's parents' household
24 attending a postsecondary institution during that academic year,
25 the greater of the number described in sub-subparagraph (A) or
26 guidance determined by the department. For the purposes of this
27 sub-subparagraph, the department, in collaboration with the state
28 budget office and the house and senate fiscal agencies, may
29 calculate a student aid index number or may issue administrative

1 guidance for the student aid index eligibility of students with
 2 more than 1 member of the student's household or the student's
 3 parents' household attending a postsecondary institution during
 4 that academic year. It is intended that the utilization of a
 5 student aid index instead of expected family contribution does not
 6 adversely impact the eligibility of students with multiple members
 7 of the student's household or student's parents' household
 8 attending postsecondary institutions. It is further intended that
 9 the legislature and executive branch work collaboratively to use
 10 Michigan achievement scholarship uptake and other relevant data to
 11 establish a more permanent measure of financial need for the
 12 Michigan achievement scholarship for subsequent academic years.

13 (3) An individual must meet all of the following criteria ~~and~~
 14 ~~financial thresholds~~ each year to be eligible for a Michigan
 15 achievement scholarship awarded under this section:

16 (a) ~~Be a resident of this state for at least the immediately~~
 17 ~~preceding year.~~ **Maintain residency in this state, as determined for**
 18 **purposes of the Free Application for Federal Student Aid.**

19 (b) Have graduated from high school in this state with a
 20 diploma or certificate of completion or achieved a high school
 21 equivalency certificate in 2023 or after.

22 (c) Be a full-time undergraduate student at an eligible
 23 institution, as defined by that eligible institution, and be a
 24 first-time enrollee in an eligible institution during the 2023-2024
 25 academic year, or a subsequent academic year, within 15 months
 26 after high school graduation or attainment of a high school
 27 equivalency certificate or have received a Michigan achievement
 28 scholarship in a previous academic year. For the purposes of this
 29 subdivision, participation in a dual enrollment, early college, or

1 other similar program while attending high school does not
 2 disqualify a student from being considered a first-time enrollee.

3 (d) Maintain satisfactory academic progress, as defined by the
 4 eligible institution in which the student is enrolled.

5 ~~(e) Not be incarcerated in a corrections institution.~~

6 **(e)** ~~(f)~~ Not be in default on a federal student loan.

7 ~~(g) For awards made during academic year 2023-2024, complete~~
 8 ~~the Free Application for Federal Student Aid and have an expected~~
 9 ~~family contribution of \$25,000.00 or less. For awards made during~~
 10 ~~academic year 2024-2025 or a subsequent academic year, except as~~
 11 ~~otherwise provided in this subdivision and subdivision (h),~~
 12 ~~complete the Free Application for Federal Student Aid and have a~~
 13 ~~student aid index number of 1 of the following, as applicable:~~

14 ~~(i) For a student indicating on the student's Free Application~~
 15 ~~for Federal Student Aid that the student is the only member of the~~
 16 ~~student's household or the student's parents' household attending a~~
 17 ~~postsecondary institution during that academic year, \$30,000.00 or~~
 18 ~~less.~~

19 ~~(ii) For a student indicating on the student's Free Application~~
 20 ~~for Federal Student Aid that the student is not the only member of~~
 21 ~~the student's household or the student's parents' household~~
 22 ~~attending a postsecondary institution during that academic year,~~
 23 ~~the greater of the number described in subparagraph (i) or a number~~
 24 ~~determined by the department of treasury. For the purposes of this~~
 25 ~~subparagraph, the department of treasury, in collaboration with the~~
 26 ~~state budget office and the house and senate fiscal agencies, may~~
 27 ~~calculate a student aid index number or may issue administrative~~
 28 ~~guidance for the student aid index eligibility of students with~~
 29 ~~more than 1 member of the student's household or the student's~~

1 ~~parents' household attending a postsecondary institution during~~
 2 ~~that academic year. It is the intent of the legislature that the~~
 3 ~~utilization of a student aid index instead of expected family~~
 4 ~~contribution does not adversely impact the eligibility of students~~
 5 ~~with multiple members of the student's household or the student's~~
 6 ~~parents' household in college.~~

7 ~~(h) For the purpose of determining eligibility under~~
 8 ~~subdivision (g), an individual is considered to have met the~~
 9 ~~requirements of subdivision (g) if the individual received the~~
 10 ~~Michigan achievement scholarship in academic year 2023-2024, was~~
 11 ~~determined to have an expected family contribution of \$25,000.00 or~~
 12 ~~less in academic year 2023-2024, and has completed the Free~~
 13 ~~Application for Federal Student Aid for the subsequent award~~
 14 ~~years.~~

15 ~~(i) The legislature finds and declares that the student aid~~
 16 ~~index thresholds in subdivision (g) are temporary and intended to~~
 17 ~~apply only for academic year 2024-2025. It is the intent of the~~
 18 ~~legislature that the legislature and executive branch work~~
 19 ~~collaboratively to use Michigan achievement scholarship uptake and~~
 20 ~~other relevant data to establish a more permanent measure of~~
 21 ~~financial need for the Michigan achievement scholarship for~~
 22 ~~subsequent academic years.~~

23 ~~(f) (j) Apply for all available gift aid for each academic~~
 24 ~~year in which the individual applies for a Michigan achievement~~
 25 ~~scholarship.~~

26 **(g) For a student who is enrolled at an eligible institution**
 27 **that is a public university or an independent nonprofit college or**
 28 **university, or who is enrolled in a baccalaureate degree program**
 29 **described in section 121 of the community college act of 1966, 1966**

1 PA 331, MCL 389.121, at an eligible institution, be an SAI eligible
2 student.

3 (4) Michigan achievement scholarships are subject to all of
4 the following:

5 (a) Subject to section 248a(3)(f)(i), an eligible student may
6 receive an award under this section or section 248a for a maximum
7 of 5 academic years, not more than 3 of which may be for attending
8 eligible institutions that are community colleges or federally
9 recognized tribal colleges unless the student is enrolled in a
10 baccalaureate degree program described in section 121 of the
11 community college act of 1966, 1966 PA 331, MCL 389.121. A student
12 may not receive an award under this subsection and section
13 248a(3)(f)(i) during the same academic year.

14 (b) The amount awarded to an eligible student at an eligible
15 institution that is a community college or federally recognized
16 tribal college must equal the sum of following:

17 (i) A minimum payment of \$1,750.00. ~~which is comprised of a~~
18 ~~base payment of \$1,000.00 plus an additional payment of \$750.00.~~

19 (ii) The lesser of \$1,000.00 or the student's last-dollar
20 payment amount.

21 (c) The amount awarded to an eligible student **who is enrolled**
22 at an eligible institution that is a public university or **is**
23 enrolled in a baccalaureate degree program described in section 121
24 of the community college act of 1966, 1966 PA 331, MCL 389.121, **at**
25 **an eligible institution** must equal the sum of following:

26 (i) A minimum payment of \$2,500.00. ~~which is comprised of a~~
27 ~~base payment of \$1,000.00 plus an additional payment of \$1,500.00.~~

28 (ii) The lesser of \$3,000.00 or the student's last-dollar
29 payment amount.

1 (d) The amount awarded to an eligible student at an eligible
2 institution that is an independent nonprofit college or university
3 must equal the sum of the following:

4 (i) A minimum payment of \$1,000.00.

5 (ii) The lesser of \$3,000.00 or the student's last-dollar
6 payment amount.

7 (e) Money awarded under this subsection for a Michigan
8 achievement scholarship must be paid to the eligible institution
9 for credit to the student's account.

10 ~~(f) As used in this subsection:~~

11 ~~(i) "Last dollar payment amount" means an amount equal to the~~
12 ~~tuition, mandatory fees, and contact hours for each student's~~
13 ~~actual program of study, minus all gift aid received by the~~
14 ~~student.~~

15 ~~(ii) "Minimum payment" means a payment eligible for any cost~~
16 ~~within the student's individual cost of attendance. The minimum~~
17 ~~payment must be awarded as a separate payment not included in the~~
18 ~~student's need-based financial aid. The minimum payment must not be~~
19 ~~reduced.~~

20 (5) The department shall work closely with participating
21 institutions to provide the highest level of participation and
22 ensure that all requirements of the program are met.

23 (6) From the funds appropriated in section 236(7) for the
24 Michigan achievement scholarships, the department may not use more
25 than \$10,000,000.00 for the purposes of outreach programs to raise
26 awareness of the Michigan achievement scholarship described in this
27 section and section 248a and shall ensure that Michigan achievement
28 scholarships are well publicized and that high school students are
29 provided information on the program. The department may receive and

1 expend funds received from outside sources for scholarships,
2 marketing, or other purposes related to the Michigan achievement
3 scholarship. The department shall provide the necessary funding and
4 staff to fully operate the program.

5 (7) The department shall convene a workgroup ~~during the fiscal~~
6 ~~year ending September 30, no later than October 1,~~ 2024 to consider
7 and advise the department on implementing policies for
8 administering the Michigan achievement scholarship. The workgroup
9 shall include participation from the Michigan Association of State
10 Universities and its institutional members, the Michigan College
11 Access Network, the Michigan Community College Association and its
12 institutional members, the Michigan Independent Colleges and
13 Universities and its institutional members, and any other
14 interested stakeholders and offices as determined by the
15 department. The workgroup shall make recommendations on packaging
16 order, packaging structure, definitions of terms not otherwise
17 defined in statute, and other administrative regulatory
18 requirements as necessary to implement the Michigan achievement
19 scholarship.

20 (8) The following reporting obligations apply to the Michigan
21 achievement scholarship program:

22 (a) By ~~May 1 and December~~ **February** 1 of each year, the
23 department shall provide a written report, organized by eligible
24 institution, to the house and senate appropriations subcommittees
25 on higher education, the house and senate fiscal agencies, and the
26 state budget director that includes the following information for
27 the previous academic year:

28 (i) The number of students who qualified for a Michigan
29 achievement scholarship.

1 (ii) The number of students who received a Michigan achievement
2 scholarship.

3 (iii) The average number of credits earned by students who
4 received a Michigan achievement scholarship.

5 (iv) The number of Michigan achievement scholarships that were
6 canceled due to failure to maintain satisfactory academic progress
7 under subsection (3)(d).

8 (v) The number of Michigan achievement scholarships that were
9 canceled due to a student ceasing attendance at an eligible
10 institution. The number must not include any known transfers to
11 another eligible institution.

12 (vi) The number of Michigan achievement scholarships that were
13 canceled due to a student's failure to maintain full-time status.

14 (vii) The average Michigan achievement scholarship award per
15 student, delineated by sector, including community colleges, tribal
16 colleges, public universities, independent colleges and
17 universities, and training institutions. As used in this
18 subparagraph, "training institutions" means training institutions
19 accepted to participate in the Michigan achievement scholarship
20 program under section 248a.

21 (b) Each eligible institution whose students receive awards
22 under this section shall cooperate with the department in a timely
23 manner to facilitate the creation of the report under subdivision
24 (a).

25 (9) ~~Beginning April 1, 2024, by~~ **By** April 1 of each year, each
26 eligible institution shall submit a report to the department, the
27 state budget office, and the house and senate fiscal agencies
28 providing information as to the total institutional grant aid per
29 full-year equated undergraduate student for the current institution

1 fiscal year and for the immediately preceding 3 institution fiscal
 2 years. If the institution does not maintain total institutional
 3 grant aid per full-year equated undergraduate student at the
 4 average amount provided over the immediately preceding 3
 5 institution fiscal years, the institution must include in the
 6 report a description of changes to institutional finances or the
 7 student population that prevented the institution from maintaining
 8 support for institutional aid. An institution's report of total
 9 institutional grant aid per full-year equated undergraduate student
 10 pursuant to this subdivision must be consistent with data most
 11 recently reported to the Integrated Postsecondary Education Data
 12 System.

13 (10) For each fiscal year, an eligible institution ~~becomes~~
 14 ~~ineligible for funding under this section if, in the immediately~~
 15 ~~preceding fiscal year, the institution exceeds 1 of~~ **must maintain**
 16 **and report its compliance with** the following tuition restraint
 17 requirements, as applicable:

18 (a) For an eligible institution that is a community college,
 19 the tuition restraint described in section 217b.

20 (b) For an eligible institution that is a public university or
 21 independent nonprofit college or university, the tuition restraint
 22 described in section 241c.

23 **(11) The state budget director shall implement reporting**
 24 **requirements to ensure that an eligible institution has satisfied**
 25 **the tuition restraint requirements of this section. The state**
 26 **budget director has the sole authority to determine if an eligible**
 27 **institution has met the requirements of this section.**

28 (12) If an eligible institution exceeds the applicable tuition
 29 restraint level for 2 consecutive years, the state budget director

1 may consider the institution ineligible for funding under this
2 section in the subsequent academic year.

3 (13) If an institution is considered ineligible for funding
4 under this section, the state budget director must reevaluate the
5 status of the ineligible institution after 1 academic year.

6 (14) ~~(11)~~—It is the intent of the legislature that an eligible
7 institution will not make reductive changes to scholarship or
8 financial aid programs offered by that eligible institution that
9 have the goal or net effect of shifting the cost burden of those
10 programs to the program described in this section.

11 Sec. 248a. (1) The funds appropriated in section 236 for
12 Michigan achievement scholarships must be distributed as provided
13 in this section and section 248, pursuant to the administrative
14 procedures for Michigan achievement scholarship private training
15 program of the department.

16 (2) As used in this section:

17 (a) "Department" means the department of ~~labor and economic~~
18 ~~opportunity.~~ **lifelong education, advancement, and potential.**

19 (b) "High school equivalency certificate" means that term as
20 defined in section 4.

21 (c) "Qualified occupational training program" means that term
22 as defined in section 13 of the Michigan reconnect grant recipient
23 act, 2020 PA 68, MCL 390.1713.

24 (3) The department shall do all of the following:

25 (a) Develop and implement a process by which those seeking to
26 participate in the Michigan achievement scholarship private
27 training program as training institutions offering qualified
28 occupational training programs must apply to the department.

29 (b) Approve as a qualified occupational training program a

1 program for which an application is submitted under subdivision (a)
2 that meets all of the criteria to qualify as a qualified
3 occupational training program, and post these criteria to the
4 department's website.

5 (c) Ensure that an applicant under subdivision (a) is first
6 included on this state's eligible training provider list before
7 each of the applicant's programs receives separate approval from
8 the department as being a qualified occupational training program.

9 (d) Require that training institutions accepted to participate
10 in the Michigan achievement scholarship private training program
11 comply with data requests from the department as a condition of
12 continued participation. For purposes of this subdivision, the
13 department shall require institutions operating apprenticeship
14 programs subject to this section to provide data that tracks
15 relevant work experience required to verify a student's status as
16 an apprentice.

17 (e) Maintain on its website a list of all qualified
18 occupational training program options available to potential skills
19 scholarship recipients.

20 (f) Award skills scholarships, subject to all of the
21 following:

22 (i) A skills scholarship is a grant not to exceed \$2,000.00 per
23 year to contribute to tuition costs for a qualified occupational
24 training program at a training institution, both of which are
25 approved under this section, for a training program participant who
26 meets the requirements of subparagraph (ii). A skills scholarship
27 must not exceed the full amount of the tuition charged for the
28 training program. A program participant may receive a skills
29 scholarship under this section for a maximum of 2 academic years.

1 (ii) To receive the skills scholarship described in
2 subparagraph (i), a qualified occupational training program
3 participant must meet all of the following:

4 (A) Be a resident of this state for at least the immediately
5 preceding year.

6 (B) Have graduated from a high school in this state with a
7 diploma or certificate of completion or achieved a high school
8 equivalency certificate in 2023 or after.

9 (C) Not have previously earned an associate or baccalaureate
10 degree.

11 (D) Not have previously earned a degree, certificate, or other
12 credential using a skills scholarship awarded under this section.

13 (E) Timely complete a Michigan achievement scholarship private
14 training program skills scholarship application in a form and
15 manner determined by the department.

16 (iii) The department may award skills scholarships under this
17 section only until money appropriated to the Michigan achievement
18 scholarship private training program has been fully committed.

19 (g) Inform each recipient of a skills scholarship that the
20 recipient will remain eligible for the Michigan achievement
21 scholarship under section 248 for a maximum of 5 years, less any
22 years of eligibility used for a skills scholarship awarded under
23 this section, to pursue an associate degree, baccalaureate degree,
24 or occupational certificate upon completion of a certification
25 course of study in a qualified occupational training program.

26 (4) Except as otherwise provided in subsection (5), the
27 department shall promulgate rules to implement subsection (3)(a),
28 (b), and (d) only, pursuant to the administrative procedures act of
29 1969, 1969 PA 306, MCL 24.201 to 24.328, subject to all of the

1 following:

2 (a) Under subsection (3)(a), the department is limited to
3 developing the form for the application described in subsection
4 (3)(a) and prescribing the time and manner of its completion.

5 (b) Under subsection (3)(b), the department is limited to
6 applying the eligibility criteria described in subsection (3)(b)
7 and shall not apply any other eligibility criteria.

8 (c) Under subsection (3)(d), the department is limited to
9 requiring compliance with data requests as described in subsection
10 (3)(d).

11 (5) To facilitate implementation of the Michigan achievement
12 scholarship private training program prior to final rules being
13 adopted, the department may develop and administer the program in
14 accordance with its proposed rules or other policy or directive of
15 the department established pursuant to this section.

16 (6) It is the intent of the legislature that a training
17 institution will not make changes to scholarship or financial aid
18 programs offered by that training institution that have the goal or
19 net effect of shifting the cost burden of those programs to the
20 program described in this section.

21 Sec. 250. To be considered eligible for any scholarship or
22 grant financial aid program administered by the department of
23 ~~treasury~~, **lifelong education, advancement, and potential**, the
24 student must file the Free Application for Federal Student Aid
25 (FAFSA) annually.

26 Sec. 251. (1) Payments of the amounts included in section 236
27 for the state competitive scholarship program must be distributed
28 pursuant to 1964 PA 208, MCL 390.971 to 390.981.

29 (2) Pursuant to section 6 of 1964 PA 208, MCL 390.976, the

1 department of ~~treasury~~**lifelong education, advancement, and**
 2 **potential** shall determine an actual state competitive scholarship
 3 award per student, which must be \$1,500.00, that ensures that the
 4 aggregate payments for the state competitive scholarship program do
 5 not exceed the appropriation contained in section 236 for the state
 6 competitive scholarship program. If the department determines that
 7 insufficient funds are available to establish an award amount equal
 8 to \$1,500.00, the department shall immediately report to the house
 9 and senate appropriations subcommittees on higher education, the
 10 house and senate fiscal agencies, and the state budget director
 11 regarding the estimated amount of additional funds necessary to
 12 establish a \$1,500.00 award amount. For the purpose of determining
 13 a student's financial need under section 6 of 1964 PA 208, MCL
 14 390.976, the department of ~~treasury~~**lifelong education,**
 15 **advancement, and potential** shall presume that a student who
 16 receives a Michigan achievement scholarship under section ~~248(4)(b)~~
 17 ~~or (c)~~**248** has no need for a state competitive scholarship under
 18 this section. It is the intent of the legislature that 1964 PA 208,
 19 MCL 390.971 to 390.981, will be amended to end competitive
 20 scholarship eligibility of students enrolling in college for the
 21 first time after the fiscal year ending on September 30, 2023, as
 22 those students may be eligible for the Michigan achievement
 23 scholarship.

24 (3) The department of ~~treasury~~**lifelong education,**
 25 **advancement, and potential** shall implement a proportional
 26 competitive scholarship award level for recipients enrolled less
 27 than full-time in a given semester or term.

28 (4) If a student who receives an award under this section has
 29 the student's tuition, contact hours, and fees paid under the

1 Michigan educational trust program, pursuant to the Michigan
2 education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and
3 still has financial need, the funds awarded under this section may
4 be used for educational expenses other than tuition and fees.

5 (5) If the department of ~~treasury~~**lifelong education,**
6 **advancement, and potential** increases the award per eligible student
7 from that provided in the previous fiscal year, it must not have
8 the effect of reducing the number of eligible students receiving
9 awards in relation to the total number of eligible applicants. Any
10 increase in the award must be proportional for all eligible
11 students receiving awards.

12 (6) Veterans Administration benefits must not be considered in
13 determining eligibility for the award of scholarships under 1964 PA
14 208, MCL 390.971 to 390.981.

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

18 (2) Tuition grant awards must be made to all eligible Michigan
19 residents enrolled in undergraduate degree programs who are
20 qualified.

21 (3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and
22 subject to subsections (6) and (7), the department of ~~treasury~~
23 **lifelong education, advancement, and potential** shall determine an
24 actual tuition grant award per student, which must be \$3,000.00,
25 that ensures that the aggregate payments for the tuition grant
26 program do not exceed the appropriation contained in section 236
27 for the state tuition grant program. If the department determines
28 that insufficient funds are available to establish an award amount
29 equal to \$3,000.00, the department shall immediately report to the

1 house and senate appropriations subcommittees on higher education,
2 the house and senate fiscal agencies, and the state budget director
3 regarding the estimated amount of additional funds necessary to
4 establish a \$3,000.00 award amount. If the department determines
5 that sufficient funds are available to establish an award amount
6 equal to \$3,000.00, the department shall immediately report to the
7 house and senate appropriations subcommittees on higher education,
8 the house and senate fiscal agencies, and the state budget director
9 regarding the award amount established and the projected amount of
10 any projected year-end appropriation balance based on that award
11 amount. By February 18 of each fiscal year, the department shall
12 analyze the status of award commitments, shall make any necessary
13 adjustments, and shall confirm that those award commitments will
14 not exceed the appropriation contained in section 236 for the
15 tuition grant program. The determination and actions must be
16 reported to the state budget director and the house and senate
17 fiscal agencies no later than the final day of February of each
18 year. If award adjustments are necessary, the students must be
19 notified of the adjustment by March 4 of each year.

20 (4) The department of ~~treasury~~**lifelong education,**
21 **advancement, and potential** shall continue a proportional tuition
22 grant award level for recipients enrolled less than full-time in a
23 given semester or term.

24 (5) If the department of ~~treasury~~**lifelong education,**
25 **advancement, and potential** increases the award per eligible student
26 from that provided in the previous fiscal year, it must not have
27 the effect of reducing the number of eligible students receiving
28 awards in relation to the total number of eligible applicants. Any
29 increase in the grant must be proportional for all eligible

1 students receiving awards for that fiscal year.

2 (6) The department of ~~treasury~~**lifelong education,**
3 **advancement, and potential** shall not award more than \$5,000,000.00
4 in tuition grants to eligible students enrolled in the same
5 independent nonprofit college or university in this state. Any
6 decrease in the grant must be proportional for all eligible
7 students enrolled in that college or university, as determined by
8 the department.

9 (7) The department of ~~treasury~~**lifelong education,**
10 **advancement, and potential** shall not award tuition grants to
11 otherwise eligible students enrolled in an independent college or
12 university that does not report, in a form and manner directed by
13 and satisfactory to the department of ~~treasury~~**lifelong education,**
14 **advancement, and potential**, by October 31 of each year, all of the
15 following:

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

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

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

28 (8) By February 1 of each year, each independent college and
29 university participating in the tuition grant program shall report

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

10 Sec. 253. The auditor general may audit selected enrollments,
 11 degrees, and awards at selected independent colleges and
 12 universities receiving awards that are administered by the
 13 department of ~~treasury~~. **lifelong education, advancement, and**
 14 **potential**. The audits ~~shall~~ **must** be based ~~upon~~ **on** definitions and
 15 requirements established by the department of ~~treasury~~, **lifelong**
 16 **education, advancement, and potential**, the state budget director,
 17 and the senate and house fiscal agencies. The auditor general shall
 18 accept the Free Application for Federal Student Aid (FAFSA) form as
 19 the standard of residency documentation.

20 Sec. 255. The department of ~~treasury~~ **lifelong education,**
 21 **advancement, and potential** shall determine the needs analysis
 22 criteria for students to qualify for the state competitive
 23 scholarship program and tuition grant program. To be consistent
 24 with federal requirements, the department of ~~treasury~~ **lifelong**
 25 **education, advancement, and potential** may take student wages into
 26 consideration when determining the amount of the award.

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

1 tuition incentive program of the department of ~~treasury-lifelong~~
2 **education, advancement, and potential.**

3 (2) As used in this section:

4 (a) "Phase I" means the first part of the tuition incentive
5 program defined as the academic period of 80 semester or 120 term
6 credits, or less, leading to an associate degree or certificate.
7 Students must be enrolled in a certificate or associate degree
8 program and taking classes within the program of study for a
9 certificate or associate degree. Tuition will not be covered for
10 courses outside of a certificate or associate degree program.

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

14 (c) "Department" means the department of ~~treasury-lifelong~~
15 **education, advancement, and potential.**

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

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

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

23 (i) Be less than 20 years of age at the time the individual
24 graduates from high school with a diploma or certificate of
25 completion or achieves a high school equivalency certificate or,
26 for students attending a 5-year middle college approved by the
27 Michigan department of education, be less than 21 years of age when
28 the individual graduates from high school.

29 (ii) Be a United States citizen and ~~a resident of this state~~

1 ~~according to institutional criteria.~~ **maintain residency in this**
2 **state, as determined for purposes of the Free Application for**
3 **Federal Student Aid.**

4 (iii) Be at least a half-time student, earning less than 80
5 semester or 120 term credits at a participating educational
6 institution within 4 years of high school graduation or achievement
7 of a high school equivalency certificate. All program eligibility
8 expires 10 years after initial enrollment at a participating
9 educational institution.

10 (iv) Meet the satisfactory academic progress policy of the
11 educational institution attended by the individual.

12 (b) To be eligible for phase II, an individual must meet
13 either of the following criteria in addition to the criteria in
14 subdivision (a):

15 (i) Complete at least 56 transferable semester or 84
16 transferable term credits.

17 (ii) Obtain an associate degree or certificate at a
18 participating institution.

19 (c) To be eligible for phase I or phase II, an individual must
20 be financially eligible as determined by the department. An
21 individual is financially eligible for the tuition incentive
22 program if the individual was eligible for Medicaid from this state
23 for 24 months within any 36 months prior to completion of high
24 school or achievement of a high school equivalency certificate. The
25 department shall accept certification of Medicaid eligibility only
26 from the department of health and human services for the purposes
27 of verifying if a person is Medicaid eligible for 24 months within
28 any 36 months prior to completion of high school or achievement of
29 a high school equivalency certificate. Certification of eligibility

1 may begin in the sixth grade.

2 (4) For phase I, the department shall provide payment on
3 behalf of a person eligible under subsection (3). The department
4 shall only accept standard per-credit hour tuition billings and
5 shall reject billings that are excessive or outside the guidelines
6 for the type of educational institution.

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

8 (a) Payments for associate degree or certificate programs must
9 not be made for more than 80 semester or 120 term credits for any
10 individual student at any participating institution. The department
11 shall not do either of the following:

12 (i) Adopt or apply any total semester-credit or term-credit
13 maximum that is less than the 80 semester-credit or 120 term-credit
14 maximum provided in this subdivision.

15 (ii) Adopt or apply any per-semester or per-term credit maximum
16 for a student whose semester-credit or term-credit load will not
17 result in exceeding the total 80 semester-credit or 120 term-credit
18 maximum provided in this subdivision.

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

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

27 (d) For persons enrolled at a Michigan independent, nonprofit
28 degree-granting college or university, a Michigan federal tribally
29 controlled community college, or Focus: HOPE, the department shall

1 pay mandatory fees for the current year and a per-credit payment
2 that does not exceed the average community college in-district per-
3 credit tuition rate as reported by the last business day of August
4 for the immediately preceding academic year.

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

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

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

13 (7) The department shall work closely with participating
14 institutions to provide the highest level of participation and
15 ensure that all requirements of the program are met.

16 (8) The department shall notify students of their financial
17 eligibility for the program any time after the student begins sixth
18 grade.

19 (9) Except as otherwise provided in sections 13(c) and 17 of
20 the Michigan reconnect grant recipient act, 2020 PA 68, MCL
21 390.1713 and 390.1717, each institution shall ensure that all known
22 available restricted grants for tuition and fees are used before
23 billing the tuition incentive program for any portion of a
24 student's tuition and fees.

25 (10) The department shall ensure that the tuition incentive
26 program is well publicized and that eligible Medicaid clients are
27 provided information on the program. The department shall provide
28 the necessary funding and staff to fully operate the program.

29 (11) The department shall collaborate with the center to use

1 the P-20 longitudinal data system to report the following
 2 information for each qualified postsecondary institution:

3 (a) The number of phase I students in the most recently
 4 completed academic year who in any academic year received a tuition
 5 incentive program award and who successfully completed a degree or
 6 certificate program. Cohort graduation rates for phase I students
 7 must be calculated using the established success rate methodology
 8 developed by the center in collaboration with the postsecondary
 9 institutions.

10 (b) The number of students in the most recently completed
 11 academic year who in any academic year received a Pell grant at the
 12 reporting institution and who successfully completed a degree or
 13 certificate program. Cohort graduation rates for students who
 14 received Pell grants must be calculated using the established
 15 success rate methodology developed by the center in collaboration
 16 with the postsecondary institutions.

17 (12) If a qualified postsecondary institution does not report
 18 the data necessary to complete the reporting in subsection (11) to
 19 the P-20 longitudinal data system by October 15 for the prior
 20 academic year, the department shall not award phase I tuition
 21 incentive program funding to otherwise eligible students enrolled
 22 in that institution until the data are submitted.

23 Sec. 258. By February 15 of each year, the department of
 24 ~~treasury~~ **lifelong education, advancement, and potential** shall post
 25 to its publicly available website a report for the preceding fiscal
 26 year on all student financial aid programs for which funds are
 27 appropriated in section 236. For each student financial aid
 28 program, the report ~~shall~~ **must** include, but is not limited to, the
 29 total number of awards paid in the preceding fiscal year, the total

1 dollar amount of those awards, and the number of students receiving
 2 awards and the total amount of those awards at each eligible
 3 postsecondary institution. To the extent information is available,
 4 the report ~~shall~~**must** also include information on household income
 5 and other demographic characteristics of students receiving awards
 6 under each program and historical information on the number of
 7 awards and total award amounts for each program.

8 Sec. 259. The department of ~~treasury~~**lifelong education,**
 9 **advancement, and potential** shall continue an aggressive campaign to
 10 inform high school students about the financial aid programs
 11 offered by this state and the eligibility requirements for
 12 participation in those financial aid programs, including free or
 13 reduced tuition programs provided by community colleges and
 14 universities in this state.

15 Sec. 260. (1) The department of ~~treasury~~**lifelong education,**
 16 **advancement, and potential** shall work with student and
 17 postsecondary education groups, including the Michigan College
 18 Access Network, the Michigan Association of School Counselors, the
 19 Michigan Association of State Universities, the Michigan Community
 20 College Association, and the Michigan Independent Colleges and
 21 Universities, to provide and update an online informational
 22 resource for students in grades 9 through 12 and prospective and
 23 current students and families. The online informational resource
 24 must be a website or a portion of an existing website titled
 25 "Paying for College in Michigan" and designed and maintained by the
 26 department of ~~treasury~~**lifelong education, advancement, and**
 27 **potential** that, to the extent practicable, contains information,
 28 including, but not limited to, all of the following:

29 (a) A list of public and private community support centers,

1 student debt clinics, and other organizations and their contact
2 information submitted by Michigan College Access Network that
3 provides free information and services for student loan borrowers
4 to help educate them about repayment options and to help them
5 access student loan programs or benefits for which they may be
6 eligible.

7 (b) Links to state and federal financial aid programs,
8 including FAFSA and College Scorecard.

9 (c) Links to each promise zone website and the financial aid
10 website to each community college, public university, and
11 independent college and university in this state.

12 (d) Benefits of federal student loans that may no longer be
13 available if a borrower refinances a loan.

14 (e) Direct links to net price calculators for each community
15 college receiving an appropriation in section 201 and each public
16 university receiving an appropriation in section 236.

17 (f) Definitions that clearly delineate the differences between
18 scholarships, grants, and loans.

19 (g) A description of net price calculators and how to use them
20 to create a personalized estimate of a student's out-of-pocket cost
21 for the coming year based on basic family and financial information
22 and likely financial aid eligibility.

23 (h) Information on the fundamentals of borrowing and
24 repayment, including, but not limited to, all of the following:

25 (i) A link to the federal Public Service Loan Forgiveness
26 Program or other state or federal loan forgiveness programs.

27 (ii) Deciding how much to borrow.

28 (iii) Creating a plan for borrowing and repayment.

29 (iv) Estimating how much borrowing is needed for a given school

1 year.

2 (v) Factors that affect total student loan costs.

3 (vi) Tips for graduating with less student loan debt.

4 (vii) A loan payment calculator or a link to a loan payment
5 calculator that can be used for different types of loans.

6 (viii) Links to federal student loan entrance and exit
7 counseling services and the FACT tool.

8 (ix) Student loan debt relief scams.

9 (i) Loan amortization information.

10 (2) A public university receiving an appropriation in section
11 236 shall place a prominent link to the website created under this
12 section on its website homepage.

13 (3) Independent colleges and universities in this state are
14 encouraged to place a link to the website created under this
15 section on their website homepages.

16 (4) By November 1 of each year, the department of ~~treasury~~
17 **lifelong education, advancement, and potential** shall inform each
18 high school in this state about the website described in this
19 section and encourage them to distribute the information to all
20 students in grades 9 through 12.

21 (5) The department shall audit the website not less than once
22 per year to ensure links continue to be accurate, active, and up-
23 to-date for students and families.

24 Sec. 263. (1) Included in the appropriation in section 236 for
25 fiscal year ~~2023-2024-2024-2025~~ for MSU AgBioResearch is
26 \$2,982,900.00 and included in the appropriation in section 236 for
27 MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN
28 is intended to address critical regulatory, food safety, economic,
29 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. 263b. Included in the appropriation in section 236 for
9 fiscal year ~~2023-2024~~ **2024-2025** for MSU AgBioResearch and MSU
10 Extension is funding for the SEEDSS Initiative. The SEEDSS
11 Initiative is intended to address environmental sustainability of
12 Michigan agriculture and enhance efforts to educate agricultural
13 workers on improving agricultural environmental sustainability.
14 "SEEDSS" is an acronym for Solving Emerging Environmental
15 Developments and Securing Sustainability.

16 Sec. 264. Included in the appropriation in section 236 for
17 fiscal year ~~2023-2024~~ **2024-2025** for Michigan State University is
18 \$80,000.00 for the Michigan Future Farmers of America Association.
19 This \$80,000.00 allocation must not supplant any existing support
20 that Michigan State University provides to the Michigan Future
21 Farmers of America Association.

22 Sec. 268. (1) For the fiscal year ending September 30, ~~2024,~~
23 **2025**, it is the intent of the legislature that funds be allocated
24 for unfunded North American Indian tuition waiver costs incurred by
25 public universities under 1976 PA 174, MCL 390.1251 to 390.1253,
26 from the general fund.

27 (2) By January 15 of each year, the department of ~~civil rights~~
28 **lifelong education, advancement, and potential** shall annually
29 submit to the state budget director, the house and senate

1 appropriations subcommittees on higher education, and the house and
2 senate fiscal agencies a report on North American Indian tuition
3 waivers for the preceding academic year that includes, but is not
4 limited to, all of the following information:

5 (a) The number of waiver applications received and the number
6 of waiver applications approved.

7 (b) For each public university submitting information under
8 subsection (3), all of the following:

9 (i) The number of graduate and undergraduate North American
10 Indian students enrolled each term for the previous academic year.

11 (ii) The number of North American Indian waivers granted each
12 term, including to continuing education students, and the monetary
13 value of the waivers for the previous academic year.

14 (iii) The number of North American Indian students who receive a
15 granted waiver for the previous academic year.

16 (iv) The number of graduate and undergraduate students
17 attending under a North American Indian tuition waiver who withdrew
18 from the public university each term during the previous academic
19 year. For purposes of this subparagraph, a withdrawal occurs when a
20 student who has been awarded the waiver withdraws from the
21 institution at any point during the term, regardless of enrollment
22 in subsequent terms.

23 (v) The number of graduate and undergraduate students
24 attending under a North American Indian tuition waiver who
25 successfully transfer to a 4-year public or private university, or
26 complete a degree or certificate program, separated by degree or
27 certificate level, and the graduation rate for graduate and
28 undergraduate students attending under a North American Indian
29 tuition waiver who complete a degree or certificate within 150% of

1 the normal time to complete, separated by the level of the degree
2 or certificate.

3 (3) By January 1 of each year, a public university that
4 receives an appropriation in section 236, or a tribal college
5 receiving pass-through funds under section 269 or 270c, shall
6 provide to the department of ~~civil rights~~ **lifelong education,**
7 **advancement, and potential** any information necessary for preparing
8 the report detailed in subsection (2), using guidelines and
9 procedures developed by the department of ~~civil rights~~. **lifelong**
10 **education, advancement, and potential.**

11 (4) The department of ~~civil rights~~ **lifelong education,**
12 **advancement, and potential** may consolidate the report required
13 under this section with the report required under section 223, but
14 a consolidated report must separately identify data for public
15 universities and data for community colleges.

16 Sec. 269. For fiscal year ~~2023-2024,~~ **2024-2025**, from the
17 amount appropriated in section 236 to Central Michigan University
18 for costs incurred under the North American Indian tuition waiver,
19 ~~\$63,200.00~~ **\$76,300.00** must be paid to Saginaw Chippewa Tribal
20 College for the costs of waiving tuition for North American Indians
21 under 1976 PA 174, MCL 390.1251 to 390.1253. It is the intent of
22 the legislature that Saginaw Chippewa Tribal College provide the
23 department of ~~civil rights~~ **lifelong education, advancement, and**
24 **potential** the necessary information for the college to be included
25 in the report required under section 268.

26 Sec. 270. For fiscal year **2024-2025**, from the amount
27 appropriated in section 236 to Lake Superior State University for
28 costs incurred under the North American Indian tuition waiver,
29 **\$498,800.00** must be paid to Bay Mills Community College for the

1 costs of waiving tuition for North American Indians under 1976 PA
 2 174, MCL 390.1251 to 390.1253. It is the intent of the legislature
 3 that Bay Mills Community College provide the department of lifelong
 4 education, advancement, and potential the necessary information for
 5 the college to be included in the report required under section
 6 268.

7 Sec. 270c. For fiscal year ~~2023-2024~~, **2024-2025**, from the
 8 amount appropriated in section 236 to Northern Michigan University
 9 for costs incurred under the North American Indian tuition waiver,
 10 ~~\$90,200.00~~ **\$155,200.00** is to be paid to Keweenaw Bay Ojibwa
 11 Community College for the costs of waiving tuition for North
 12 American Indians under 1976 PA 174, MCL 390.1251 to 390.1253. It is
 13 the intent of the legislature that Keweenaw Bay Ojibwa Community
 14 College provide the department of ~~civil rights~~ **lifelong education,**
 15 **advancement, and potential** the necessary information for the
 16 community college to be included in the report required under
 17 section 268.

18 Sec. 275b. (1) Each public university receiving an
 19 appropriation in section 236 shall ensure that the public
 20 university does all of the following in its admission application
 21 process if it knows that an applicant for admission is currently
 22 serving, or has ever served, as a member of the military, the
 23 National Guard, or the military reserves:

24 (a) Inform the applicant that ~~he or she~~ **the applicant** may
 25 receive academic credit for college-level training and education ~~he~~
 26 ~~or she~~ **the applicant** received while serving in the military.

27 (b) Inform the applicant that ~~he or she~~ **the applicant** may
 28 submit a transcript of ~~his or her~~ **the applicant's** college-level
 29 military training and education to the public university.

1 (c) If the applicant submits a transcript described in
2 subdivision (b), evaluate that transcript and notify the applicant
3 of what transfer credits are available to the applicant from the
4 public university for ~~his or her~~ **the applicant's** college-level
5 military training and education.

6 (d) Inform the applicant of college level equivalent credit
7 examination opportunities.

8 (2) As used in this section, "transcript" includes a joint
9 services transcript prepared for the applicant under the American
10 council on education registry of credit recommendations.

11 Sec. 276. (1) Included in the appropriation for fiscal year
12 ~~2023-2024~~ **2024-2025** for each public university in section 236 is
13 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
14 future faculty **fellowship** program that is intended to increase the
15 pool of academically or economically disadvantaged candidates
16 pursuing faculty or administration careers in postsecondary
17 education in this state. Preference may not be given to applicants
18 on the basis of race, color, ethnicity, gender, or national origin.
19 Institutions should encourage applications from applicants who
20 would otherwise not adequately be represented in the graduate
21 student, faculty, or administration populations. Each public
22 university shall apply the percentage change applicable to every
23 public university in the calculation of appropriations in section
24 236 to the amount of funds allocated to the future faculty
25 **fellowship** program.

26 (2) Each public university shall administer the program in a
27 manner prescribed by the department of labor and economic
28 opportunity. The department of labor and economic opportunity shall
29 use a good-faith effort standard to evaluate whether a fellowship

1 is in default. All of the following apply to the program:

2 (a) By June 15 of each year, public universities shall report
3 any anticipated unexpended or unencumbered program funds to the
4 department of labor and economic opportunity. Encumbered funds are
5 those funds that were committed by a fellowship agreement that is
6 signed during the current fiscal year or administrative expenses
7 that have been approved by the department of labor and economic
8 opportunity.

9 (b) Before September 1 of each year, unexpended or
10 unencumbered funds may be transferred, under the direction of the
11 department of labor and economic opportunity, to a future faculty
12 **fellowship** program at another public university to be awarded to an
13 eligible candidate at that public university.

14 (c) Program allocations not expended or encumbered by
15 September 30, ~~2025~~**2026** must be returned to the department of labor
16 and economic opportunity so that those funds may lapse to the state
17 general fund.

18 (d) Not more than 5% of each public university's allocation
19 for the program may be used for administration of the program.

20 (e) In addition to the appropriation for fiscal year ~~2023-~~
21 ~~2024,~~**2024-2025**, any revenue received during prior fiscal years by
22 the department of labor and economic opportunity from defaulted
23 fellowship agreements is appropriated for the purposes originally
24 intended.

25 Sec. 277. (1) Included in the appropriation for fiscal year
26 ~~2023-2024~~**2024-2025** for each public university in section 236 is
27 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
28 college day program that is intended to introduce academically or
29 economically disadvantaged schoolchildren to the potential of a

1 college education in this state. Preference may not be given to
 2 participants on the basis of race, color, ethnicity, gender, or
 3 national origin. Public universities should encourage participation
 4 from those who would otherwise not adequately be represented in the
 5 student population.

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

16 (3) Each public university shall administer the program
 17 described in this section in a manner prescribed by the department
 18 of labor and economic opportunity.

19 Sec. 278. (1) Included in the appropriation for fiscal year
 20 ~~2023-2024~~ **2024-2025** for each public university in section 236 is
 21 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
 22 select student support services program for developing academically
 23 or economically disadvantaged student retention programs for 4-year
 24 public and independent educational institutions in this state.
 25 Preference may not be given to participants on the basis of race,
 26 color, ethnicity, gender, or national origin. Institutions should
 27 encourage participation from those who would otherwise not
 28 adequately be represented in the student population.

29 (2) An award made under this program to any 1 institution must

1 not be greater than \$150,000.00, must have an award period of no
 2 more than 2 years, and must be matched on a 70% state, 30% college
 3 or university basis.

4 (3) The department of labor and economic opportunity shall
 5 administer the program described in this section.

6 Sec. 279. (1) Included in the appropriation for fiscal year
 7 ~~2023-2024~~**2024-2025** for each public university in section 236 is
 8 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
 9 college/university partnership program between 4-year public and
 10 independent colleges and universities and public community
 11 colleges, which is intended to increase the number of academically
 12 or economically disadvantaged students who transfer from community
 13 colleges into baccalaureate programs in this state. Preference may
 14 not be given to participants on the basis of race, color,
 15 ethnicity, gender, or national origin. Institutions should
 16 encourage participation from those who would otherwise not
 17 adequately be represented in the transfer student population.

18 (2) The grants must be made under the program described in
 19 this section to Michigan public and independent colleges and
 20 universities. An award to any 1 institution must not be greater
 21 than \$150,000.00, must have an award period of no more than 2
 22 years, and must be matched on a 70% state, 30% college or
 23 university basis.

24 (3) The department of labor and economic opportunity shall
 25 administer the program described in this section.

26 Sec. 280. (1) Included in the appropriation for fiscal year
 27 ~~2023-2024~~**2024-2025** for each public university in section 236 is
 28 funding for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
 29 visiting professors program, which is intended to increase the

1 number of instructors in the classroom to provide role models for
 2 academically or economically disadvantaged students. Preference may
 3 not be given to participants on the basis of race, color,
 4 ethnicity, gender, or national origin. Public universities should
 5 encourage participation from those who would otherwise not
 6 adequately be represented in the student population.

7 (2) The department of labor and economic opportunity shall
 8 administer the program described in this section.

9 (3) The amount allocated to each public university is
 10 ~~\$11,019.00~~ **\$11,383.00** and is subject to an award period of no more
 11 than 2 years. Each public university receiving funds for fiscal
 12 year ~~2023-2024~~ **2024-2025** under this section shall report to the
 13 department of labor and economic opportunity by April 15, ~~2024-2025~~
 14 the amount of its unobligated and unexpended funds as of March 31,
 15 ~~2024-2025~~ and a plan to expend the remaining funds by the end of
 16 the fiscal year. The amount of funding reported as not being
 17 expended may be transferred, under the direction of the department,
 18 to another public university for use under this section.

19 Sec. 281. (1) Included in the appropriation for fiscal year
 20 ~~2023-2024~~ **2024-2025** for each public university in section 236 is
 21 funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa
 22 Parks initiative for the Morris Hood, Jr. educator development
 23 program, which is intended to increase the number of academically
 24 or economically disadvantaged students who enroll in and complete
 25 K-12 teacher education programs at the baccalaureate level and
 26 teach in this state. Preference may not be given to participants on
 27 the basis of race, color, ethnicity, gender, or national origin.
 28 Institutions should encourage participation from those who would
 29 otherwise not adequately be represented in the teacher education

1 student population.

2 (2) The program described in this section must be administered
3 by each state-approved teacher education institution in a manner
4 prescribed by the department of labor and economic opportunity.

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

9 Sec. 282. (1) Each institution receiving funds for fiscal year
10 ~~2023-2024-2024-2025~~ under section 278, 279, or 281 shall provide to
11 the department of labor and economic opportunity by April 15, ~~2024~~
12 ~~2025~~ the unobligated and unexpended funds as of March 31, ~~2024-2025~~
13 and a plan to expend the remaining funds by the end of the fiscal
14 year. Notwithstanding the award limitations in sections 278 and
15 279, the amount of funding reported as not being expended will be
16 reallocated to the institutions that intend to expend all funding
17 received under section 278, 279, or 281.

18 (2) Funds received for the purpose of administering programs
19 under sections 278, 279, and 281 must not be used for direct
20 financial aid or indirect financial aid. However, a public
21 university may provide academic incentives to motivate
22 participating students as approved by the department. As used in
23 this subsection:

24 (a) "Direct financial aid" includes, but is not limited to,
25 scholarships, payment of tuition, stipends, and work-studies.

26 (b) "Indirect financial aid" includes, but is not limited to,
27 transportation, textbook allowances, child care support, and
28 assistance with medical premiums or expenses.

29 Enacting section. 1. In accordance with section 30 of article

1 IX of the state constitution of 1963, total state spending from
2 state sources for higher education for fiscal year 2024-2025 under
3 article III of the state school aid act of 1979, 1979 PA 94, MCL
4 388.1836 to 388.1891, as amended by this amendatory act, is
5 estimated at \$2,276,153,400.00 and the amount of that state
6 spending from state sources to be paid to local units of government
7 for fiscal year 2024-2025 is estimated at \$0.00.

8 Enacting section 2. Sections 236h, 236k, 236n, 236o, and 241d
9 of the state school aid act of 1979, 1979 PA 94, MCL 388.1836h,
10 388.1836k, 388.1836n, 388.1836o, and 388.1841d, are repealed
11 effective October 1, 2024.

12 Enacting section 3. This amendatory act takes effect October
13 1, 2024.