HOUSE SUBSTITUTE FOR SENATE BILL NO. 1067

A bill to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 2004 and for the fiscal year ending September 30, 2005; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, employees, and officers.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 PART 1
- 2 LINE-ITEM APPROPRIATIONS FOR FISCAL YEAR 2004-2005
- 3 Sec. 101. Subject to the conditions set forth in this act, the
- 4 amounts listed in this part are appropriated for higher education for
- 5 the fiscal year ending September 30, 2005, from the funds indicated in
- 6 this part. The following is a summary of the appropriations in this
- 7 part:
- 8 HIGHER EDUCATION

1	APPROPRIATION SUMMARY:	
2	Full-time equated classified positions1.0	
3	GROSS APPROPRIATION\$	1,685,749,300
4	Interdepartmental grant revenues:	
5	Total interdepartmental grants and intradepartmental	
6	transfers	0
7	ADJUSTED GROSS APPROPRIATION\$	1,685,749,300
8	Federal revenues:	
9	Total federal revenues	4,500,000
10	Special revenue funds:	
11	Total local revenues	0
12	Total private revenues	0
13	Total other state restricted revenues	77,915,200
14	State general fund/general purpose\$	1,603,334,100
15	Sec. 102. CENTRAL MICHIGAN UNIVERSITY	
16	Operations\$	75,018,400
17	Tuition restraint incentive	4,892,500
18	GROSS APPROPRIATION\$	79,910,900
19	Appropriated from:	
20	Special revenue funds:	
21	Michigan merit award trust fund	538,540
22	State general fund/general purpose\$	79,372,360
23	Sec. 103. EASTERN MICHIGAN UNIVERSITY	
24	Operations\$	72,563,300
25	Tuition restraint incentive	4,732,300
26	GROSS APPROPRIATION\$	77,295,600
27	Appropriated from:	

1	State general fund/general purpose	\$ 77,295,600
2	Sec. 104. FERRIS STATE UNIVERSITY	
3	Operations	\$ 45,970,700
4	Tuition restraint incentive	2,997,900
5	GROSS APPROPRIATION	\$ 48,968,600
6	Appropriated from:	
7	State general fund/general purpose	\$ 48,968,600
8	Sec. 105. GRAND VALLEY STATE UNIVERSITY	
9	Operations	\$ 54,359,000
10	Tuition restraint incentive	3,545,100
11	GROSS APPROPRIATION	\$ 57,904,100
12	Appropriated from:	
13	Special revenue funds:	
14	Michigan merit award trust fund	5,000,100
15	State general fund/general purpose	\$ 52,904,000
16	Sec. 106. LAKE SUPERIOR STATE UNIVERSITY	
17	Operations	\$ 11,916,400
18	Tuition restraint incentive	770,500
19	GROSS APPROPRIATION	\$ 12,686,900
20	Appropriated from:	
21	State general fund/general purpose	\$ 12,686,900
22	Sec. 107. MICHIGAN STATE UNIVERSITY	
23	Operations	\$ 269,912,900
24	Tuition restraint incentive	17,602,900
25	Agricultural experiment station	33,163,800
26	Cooperative extension service	28,604,300
27	GROSS APPROPRIATION	\$ 349,283,900

1	Appropriated from:	
2	State general fund/general purpose\$	349,283,900
3	Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY	
4	Operations \$	45,739,900
5	Tuition restraint incentive	2,982,900
6	GROSS APPROPRIATION\$	48,722,800
7	Appropriated from:	
8	State general fund/general purpose \$	48,722,800
9	Sec. 109. NORTHERN MICHIGAN UNIVERSITY	
10	Operations \$	42,966,600
11	Tuition restraint incentive	2,808,500
12	GROSS APPROPRIATION\$	45,775,100
13	Appropriated from:	
14	State general fund/general purpose \$	45,775,100
15	Sec. 110. OAKLAND UNIVERSITY	
16	Operations\$	45,161,000
17	Tuition restraint incentive	2,945,100
18	GROSS APPROPRIATION\$	48,106,100
19	Appropriated from:	
20	Special revenue funds:	
21	Michigan merit award trust fund	1,941,868
22	State general fund/general purpose \$	46,164,232
23	Sec. 111. SAGINAW VALLEY STATE UNIVERSITY	
24	Operations\$	24,539,900
25	Tuition restraint incentive	1,600,300
26	GROSS APPROPRIATION\$	26,140,200
27	Appropriated from:	

1	Special revenue funds:	
2	Michigan merit award trust fund	2,019,892
3	State general fund/general purpose	\$ 24,120,308
4	Sec. 112. UNIVERSITY OF MICHIGAN - ANN ARBOR	
5	Operations	\$ 301,029,500
6	Tuition restraint incentive	19,632,300
7	GROSS APPROPRIATION	\$ 320,661,800
8	Appropriated from:	
9	State general fund/general purpose	\$ 320,661,800
10	Sec. 113. UNIVERSITY OF MICHIGAN - DEARBORN	
11	Operations	\$ 23,178,300
12	Tuition restraint incentive	1,511,500
13	GROSS APPROPRIATION	\$ 24,689,800
14	Appropriated from:	
15	State general fund/general purpose	\$ 24,689,800
16	Sec. 114. UNIVERSITY OF MICHIGAN - FLINT	
17	Operations	\$ 19,928,300
18	Tuition restraint incentive	1,299,500
19	GROSS APPROPRIATION	\$ 21,227,800
20	Appropriated from:	
21	State general fund/general purpose	\$ 21,227,800
22	Sec. 115. WAYNE STATE UNIVERSITY	
23	Operations	\$ 210,017,400
24	Tuition restraint incentive	13,696,700
25	GROSS APPROPRIATION	\$ 223,714,100
26	Appropriated from:	
27	State general fund/general purpose	\$ 223,714,100

1	Sec. 116. WESTERN MICHIGAN UNIVERSITY	
2	Operations\$	104,060,400
3	Tuition restraint incentive	6,786,500
4	GROSS APPROPRIATION\$	110,846,900
5	Appropriated from:	
6	State general fund/general purpose\$	110,846,900
7	Sec. 117. STATE AND REGIONAL PROGRAMS	
8	Full-time equated positions1.0	
9	Higher education database modernization and	
10	conversion1.0 FTE positions\$	199,900
11	Midwestern higher education compact	165,000
12	GROSS APPROPRIATION\$	364,900
13	Appropriated from:	
14	Special revenue funds:	
15	Michigan merit award trust fund	165,000
16	State general fund/general purpose\$	199,900
17	Sec. 118. MARTIN LUTHER KING, JR CESAR CHAVEZ	
18	- ROSA PARKS PROGRAM	
19	Select student supportive services\$	1,956,000
20	Michigan college/university partnership program	586,700
21	Morris Hood, Jr. educator development program	148,500
22	GROSS APPROPRIATION\$	2,691,200
23	Appropriated from:	
24	State general fund/general purpose\$	2,691,200
25	Sec. 119. GRANTS AND FINANCIAL AID	
26	State competitive scholarships\$	35,630,400
27	Tuition grants	64,768,000

1	Michigan work-study program	7,326,200
2	Part-time independent student program	2,653,200
3	Dental clinics grant	4,546,900
4	Michigan education opportunity grants	2,084,100
5	Robert C. Byrd honors scholarship program	1,500,000
6	Nursing scholarship program	3,999,900
7	Michigan merit award program	53,000,000
8	Tuition incentive program	10,249,900
9	Veterans survivor tuition waiver	1,000,000
10	GROSS APPROPRIATION\$	186,758,600
11	Appropriated from:	
12	Federal revenues:	
13	Higher education act of 1965, title IV, 20 USC	3,000,000
14	Higher education act of 1965, title IV, part A	1,500,000
15	Special revenue funds:	
16	Michigan merit award trust fund	68,249,800
17	State general fund/general purpose \$	114,008,800

18 PART 2

19 PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2004-2005

20 GENERAL SECTIONS

- 21 Sec. 201. Pursuant to section 30 of article IX of the state
- 22 constitution of 1963, total state spending from state resources under
- 23 part 1 for fiscal year 2004-2005 is \$1,681,249,300.00 and state
- 24 spending from state resources to be paid to local units of government
- 25 for fiscal year 2004-2005 is \$3,759,100.00. The itemized statement

- 1 below identifies the estimated appropriations from which spending to
- 2 units of local government will occur:
- 3 Part-time independent student program.....\$ 1,255,700

- **6** TOTAL....\$ 3,759,100
- 7 Sec. 202. The appropriations authorized under this act are
- 8 subject to the management and budget act, 1984 PA 431, MCL 18.1101 to
- 9 18.1594.
- 10 Sec. 208. Unless otherwise specified, the institutions of higher
- 11 education receiving appropriations in part 1 shall use the Internet to
- 12 fulfill the reporting requirements of this act. This requirement may
- 13 include transmission of reports via electronic mail to the recipients
- 14 identified for each reporting requirement, or it may include placement
- 15 of reports on an Internet or Intranet site.
- 16 Sec. 209. Funds appropriated in part 1 shall not be used for the
- 17 purchase of foreign goods or services, or both, if competitively
- 18 priced and of comparable quality American goods and services, or both,
- 19 are available. Preference should be given to goods or services, or
- 20 both, manufactured or provided by Michigan businesses if they are
- 21 competitively priced and of comparable value.
- 22 Sec. 212. (1) The funds appropriated in part 1 to state
- 23 institutions of higher education shall be paid out of the state
- 24 treasury and distributed by the state treasurer to the respective
- 25 institutions in 11 equal monthly installments on the sixteenth of each
- 26 month, or the next succeeding business day, beginning with October 16,
- 27 2004. Except for Wayne State University, each institution shall

- 1 accrue its July and August 2005 payments to its institutional fiscal
- 2 year ending June 30, 2005.
- 3 (2) All universities shall submit higher education institutional
- 4 data inventory (HEIDI) data and associated financial and program
- 5 information requested by and in a manner prescribed by the state
- 6 budget director. For universities with fiscal years ending June 30,
- 7 2004, these data shall be submitted to the state budget director by
- 8 October 15, 2004. Universities with a fiscal year ending September
- 9 30, 2004 shall submit preliminary HEIDI data by November 15, 2004 and
- 10 final data by December 15, 2004. If a university fails to submit
- 11 HEIDI data and associated financial aid program information in
- 12 accordance with this reporting schedule, the state treasurer shall
- 13 withhold the monthly installments under subsection (1) to the
- 14 university until those data are submitted.
- 15 (3) A detailed description of procedures utilized to arrive at the
- 16 amounts appropriated in part 1 shall be submitted to each institution
- 17 by the senate and house fiscal agencies.
- 18 Sec. 212a. In addition to all current HEIDI data submission
- 19 requirements, all universities shall report, as part of the data
- 20 submission required by section 212(2), their resident and nonresident
- 21 headcounts and fiscal-year-equated student information. This data
- 22 shall be submitted subject to the deadlines and penalties established
- 23 in section 212(2). As used in this section only, "resident student"
- 24 means a student who has resided continuously in this state for the
- 25 immediately preceding 12 months and is not considered a resident of
- 26 any other state.
- 27 Sec. 213. Funds received by the state from the federal

- 1 government or private sources for the use of a college or university
- 2 are appropriated for the purposes for which they are provided. The
- 3 acceptance and use of federal or private funds do not place an
- 4 obligation upon the legislature to continue the purposes for which the
- 5 funds are made available.
- 6 Sec. 214. If section 274 of the income tax act of 1967, 1967
- 7 PA 281, MCL 206.274, is not repealed and if a state institution of
- 8 higher education that receives funds under this act notifies the
- 9 department of treasury regarding its tuition and fee rates in order to
- 10 qualify as an eligible institution for the Michigan tuition tax credit
- 11 under section 274 of the income tax act of 1967, 1967 PA 281,
- 12 MCL 206.274, the institution shall also submit the notification and
- 13 applicable documentation of tuition and fee changes to the house and
- 14 senate fiscal agencies.
- 15 Sec. 215. A state institution of higher education that receives
- 16 funds under this act shall furnish all program and financial
- 17 information that is required by and in a manner prescribed by the
- 18 state budget director or the house or senate appropriations
- 19 committee.

20 GRANTS AND FINANCIAL AID

- 21 Sec. 301. (1) Payments of the amounts included in part 1 for the
- 22 state competitive scholarship program shall be distributed pursuant to
- 23 1964 PA 208, MCL 390.971 to 390.981.
- 24 (2) The Michigan higher education assistance authority shall
- 25 implement a proportional competitive scholarship maximum award level
- 26 for recipients enrolled less than full-time in a given semester or

- 1 term.
- 2 (3) If a student who receives an award under this section has his
- 3 or her tuition and fees paid under the Michigan educational trust
- 4 program, pursuant to the Michigan education trust act, 1986 PA 316,
- 5 MCL 390.1421 to 390.1444, and still has financial need, the funds
- 6 awarded under this section may be used for educational expenses other
- 7 than tuition and fees.
- **8** (4) If the Michigan higher education assistance authority
- 9 increases the maximum award per eligible student from that provided in
- 10 the previous fiscal year, it shall not have the effect of reducing the
- 11 number of eligible students receiving awards in relation to the total
- 12 number of eligible applicants. Any increase in the maximum grant
- 13 shall be proportional for all eligible students receiving awards.
- 14 Sec. 302. (1) The amounts appropriated in part 1 for the state
- 15 tuition grant program shall be distributed pursuant to 1966 PA 313,
- **16** MCL 390.991 to 390.997a.
- 17 (2) Tuition grant awards shall be made to all eligible Michigan
- 18 residents who apply before July 15, 2004 and who are qualified.
- 19 Tuition grant awards shall not be made to students newly enrolled in a
- 20 juris doctor law degree program after the 1995-96 academic year.
- 21 (3) The Michigan higher education assistance authority shall
- 22 determine an actual maximum tuition grant award per student that
- 23 ensures that the aggregate payments for the tuition grant program do
- 24 not exceed the appropriation contained in part 1 for the state tuition
- 25 grant program. By December 15, 2004, and again by February 1, 2005,
- 26 the authority shall analyze the status of award commitments, shall
- 27 make any necessary adjustments, and shall confirm that those award

- 1 commitments will not exceed the appropriation contained in part 1 for
- 2 the tuition grant program. The determination and actions shall be
- 3 reported to the state budget director and the house and senate fiscal
- 4 agencies no later than February 15, 2005. If award adjustments are
- 5 necessary, the students shall be notified of the adjustment by the
- 6 third Monday in February.
- 7 (4) Any unexpended and unencumbered funds remaining on
- 8 September 30, 2005 from the amounts appropriated in part 1 for the
- 9 tuition grant program shall not lapse on September 30, 2005, but shall
- 10 continue to be available for expenditure for tuition grants provided
- 11 in the 2005-2006 fiscal year. The use of these unexpended fiscal year
- 12 2004-2005 funds shall terminate at the end of the 2005-2006 fiscal
- **13** year.
- 14 (5) The Michigan higher education assistance authority shall
- 15 continue a proportional tuition grant maximum award level for
- 16 recipients enrolled less than full-time in a given semester or term.
- 17 (6) If the Michigan higher education assistance authority
- 18 increases the maximum award per eligible student from that provided in
- 19 the previous fiscal year, it shall not have the effect of reducing the
- 20 number of eligible students receiving awards in relation to the total
- 21 number of eligible applicants. Any increase in the maximum grant
- 22 shall be proportional for all eligible students receiving awards for
- 23 fiscal year 2004-2005.
- 24 (7) All Ferris State University students enrolled at Kendall
- 25 College of Art and Design prior to January 1, 2001 who were qualified
- 26 for the state tuition grant shall continue to receive the dollar
- 27 amount of the state tuition grant for which they were eligible until

- 1 they graduate or are no longer enrolled in the Kendall College of Art
- 2 and Design at Ferris State University.
- 3 Sec. 303. (1) Included in the appropriation in part 1 is funding
- 4 for the Michigan work-study program established under 1986 PA 288,
- 5 MCL 390.1371 to 390.1382, and 1986 PA 303, MCL 390.1321 to 390.1332.
- 6 An effort should be made by each institution participating in the
- 7 Michigan work-study program to assure that not less than 10% of those
- 8 undergraduate, graduate, and professional students eligible to
- 9 participate in the program are placed with for-profit employers no
- 10 later than December 31 of each year for which funding is provided
- 11 under this act.
- 12 (2) The Michigan higher education assistance authority shall
- 13 allocate funds to institutions eligible for work-study money based
- 14 upon each institution's specific Pell grant index and each
- 15 institution's utilization rate of work-study funds for the 3 most
- 16 recent years for which statistics are available.
- 17 (3) The Michigan higher education assistance authority shall set
- 18 aside not more than 5% of the total work-study appropriation to
- 19 process requests from participating institutions for allocation
- 20 adjustments. Allocation adjustments shall be based on criteria set by
- 21 the authority prior to making the allocations under subsection (2).
- 22 Sec. 307. The auditor general may audit selected enrollments,
- 23 degrees, and awards at selected independent colleges and universities
- 24 receiving awards administered by the department of treasury. The
- 25 audits shall be based upon definitions and requirements established by
- 26 the Michigan higher education assistance authority, the state budget
- 27 director, and the senate and house fiscal agencies. The auditor

- 1 general shall accept the Free Application for Federal Student Aid
- 2 (FAFSA) form as the standard of residency documentation. The auditor
- 3 general shall submit a report of findings to the senate and house
- 4 appropriations committees and state budget director by May 1, 2005.
- 5 Sec. 308. The sums appropriated in part 1 for the student
- 6 financial aid programs shall be paid out of the state treasury and
- 7 shall be distributed to the respective institutions under a quarterly
- 8 payment system as follows:
- 9 (a) For the state competitive scholarship, nursing scholarship,
- 10 tuition incentive, and tuition grant programs, 40% shall be paid at
- 11 the beginning of the state's first fiscal quarter, 40% at the
- 12 beginning of the state's second fiscal quarter, 10% at the beginning
- 13 of the state's third fiscal quarter, and 10% at the beginning of the
- 14 state's fourth fiscal quarter.
- 15 (b) For the work-study program, payments shall be made in 11
- 16 monthly installments from October 1 to August 31 of any year.
- 17 (c) For the part-time independent student program and the Michigan
- 18 education opportunity grant program, 50% shall be paid at the
- 19 beginning of the state's first fiscal quarter, 25% at the beginning of
- 20 the state's second fiscal quarter, and 25% at the beginning of the
- 21 state's third fiscal quarter.
- (d) For the Robert C. Byrd honors scholarship program, 50% shall
- 23 be paid at the beginning of the state's first fiscal quarter and 50%
- 24 at the beginning of the state's second fiscal quarter.
- 25 (e) For the dental clinics grant program, 25% shall be paid at the
- 26 beginning of the state's first fiscal quarter, 25% at the beginning of
- 27 the state's second fiscal quarter, 25% at the beginning of the state's

- 1 third fiscal quarter, and 25% at the beginning of the state's fourth
- 2 fiscal quarter.
- 3 Sec. 309. The Michigan higher education assistance authority
- 4 shall determine the needs analysis criteria for students to qualify
- 5 for the competitive scholarship program and tuition grant program. To
- 6 be consistent with federal requirements, student wages may be taken
- 7 into consideration when determining the amount of the award.
- 8 Sec. 310. (1) The funds appropriated in part 1 for the tuition
- 9 incentive program/high school completion program shall be distributed
- 10 as provided in this section and pursuant to the administrative
- 11 procedures for the tuition incentive program/high school completion
- 12 program of the department of treasury.
- 13 (2) As used in this section:
- 14 (a) "Phase I" means the first part of the tuition incentive
- 15 assistance program defined as the academic period of 80 semester or
- 16 120 term credits, or less, leading to an associate degree or
- 17 certificate.
- 18 (b) "Phase II" means the second part of the tuition incentive
- 19 assistance program which provides assistance in the third and fourth
- 20 year of 4-year degree programs.
- (c) "Department" means the department of treasury.
- 22 (3) A person shall meet the following basic criteria and financial
- 23 thresholds to be eligible for tuition incentive benefits:
- (a) To be eligible for phase I, a person shall meet all of the
- 25 following criteria:
- 26 (i) Apply for certification to the department before graduating
- 27 from high school or completing the general education development (GED)

- 1 certificate.
- $\mathbf{2}$ (ii) Be less than 20 years of age at the time of high school
- 3 graduation or GED completion.
- 4 (iii) Be a United States citizen and a resident of Michigan
- 5 according to institutional criteria.
- (iv) Be at least a half-time student, earning less than 80
- 7 semester or 120 term credits at a participating educational
- 8 institution within 4 years of high school graduation or GED
- 9 certificate completion.
- 10 (b) To be eligible for phase II, a person shall meet either of the
- 11 following criteria in addition to the criteria in subdivision (a):
- 12 (i) Complete at least 56 transferable semester or 84 transferable
- 13 term credits.
- 14 (ii) Obtain an associate degree or certificate at a participating
- 15 institution.
- 16 (c) To be eligible for phase I or phase II, a person must be
- 17 financially eligible as determined by the department. A person is
- 18 financially eligible for the tuition incentive program if that person
- 19 was Medicaid eligible for 24 months within the 36 months before
- 20 application. Certification of eligibility may begin in the sixth
- 21 grade.
- 22 (d) To be eligible for phase I or phase II, a person must maintain
- 23 a cumulative grade point average of at least 2.00 in undergraduate
- 24 classes he or she completed at any eligible institution in any
- 25 previous years. A person whose cumulative grade point average drops
- 26 below 2.00 may become re-eliqible for funding under this section if
- 27 his or her cumulative grade point average is subsequently restored to

- 1 2.00 or higher as a result of the completion of additional
- 2 undergraduate classes at an eligible institution. This subdivision
- 3 does not apply until the 2005-2006 academic year for a person
- 4 initially receiving aid under this section in an academic year prior
- 5 to the 2004-2005 academic year.
- **6** (4) For phase I, the department shall provide payment on behalf of
- 7 a person eligible under subsection (3). The department shall reject
- 8 billings that are excessive or outside the guidelines for the type of
- 9 educational institution.
- 10 (5) For phase I, all of the following apply:
- 11 (a) Payments for associate degree or certificate programs shall
- 12 not be made for more than 80 semester or 120 term credits for any
- 13 individual student at any participating institution.
- 14 (b) For persons enrolled at a Michigan community college, the
- 15 department shall pay the current in-district tuition and mandatory
- 16 fees. For persons residing in an area that is not included in any
- 17 community college district, the out-of-district tuition rate may be
- 18 authorized.
- 19 (c) For persons enrolled at a Michigan public university, the
- 20 department shall pay lower division resident tuition and mandatory
- 21 fees for the current year.
- 22 (d) For persons enrolled at a Michigan independent, nonprofit
- 23 degree granting college or university, or a Michigan federal tribally
- 24 controlled community college, or Focus: HOPE, the department shall
- 25 pay mandatory fees for the current year and a per-credit payment that
- 26 does not exceed the average community college in-district per-credit
- 27 tuition rate as reported on August 1, for the immediately preceding

- 1 academic year.
- 2 (6) A person participating in phase II may be eligible for
- 3 additional funds not to exceed \$500.00 per semester or \$400.00 per
- 4 term up to a maximum of \$2,000.00 subject to the following
- 5 conditions:
- 6 (a) Credits are earned in a 4-year program at a Michigan degree
- 7 granting 4-year college or university.
- 8 (b) The tuition reimbursement is for coursework completed within
- 9 30 months of completion of the phase I requirements.
- 10 (7) The department shall work closely with participating
- 11 institutions to develop an application and eligibility determination
- 12 process that will provide the highest level of participation and
- 13 ensure that all requirements of the program are met.
- 14 (8) Applications for the tuition incentive program may be approved
- 15 at any time after the student begins the sixth grade. If a
- 16 determination of financial eligibility is made, that determination is
- 17 valid as long as the student meets all other program requirements and
- 18 conditions.
- 19 (9) Each institution shall ensure that all known available
- 20 restricted grants for tuition and fees are used prior to billing the
- 21 tuition incentive program for any portion of a student's tuition and
- **22** fees.
- 23 (10) The department shall ensure that the tuition incentive
- 24 program is well publicized and that potentially eligible Medicaid
- 25 clients are provided information on the program. The department shall
- 26 provide the necessary funding and staff to fully operate the program.
- 27 (11) Any unexpended and unencumbered funds remaining on September

- 1 30, 2005 from the amounts appropriated in part 1 for the tuition
- 2 incentive program shall not lapse on September 30, 2005, but shall
- 3 continue to be available for expenditure for the tuition incentive
- 4 program in the fiscal year ending September 30, 2006.
- 5 Sec. 311. To enable the legislature and the state budget
- 6 director to evaluate the appropriation needs of higher education, each
- 7 independent college and university shall make available to the
- 8 legislature or state budget director, upon request, data regarding
- 9 grants for the preceding, current, and ensuing fiscal years.
- 10 Sec. 312. From the funds appropriated in part 1, the Michigan
- 11 higher education assistance authority shall administer the nursing
- 12 scholarship program pursuant to 2002 PA 591, MCL 390.1181 to
- **13** 390.1189.
- 14 Sec. 315. Included in part 1 is funding for the dental clinics
- 15 grant. This appropriation is for the University of Detroit Mercy to
- 16 support dental clinical services provided by its school of dentistry
- 17 to low-income residents in southeastern Michigan.

18 STATE UNIVERSITIES

- 19 Sec. 401. (1) Included in part 1 is [\$5,605,892.00] to Wayne State
- 20 University for the Joseph F. Young, Sr. psychiatric research and
- 21 training program. Wayne State University shall use these funds for
- 22 psychiatric laboratory and clinical research, training, and treatment
- 23 services. Within the available appropriation, services shall not be
- 24 denied to any patient who meets established research guidelines for
- 25 treatment on the basis of personal financial circumstances, age,
- 26 geographic residence, or projected/actual length of treatment as

- 1 medically warranted.
- 2 (2) Wayne State University shall report the following information
- 3 to the department of community health by November 1, 2005:
- 4 (a) The number and type of psychiatric research projects funded by
- 5 the appropriation described in subsection (1).
- 6 (b) The number and type of students trained and the location of
- 7 training funded by the appropriation.
- 8 (c) Demographic data regarding the number and profile of patients
- 9 to receive psychiatric services funded by the appropriation and a
- 10 profile of the services provided.
- 11 (d) A summary budget outlining major expenditure categories and
- 12 any first- and third-party reimbursements.
- 13 (3) Copies of these reports shall also be provided to the house
- 14 and senate fiscal agencies and the state budget director.
- 15 Sec. 402. The University of Michigan biological station at
- 16 Douglas Lake in Cheboygan County is regarded as a unique resource and
- 17 is designated as a special research reserve. It is the intent of the
- 18 legislature to protect and preserve the unique long-term research
- 19 value and capabilities of the biological station area and Douglas
- 20 Lake. The legislature further intends that no state programs or
- 21 policies be developed that would have a deleterious impact on the
- 22 research value of Douglas Lake.
- 23 Sec. 405. (1) There is created the higher education
- 24 institutional data inventory advisory committee. The committee shall
- 25 be appointed by the state budget director and shall consist of the
- 26 following members:
- (a) One representative from the house fiscal agency.

- 1 (b) One representative from the senate fiscal agency.
- 2 (c) One representative from the state budget director's office.
- 3 (d) Three representatives of the presidents council of state
- 4 universities. The presidents council shall appoint 1 representative
- 5 each from a masters, a doctoral, and a research university.
- 6 (2) The committee shall be responsible for maintaining and
- 7 enhancing the state higher education database for which funding is
- 8 included in part 1.
- 9 Sec. 421. (1) Central Michigan University shall report by
- 10 September 30, 2005 to the state budget director, house and senate
- 11 appropriations committees, and the house and senate fiscal agencies
- 12 information on the activities and effectiveness of the national
- 13 charter schools institute for which an appropriation is provided in
- 14 part 1. Included in the report shall be an accounting of all revenues
- 15 and expenditures of the institute, the names of the public school
- 16 academies served, and the type of assistance provided to each public
- 17 school academy.
- 18 (2) All funds received under part 1 for the national charter
- 19 schools institute are intended to be expended on activities of that
- 20 institute.
- 21 Sec. 426. It is the legislative intent that private bookstores
- 22 that sell textbooks to university students and student governments
- 23 that provide a book swap for university students have accurate and
- 24 timely access to lists of universities' required textbooks in order to
- 25 provide prompt and efficient service for students. It is further the
- 26 legislative intent that each state university allow students who are
- 27 on financial aid or are receiving tuition grants to decide where to

- 1 purchase their textbooks. [It is the legislative intent that the presidents council, state universities of Michigan, shall review and report to the house and senate appropriations subcommittees on higher education on the prices of textbooks required at Michigan's public universities.]
- 2 Sec. 433. (1) Included in part 1 is \$2,953,400.00 for the
- 3 agricultural experiment station and \$2,619,000.00 for the cooperative
- 4 extension service for project GREEEN. Project GREEEN is intended to
- 5 address critical regulatory, food safety, economic, and environmental
- 6 problems faced by this state's plant-based agriculture, forestry, and
- 7 processing industries. "GREEEN" is an acronym for generating research
- 8 and extension to meet environmental and economic needs.
- 9 (2) The department of agriculture and Michigan State University,
- 10 in consultation with agricultural commodity groups and other
- 11 interested parties, shall develop project GREEEN and its program
- 12 priorities.
- 13 (3) Not later than September 30, 2005, a report shall be submitted
- 14 by Michigan State University to the state budget director, the house
- 15 and senate appropriations subcommittees on agriculture and on higher
- 16 education, and the house and senate fiscal agencies for the preceding
- 17 fiscal year regarding project GREEEN projects. The report shall
- 18 include, but is not limited to, the dollar amount of each project and
- 19 a review of each project's performance and accomplishments.
- 20 Sec. 436. (1) The amounts appropriated in part 1 for state
- 21 university tuition restraint incentives shall only be paid to a state
- 22 university certifying to the state budget director by June 30, 2004,
- 23 that it did not adopt an increase in tuition and fee rates for
- 24 resident undergraduate students after December 1, 2003, for the
- 25 2003-2004 academic year and that it will not adopt tuition and fee
- 26 rate increases for resident undergraduate students for the 2004-2005
- 27 academic year that exceed 3.0% or \$250.00.

- 1 (2) For the purposes of subsection 1, a state university that
- 2 adopted an increase in tuition and fee rates for resident
- 3 undergraduate students after December 1, 2003, for the 2003-2004
- 4 academic year, but subsequently rebated to its resident undergraduate
- 5 students an amount equal to this increase prior to June 30, 2004,
- 6 shall be considered to have not adopted a tuition and fee increase for
- 7 the 2003-2004 academic year.
- 8 (3) For purposes of subsection (1), a state university that
- 9 adopted an increase in tuition and fee rates for resident
- 10 undergraduate students after December 1, 2003, for the 2003-2004
- 11 academic year, but had previously adopted a decrease from the prior
- 12 academic year in tuition and fee rates for resident undergraduate
- 13 students for the 2000-2001 academic year or a subsequent academic year
- 14 shall be considered to have not adopted a tuition and fee increase for
- 15 the 2003-2004 academic year.
- 16 (4) The state budget director shall implement a reporting
- 17 requirement based on definitions and uniform reporting requirements
- 18 established by the state budget director and the house and senate
- 19 fiscal agencies, to ensure that a state university receiving an
- 20 appropriation under sections 102 through 116 has satisfied the tuition
- 21 restraint requirements of this section.
- 22 (5) If a state university complies with the tuition restraint
- 23 requirements described in this section, its state appropriation will
- 24 not be reduced by executive order or any other manner during the
- 25 2004-2005 fiscal year.
- 26 (6) As used in this section, "tuition and fee rate" means the
- 27 average of lower division and upper division rates, based on the

- 1 highest rate authorized for any semester during the academic year on
- 2 an annualized basis, disregarding any amounts credited or returned to
- 3 resident undergraduate students on a uniform basis.
- **4** (7) From the amounts appropriated in part 1 for state university
- 5 tuition restraint incentives, any amount appropriated for a university
- 6 that does not comply with the tuition restraint requirements described
- 7 in this section is reappropriated for distribution to all state
- 8 universities that comply with the requirements of this section on an
- 9 equal per-state university basis.
 - [(8) As used in this section, "fee" means any fee that will be paid by more than half of all resident undergraduate students at least once during their enrollment at a state university.]
- 10 Sec. 437. It is the intent of the legislature that funds in a
- 11 Michigan public school employee retirement system (MPSERS)
- 12 stabilization subaccount be used for fiscal year 2004-2005 to provide
- 13 at least a \$4,900,000.00 subsidy of the payroll contribution rate for
- 14 the 7 state universities that have employees in the MPSERS system.
- 15 Sec. 440. All universities shall submit the amount of tuition
- 16 and fees to be charged a full-time resident undergraduate student for
- 17 academic year 2004-2005 as part of their higher education
- 18 institutional data inventory (HEIDI) data by August 31, 2004. A
- 19 university shall report any revisions to the reported academic year
- 20 2004-2005 tuition and fee charges to HEIDI within 15 days of being
- 21 adopted.
- Sec. 450. (1) For the fiscal year ending September 30, 2005, it
- 23 is the intent of the legislature that an amount calculated under
- 24 subsection (2) be allocated for per-student floor funding from the
- 25 general fund/general purpose unreserved balances at the close of the
- 26 2003-2004 fiscal year.
- 27 (2) The amount allocated under subsection (1) for per-student

- 1 floor funding is equal to \$4,000.00 per 2002-2003 fiscal-year-equated
- 2 student at each university. The number of 2002-2003
- 3 fiscal-year-equated students at a university is determined by
- 4 reference to the higher education institutional data inventory
- 5 (HEIDI).
- 6 Sec. 461. From the amount appropriated in part 1 to Lake
- 7 Superior State University for operations, \$100,000.00 shall be paid to
- 8 Bay Mills Community College for the costs of waiving tuition for North
- **9** American Indians under 1976 PA 174, MCL 390.1251 to 390.1253.

10 MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS

11 PROGRAMS

- 12 Sec. 501. (1) Included in the appropriation for each public
- 13 university in part 1 is funding for the Martin Luther King, Jr. -
- 14 Cesar Chavez Rosa Parks future faculty program, that is intended to
- 15 increase the pool of minority candidates pursuing faculty teaching
- 16 careers in postsecondary education. Each university shall apply the
- 17 percentage change applicable to every university in the calculation of
- 18 appropriations in part 1 to the amount of funds allocated to the
- 19 future faculty program.
- 20 (2) The program shall be administered by each university in a
- 21 manner prescribed by the Michigan department of labor and economic
- 22 growth. The Michigan department of labor and economic growth shall
- 23 use a good faith effort standard to evaluate whether a fellowship is
- 24 in default.
- 25 Sec. 502. (1) Included in the appropriation for each public
- 26 university in part 1 is funding for the Martin Luther King, Jr. -

- 1 Cesar Chavez Rosa Parks college day program that is intended to
- 2 introduce schoolchildren underrepresented in postsecondary education
- 3 to the potential of a college education.
- 4 (2) Individual program plans of each university shall include a
- 5 budget of equal contributions from this program, the participating
- 6 public university, the participating school district, and the
- 7 participating independent degree granting college. College day funds
- 8 shall not be expended to cover indirect costs. Not more than 20% of
- 9 the university match shall be attributable to indirect costs. Each
- 10 university shall apply the percentage change applicable to every
- 11 university in the calculation of appropriations in part 1 to the
- 12 amount of funds allocated to the college day program.
- 13 (3) The program shall be administered by each university in a
- 14 manner prescribed by the Michigan department of labor and economic
- 15 growth.
- 16 Sec. 503. (1) Included in part 1 is funding for the Martin
- 17 Luther King, Jr. Cesar Chavez Rosa Parks select student support
- 18 services program for developing academically and economically
- 19 disadvantaged student retention programs for 4-year public and
- 20 independent educational institutions in this state.
- 21 (2) An award made under this program to any 1 institution shall
- 22 not be greater than \$150,000.00, and the amount awarded shall be
- 23 matched on a 70% state, 30% college or university basis.
- 24 (3) The program shall be administered by the Michigan department
- 25 of labor and economic growth.
- 26 Sec. 504. (1) Included in part 1 is funding for the Martin
- 27 Luther King, Jr. Cesar Chavez Rosa Parks college/university

- 1 partnership program between 4-year public and independent colleges and
- 2 universities and public community colleges, which is intended to
- 3 increase the number of academically and economically disadvantaged
- 4 students who transfer from community colleges into baccalaureate
- 5 programs.
- 6 (2) The grants shall be made under this program to Michigan public
- 7 and independent colleges and universities. An award to any 1
- 8 institution shall not be greater than \$150,000.00, and the amount
- 9 awarded shall be matched on a 70% state, 30% college or university
- 10 basis.
- 11 (3) The program shall be administered by the Michigan department
- 12 of labor and economic growth.
- 13 Sec. 505. (1) Included in the appropriation for each public
- 14 university in part 1 is funding for the Martin Luther King, Jr. -
- 15 Cesar Chavez Rosa Parks visiting professors program which is
- 16 intended to increase the number of underrepresented minority
- 17 instructors in the classroom and provide role models for
- 18 underrepresented minority students.
- 19 (2) The program shall be administered by the Michigan department
- 20 of labor and economic growth.
- 21 Sec. 506. (1) Included in the appropriation in part 1 is funding
- 22 under the Martin Luther King, Jr. Cesar Chavez Rosa Parks
- 23 initiative for the Morris Hood, Jr. educator development program which
- 24 is intended to increase the number of minority students, especially
- 25 males, who enroll in and complete K-12 teacher education programs at
- 26 the baccalaureate level.
- 27 (2) The program shall be administered by each state-approved

- 1 teacher education institution in a manner prescribed by the Michigan
- 2 department of labor and economic growth.
- 3 (3) Approved teacher education institutions may and are encouraged
- 4 to use student support services funding in coordination with the
- 5 Morris Hood, Jr. funding to achieve the goals of the program.
- 6 Sec. 507. Each state institution of higher education receiving
- 7 funds under section 503, 504, or 506 shall notify the Michigan
- 8 department of labor and economic growth by April 15, 2005 as to
- 9 whether it will expend by the end of its fiscal year the funds
- 10 received under section 503, 504, or 506. Notwithstanding the award
- 11 limitations in sections 503 and 504, the amount of funding reported as
- 12 not being expended will be reallocated to the institutions that intend
- 13 to expend all funding received under section 503, 504, or 506.

14 STUDENT PERFORMANCE REPORTING

- 15 Sec. 601. (1) From the amount appropriated in part 1 for state
- 16 universities, the state universities shall systematically inform
- 17 Michigan high schools regarding the academic status of students from
- 18 each high school in a manner prescribed by the presidents council,
- 19 state universities of Michigan in cooperation with the Michigan
- 20 association of secondary school principals.
- 21 (2) The Michigan high schools shall systematically inform the
- 22 state universities about the use of information received under this
- 23 section in a manner prescribed by the Michigan association of
- 24 secondary school principals in cooperation with the presidents
- 25 council, state universities of Michigan.
- 26 Sec. 602. From the amount appropriated in part 1 for state

- 1 universities, the state universities shall inform Michigan community
- 2 colleges regarding the academic status of community college transfer
- 3 students in a manner prescribed by the presidents council, state
- 4 universities of Michigan in cooperation with the Michigan community
- 5 college association.

6 GENERAL REPORTS AND AUDITS

- 7 Sec. 701. (1) The auditor general shall review higher education
- 8 institutional data inventory (HEIDI) enrollment data submitted by all
- 9 public universities and may perform audits of selected public
- 10 universities if determined necessary. The review and audits shall be
- 11 based upon the definitions, requirements, and uniform reporting
- 12 categories established by the state budget director and the senate and
- 13 house fiscal agencies. The auditor general shall submit a report of
- 14 findings to the house and senate appropriations committees and the
- 15 state budget director no later than July 1, 2005.
- 16 (2) Student credit hours reports shall not include the following:
- 17 (a) Student credit hours generated through instructional activity
- 18 by faculty or staff in classrooms located outside Michigan, with the
- 19 exception of instructional activity related to study-abroad programs
- 20 or field programs.
- 21 (b) Student credit hours generated through distance learning
- 22 instruction for students not paying the institution's resident tuition
- 23 rate.
- (c) Student credit hours generated through credit by examination.
- 25 (d) Student credit hours generated through inmate prison programs
- 26 regardless of teaching location.

- 1 (e) Student credit hours generated in new degree programs after
- 2 January 1, 1975, that have not been specifically authorized for
- 3 funding by the legislature, except spin-off programs converted from
- 4 existing core programs that do all of the following:
- 5 (i) Represent new options, fields, or concentrations within
- 6 existing programs.
- 7 (ii) Are consistent with the current institutional role and
- 8 mission.
- 9 (iii) Are accommodated within the continuing funding base of the
- 10 institution.
- 11 (iv) Do not require a new degree level beyond that which the
- 12 institution is currently authorized to grant within that discipline or
- 13 field.
- 14 (v) Do not require funding from the state other than that provided
- 15 by the student credit hours generated within the program, either
- 16 before program initiation or within the first 3 years of program
- 17 operation.
- 18 (3) The auditor general shall periodically audit higher education
- 19 institutional data inventory (HEIDI) data as submitted by the state
- 20 universities for compliance with the definitions approved by the HEIDI
- 21 advisory committee for the HEIDI database.
- 22 (4) "Distance learning instruction" as used in subsection (2)
- 23 means instruction that occurs in other than a traditional classroom
- 24 setting where the student and instructor are in the same physical
- 25 location and for which a student receives course credits and is
- 26 charged tuition and fees. Examples of distance learning instruction
- 27 are instruction delivered solely through the Internet, cable

- 1 television, teleconference, or mail.
- 2 Sec. 701a. (1) Pursuant to section 701(2)(e), the following
- 3 degree programs may be established:
- 4 (a) Bachelors
- 5 Central Michigan University Electrical Engineering, B.S.E.E.
- 6 Central Michigan University Mechanical Engineering, B.S.M.E.
- 7 Ferris State University Secondary Education--History Major, B.S.
- 8 Lake Superior State University Communication Major, B.A.
- 9 Michigan State University Technology Systems Management, B.S.
- 10 Michigan Technological University Psychology, B.S.
- 11 Michigan Technological University Software Engineering, B.S.
- 12 Oakland University Studio Art, B.A.
- 13 Wayne State University Environmental Science, B.S.
- 14 Western Michigan University Major in Electronic Business Design
- **15** (eBizD), B.B.A.
- 16 (b) Masters
- 17 Eastern Michigan University Clinical Research Administration,
- **18** M.S.
- 19 Eastern Michigan University Health Education, M.S.
- 20 Eastern Michigan University Professional Master's in
- 21 Bioinformatics, M.S.
- 22 Ferris State University M.S. in Nursing, M.S.N.
- 23 Grand Valley State University Biostatistics, M.S.
- 24 Grand Valley State University Cell and Molecular Biology, M.S.
- 25 Grand Valley State University Medical and Bioinformatics, M.S.
- 26 Grand Valley State University School Counseling, M. Ed.
- 27 Lake Superior State University Curriculum and Instruction, M.A.

- 1 Michigan State University Community, Agriculture, Recreation, &
- 2 Resource Studies, M.S.
- 3 Northern Michigan University Education Reading, M.A.
- 4 Northern Michigan University Education Reading: Specialist,
- 5 M.A.
- 6 University of Michigan Health Services Research, M.S.
- 7 (c) Doctorate
- 8 Central Michigan University Physical Therapy, D.P.T.
- **9** Grand Valley State University Physical Therapy, D.P.T.
- 10 Michigan State University Community, Agriculture, Recreation, &
- 11 Resource Studies, Ph.D.
- 12 Michigan State University Second Language Studies, Ph.D.
- Sec. 702. The principal executive officer of each institution of
- 14 higher education receiving an appropriation under this act shall
- 15 expend a portion of the funds appropriated to that institution to make
- 16 a report to the auditor general, the house and senate fiscal agencies,
- 17 and the state budget director within 60 days after the auditor general
- 18 issues his or her report on the operation of the institution. The
- 19 institution's report shall specify all of the following:
- 20 (a) The recommendations of the auditor general implemented by the
- 21 institution, including projected dates and resources required, if any,
- 22 to achieve compliance.
- 23 (b) The recommendations of the auditor general not implemented by
- 24 the institution or implemented by the institution as modified.
- 25 (c) The rationale for not implementing a recommendation of the
- 26 auditor general or of implementing a recommendation as modified.
- 27 Sec. 708. The auditor general may conduct performance audits of

- 1 state universities during the fiscal year ending September 30, 2005 as
- 2 the auditor general considers necessary.
- 3 Sec. 709. An institution receiving funds under this bill and
- 4 also subject to the student right-to-know and campus security act,
- 5 Public Law 101-522, 104 Stat. 2381, shall make a copy of all material
- 6 prepared pursuant to the public information reporting requirements
- 7 under the crime awareness and campus security act of 1990, title II of
- 8 the student right-to-know and campus security act, Public Law 101-542,
- 9 104 Stat. 2381, available in electronic Internet format on their
- 10 websites.
- 11 Sec. 711. (1) From the funds appropriated in part 1, state
- 12 universities shall participate in a study to determine the extent of
- 13 underutilized degree programs offered by the state universities. The
- 14 study is directed at determining the extent to which low
- 15 degree-producing and potentially duplicative programs are operated by
- 16 state universities, resulting in inefficiencies in the state's higher
- 17 education system.
- 18 (2) Each state university shall provide a report to the state
- 19 budget director and the house and senate fiscal agencies by December
- 20 31, 2004, identifying, at a minimum, each bachelor's degree-granting
- 21 program that produced less than 25 degrees, each master's
- 22 degree-granting program that produced less than 15 degrees, and each
- 23 doctor's degree-granting program that produced less than 5 degrees in
- 24 the 2003-2004 academic year. Programs shall be reported by program
- 25 category as defined under the classification of instructional programs
- 26 utilized for the integrated postsecondary education data system data
- 27 collection.

- 1 (3) For each program reported pursuant to subsection (2), the
- 2 state university shall indicate if it intends to continue to offer the
- 3 program. If the state university expects to continue the program, the
- 4 state university's report shall document the rationale for this
- 5 decision including an analysis that considers such factors as program
- 6 cost, occupational supply and demand data, enrollment projections for
- 7 the program, geographic access to similar programs at other
- 8 institutions, student outcome measures, instructional and program
- 9 quality, length of time the program has been offered, and consistency
- 10 with the institution's role and mission.

11 PART 2A

12 PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2003-2004

13 GENERAL SECTIONS

- 14 Sec. 1201. (1) A state university certifying to the state budget
- 15 director by June 30, 2004 that it did not adopt an increase in tuition
- 16 and fee rates for resident undergraduate students after December 1,
- 17 2003 for the 2003-2004 academic year and that it will not adopt
- 18 tuition and fee rate increases for resident undergraduate students for
- 19 the 2004-2005 academic year that exceed 3.0% or \$250.00 shall be paid
- 20 in the fiscal year ending September 30, 2004 from state general
- 21 fund/general purpose revenues an additional state appropriation as
- 22 follows:

25 Central Menigan University	23	Central	Michigan	University	\$	2,446,300
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1	Grand Valley State University	1,772,600
2	Lake Superior State University	385,300
3	Michigan State University	8,801,500
4	Michigan Technological University	1,491,500
5	Northern Michigan University	1,404,300
6	Oakland University	1,472,600
7	Saginaw Valley State University	800,200
8	University of Michigan - Ann Arbor	9,816,200
9	University of Michigan - Dearborn	755,800
10	University of Michigan - Flint	649,800
11	Wayne State University	6,848,400
12	Western Michigan University	3,393,300
13	Total\$	43,903,000
14	(2) For the purposes of subsection (1), a state univers	sity that
15	adopted an increase in tuition and fee rates for resident	
16	undergraduate students after December 1, 2003, for the 2003-	2004
17	academic year, but subsequently rebated to its resident unde	rgraduate
18	students an amount equal to this increase prior to June 30,	2004,
19	shall be considered to have not adopted a tuition and fee in	crease for
20	the 2003-2004 academic year.	
21	(3) For purposes of subsection (1), a state university	that
22	adopted an increase in tuition and fee rates for resident	
23	undergraduate students after December 1, 2003, for the 2003-	2004
24	academic year, but had previously adopted a decrease from th	e prior
25	academic year in tuition and fee rates for resident undergra	duate
26	students for the 2000-2001 academic year or a subsequent aca	demic year
27	shall be considered to have not adopted a tuition and fee in	crease for

- 1 the 2003-2004 academic year.
- 2 (4) The state budget director shall implement a reporting
- 3 requirement based on definitions and uniform reporting requirements
- 4 established by the state budget director and the house and senate
- 5 fiscal agencies, to ensure that a state university receiving an
- 6 appropriation under this section has satisfied its tuition restraint
- 7 requirements.
- 8 (5) As used in this section, "tuition and fee rate" means the
- 9 average of lower division and upper division rates, based on the
- 10 highest rate authorized for any semester during the academic year on
- 11 an annualized basis, disregarding any amounts credited or returned to
- 12 resident undergraduate students on a uniform basis.
- 13 (6) From the appropriations listed in subsection (1), any amount
- 14 appropriated for a state university that does not comply with the
- 15 tuition restraint requirements described in this section is
- 16 reappropriated for distribution to all state universities that comply
- 17 with the requirements of this section on an equal per-state university
- 18 basis.
- 19 (7) If the Northville Psychiatric Hospital property is not sold by
- 20 the state prior to October 1, 2004 and the appropriations listed in
- 21 subsection (1) are paid in the fiscal year ending September 30, 2005,
- 22 rather than the state fiscal year ending September 30, 2004, it is the
- 23 intent of the legislature that the appropriations will be paid in full
- 24 no later than October 15, 2004.
 - [(8) As used in this section, "fee" means any fee that will be paid by more than half of all resident undergraduate students at least once during their enrollment at a state university.]
- 25 Sec. 1302. It is the intent of the legislature that Michigan
- 26 competitive scholarship award applicants and Michigan tuition grant
- 27 applicants be notified not later than July 31, 2004 of the status of

1 their awards.

[Sec. 1303. No state institution of higher education shall receive funding under this act if the state institution of higher education discriminates against, or grants preferential treatment to, admission applicants on the basis of race, religion, creed, or national origin.]

2 REPEALERS

3 Enacting section 1. Section 452 of 2003 PA 237 is repealed.