

Act No. 295
 Public Acts of 1996
 Approved by the Governor
 June 19, 1996
 Filed with the Secretary of State
 June 19, 1996

**STATE OF MICHIGAN
 88TH LEGISLATURE
 REGULAR SESSION OF 1996**

Introduced by Senators Schwarz, Cisky, Shugars, Gougeon, North, Steil, Dunaskiss, Stille, McManus, Emmons, Rogers and Schuette

ENROLLED SENATE BILL No. 850

AN ACT to make appropriations for the state institutions of higher education and certain state purposes related to education for the fiscal year ending September 30, 1996 and for the fiscal year ending September 30, 1997; to provide for the expenditures of those appropriations; and to prescribe the powers and duties of certain state departments, institutions, agencies, and officers.

The People of the State of Michigan enact:

Sec. 101. There is appropriated for the state institutions of higher education and certain state purposes related to education, and subject to the conditions set forth in this act, for the fiscal year ending September 30, 1997, the following respective amounts:

HIGHER EDUCATION	
GROSS APPROPRIATION	\$ 1,500,087,200
Total interdepartmental grants and intradepartmental transfers	\$ 0
ADJUSTED GROSS APPROPRIATION	\$ 1,500,087,200
Appropriated from:	
Federal revenues:	
DED-OPSE, grants to state for state student incentives	2,800,000
DED-OPSE, Douglas teacher scholarships	750,000
DED-OPSE, Byrd honors scholarships	1,500,000
Total federal revenues	5,050,000
Total local revenues	0
Total private revenues	0
Total local and private revenues	0
State general fund/general purpose	\$ 1,495,037,200
CENTRAL MICHIGAN UNIVERSITY	
Operations	\$ 67,820,314
GROSS APPROPRIATION	\$ 67,820,314
Appropriated from:	
State general fund/general purpose	\$ 67,820,314
EASTERN MICHIGAN UNIVERSITY	
Operations	\$ 73,194,919
GROSS APPROPRIATION	\$ 73,194,919
Appropriated from:	
State general fund/general purpose	\$ 73,194,919

For Fiscal Year
Ending Sept. 30,
1997

FERRIS STATE UNIVERSITY		
Operations	\$	46,692,922
GROSS APPROPRIATION	\$	<u>46,692,922</u>
Appropriated from:		
State general fund/general purpose	\$	46,692,922
GRAND VALLEY STATE UNIVERSITY		
Operations	\$	42,771,971
GROSS APPROPRIATION	\$	<u>42,771,971</u>
Appropriated from:		
State general fund/general purpose	\$	42,771,971
LAKE SUPERIOR STATE UNIVERSITY		
Operations	\$	11,986,410
GROSS APPROPRIATION	\$	<u>11,986,410</u>
Appropriated from:		
State general fund/general purpose	\$	11,986,410
MICHIGAN STATE UNIVERSITY		
Operations	\$	267,660,751
GROSS APPROPRIATION	\$	<u>267,660,751</u>
Appropriated from:		
State general fund/general purpose	\$	267,660,751
MICHIGAN TECHNOLOGICAL UNIVERSITY		
Operations	\$	45,822,731
GROSS APPROPRIATION	\$	<u>45,822,731</u>
Appropriated from:		
State general fund/general purpose	\$	45,822,731
NORTHERN MICHIGAN UNIVERSITY		
Operations	\$	44,166,421
GROSS APPROPRIATION	\$	<u>44,166,421</u>
Appropriated from:		
State general fund/general purpose	\$	44,166,421
OAKLAND UNIVERSITY		
Operations	\$	40,186,383
GROSS APPROPRIATION	\$	<u>40,186,383</u>
Appropriated from:		
State general fund/general purpose	\$	40,186,383
SAGINAW VALLEY STATE UNIVERSITY		
Operations	\$	21,372,416
GROSS APPROPRIATION	\$	<u>21,372,416</u>
Appropriated from:		
State general fund/general purpose	\$	21,372,416
UNIVERSITY OF MICHIGAN-ANN ARBOR		
Operations	\$	301,907,252
GROSS APPROPRIATION	\$	<u>301,907,252</u>
Appropriated from:		
State general fund/general purpose	\$	301,907,252
UNIVERSITY OF MICHIGAN-DEARBORN		
Operations	\$	22,182,191
GROSS APPROPRIATION	\$	<u>22,182,191</u>
Appropriated from:		
State general fund/general purpose	\$	22,182,191

For Fiscal Year
Ending Sept. 30,
1997

UNIVERSITY OF MICHIGAN-FLINT

Operations.....	\$	18,903,831
GROSS APPROPRIATION.....	\$	<u>18,903,831</u>
Appropriated from:		
State general fund/general purpose	\$	18,903,831

WAYNE STATE UNIVERSITY

Operations.....	\$	214,355,795
GROSS APPROPRIATION.....	\$	<u>214,355,795</u>
Appropriated from:		
State general fund/general purpose	\$	214,355,795

WESTERN MICHIGAN UNIVERSITY

Operations.....	\$	103,763,919
GROSS APPROPRIATION.....	\$	<u>103,763,919</u>
Appropriated from:		
State general fund/general purpose	\$	103,763,919

STATE AND REGIONAL PROGRAMS

Agricultural experiment station	\$	28,534,622
Cooperative extension service		24,575,965
Japan center for Michigan universities.....		312,000
Higher education database modernization and conversion.....		250,000
Michigan molecular institute		160,680
Midwest higher education compact		58,000
GROSS APPROPRIATION.....	\$	<u>53,891,267</u>
Appropriated from:		
State general fund/general purpose	\$	53,891,267

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

Select student supportive services.....	\$	1,845,992
Michigan college/university partnership program.....		553,798
Visiting professors program.....		155,570
GROSS APPROPRIATION.....	\$	<u>2,555,360</u>
Appropriated from:		
State general fund/general purpose	\$	2,555,360

GRANTS AND FINANCIAL AID

State competitive scholarships.....	\$	31,426,651
Tuition grants.....		56,217,759
Michigan work study program		6,941,961
Part-time independent student program.....		2,514,114
Grant for Michigan resident dental graduates.....		4,375,435
Grant for general degree graduates.....		5,027,772
Grant for allied health graduates.....		809,797
Michigan education opportunity grants.....		1,974,810
Paul Douglas teacher scholarship program		750,000
Robert C. Byrd honors scholarship program		1,500,000
Tuition incentive program/high school completion		6,164,048
Center for advanced technologies-engineering tuition reimbursement		3,000,000
Veterans tuition grant program		150,000
GROSS APPROPRIATION.....	\$	<u>120,852,347</u>
Appropriated from:		
Federal revenues:		
DED-OPSE, grants to state for state student incentives		2,800,000
DED-OPSE, Douglas teacher scholarships		750,000
DED-OPSE, Byrd honors scholarships		1,500,000
State general fund/general purpose	\$	<u>115,802,347</u>

FISCAL YEAR 1995-96

Sec. 102. From any unexpended and unencumbered funds remaining on September 30, 1996 from the amounts appropriated in Act No. 154 of the Public Acts of 1995 for the tuition incentive program, \$1,000,000.00 is appropriated for the center for advanced technologies program of focus: hope. The remaining balance shall not lapse on September 30, 1996, but shall continue to be available for expenditure for the tuition incentive program in the fiscal year ending September 30, 1997.

GENERAL SECTIONS

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending from state resources in section 101 of this appropriation act is \$1,495,037,200.00. Of the state spending from state resources appropriated in section 101 for campus based and other financial aid programs, it is estimated that \$4,397,000.00 are local spending pursuant to section 30 of article IX of the state constitution of 1963. The distribution is as follows:

Grants and Financial Aid

Part-time independent student program.....	\$	1,471,000
Michigan education opportunity grant.....		923,000
Michigan work study.....		2,003,000
Total.....	\$	4,397,000

Sec. 202. (1) For institutions with fiscal years ending June 30, 1997, the sums appropriated in this act are appropriated for their fiscal years ending June 30, 1997 and shall be paid out of the state treasury and distributed by the state treasurer to the respective institutions in 9 monthly installments for the period October 1, 1996 to June 30, 1997 pursuant to Act No. 190 of the Public Acts of 1991, being sections 487.2101 to 487.2105 of the Michigan Compiled Laws. For an institution with a fiscal year ending September 30, 1997, the sums appropriated in this act are appropriated for their fiscal year ending September 30, 1997 and shall be paid out of the state treasury and distributed by the state treasurer in 12 monthly installments for the period October 1, 1996 to September 30, 1997 pursuant to Act No. 190 of the Public Acts of 1991.

(2) The amount distributed to an institution shall not exceed the net appropriations plus additional distributions specifically authorized by this act.

(3) All universities shall submit higher education institutional data inventory (HEIDI) data and associated financial and program information requested by and in a manner prescribed by the state budget director. For universities with fiscal years ending June 30, 1996, these data shall be submitted to the department of management and budget by October 15, 1996. Universities with a fiscal year ending September 30, 1996 shall submit preliminary HEIDI data by November 15, 1996, and final data by December 15, 1996.

(4) A detailed description of procedures utilized to arrive at the amounts appropriated in section 101 shall be submitted to each institution by the senate and house fiscal agencies.

Sec. 203. Money received by the state from the federal government or private sources for the use of a college or university is appropriated for the purpose for which it was provided. The acceptance and use of federal or private funds does not place an obligation upon the legislature to continue the purposes for which the funds are made available.

Sec. 204. The appropriations made and the expenditures authorized under this act and the institutions, departments, agencies, commissions, boards, offices, and programs for which an appropriation is made under this act are subject to the management and budget act, Act No. 431 of the Public Acts of 1984, being sections 18.1101 to 18.1594 of the Michigan Compiled Laws.

Sec. 205. All universities shall furnish all program and financial information that is required by and in a manner prescribed by the director of the department of management and budget or the house or senate appropriations committee.

Sec. 206. Funds appropriated in section 101 shall not be used for the purchase of foreign goods or services if competitively priced American goods or services of comparable quality are available. Not later than May 1, 1997, each university shall have available upon request information on efforts to comply with this section.

Sec. 207. A state institution of higher education shall not implement an affirmative action plan unless it has been submitted to the Michigan civil rights commission for approval in accordance with section 210 of the Elliott-Larsen civil rights act, Act No. 453 of the Public Acts of 1976, being section 37.2210 of the Michigan Compiled Laws, and the Michigan civil rights commission has approved the plan.

Sec. 208. (1) Funds appropriated under this act shall not be expended to provide coverage for employees of state institutions of higher education or their dependents for abortion services other than for spontaneous abortion or to prevent the death of the woman upon whom the abortion is performed if those services are not required by collective bargaining agreement.

(2) A state institution of higher education that receives funding under this act is directed to negotiate future contracts to secure the elimination of coverage for abortion services other than as provided in subsection (1) through the collective bargaining process. Each state institution of higher education shall semiannually notify the appropriations committees of the senate and house of representatives in writing of the status of any such negotiations.

(3) If an institution of higher education expends funds in violation of subsection (1), the institution shall repay the state an amount equal to the amount expended in violation of subsection (1).

GRANTS AND FINANCIAL AID

Sec. 301. (1) Payments of the amounts included in section 101 for the state competitive scholarship program shall be distributed pursuant to Act No. 208 of the Public Acts of 1964, being sections 390.971 to 390.981 of the Michigan Compiled Laws. The maximum award per eligible student shall be \$1,200.00.

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

(3) If a student who receives an award under this section has his or her tuition and fees paid under the Michigan educational trust program, pursuant to the Michigan education trust act, Act No. 316 of the Public Acts of 1986, being sections 390.1421 to 390.1444 of the Michigan Compiled Laws, and still has financial need, the funds awarded under this section may be used for educational expenses other than tuition and fees.

Sec. 302. (1) The amounts appropriated in section 101 for the state tuition grant program shall be distributed pursuant to Act No. 313 of the Public Acts of 1966, being sections 390.991 to 390.997a of the Michigan Compiled Laws. The maximum per grant shall be \$2,300.00.

(2) Tuition grant awards shall be made to all eligible Michigan residents who apply before September 1, 1996, and who are qualified. Tuition grant awards shall not be made to students newly enrolled in a juris doctor law degree program after the 1995-96 academic year.

(3) The Michigan higher education assistance authority shall determine an actual maximum tuition grant award per student that ensures that the aggregate payments for the tuition grant program do not exceed the appropriation contained in section 101 for the state tuition grant program. By October 15, 1996, and again by December 15, 1996, the authority shall analyze the status of award commitments, shall make any necessary adjustments, and shall confirm that those award commitments will not exceed the appropriation contained in section 101 for the tuition grant program. The determination and actions shall be reported to the department of management and budget and the house and senate fiscal agencies no later than December 15, 1996. If award adjustments are necessary, the students shall be notified of the adjustment by the third Monday in January.

(4) Any unexpended and unencumbered funds remaining on September 30, 1997 from the amounts appropriated in section 101 for the tuition grant program shall not lapse on September 30, 1997, but shall continue to be available for expenditure for tuition grants provided in the 1997-98 fiscal year. The use of these unexpended fiscal year 1996-97 funds shall terminate at the end of the 1997-98 fiscal year.

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

Sec. 303. (1) Included in the appropriation in section 101 is funding for the Michigan work study program established under Act No. 288 of the Public Acts of 1986, being sections 390.1371 to 390.1382 of the Michigan Compiled Laws, and Act No. 303 of the Public Acts of 1986, being sections 390.1321 to 390.1332 of the Michigan Compiled Laws. An effort should be made by each institution participating in the Michigan work study program to assure that not less than 10% of those undergraduate, graduate, and professional students eligible to participate in the program are placed with for-profit employers no later than December 31 of each year for which funding is provided under this act.

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

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

Sec. 304. (1) Payments of the amounts included in section 101 for the general degree reimbursement program established under Act No. 75 of the Public Acts of 1974, being sections 390.1021 to 390.1027 of the Michigan Compiled

Laws, shall be made for all degrees identified in section 1(1) of Act No. 75 of the Public Acts of 1974, being section 390.1021 of the Michigan Compiled Laws, except doctor of dental surgery, doctor of dental medicine, juris doctor law, and allied health degrees.

(2) The reimbursement rate per eligible degree shall be the equally prorated amount permitted by the appropriation, except that the amount of the reimbursement for each associate degree shall be 1/2 of the rate of reimbursement for the other degrees eligible under subsection (1) for the general degree reimbursement program.

(3) From the general degree reimbursement program, \$135,300.00 shall be provided to Spring Arbor College for the southern Michigan state prison program.

(4) From the general degree reimbursement program, \$200,500.00 shall be provided to the University of Detroit-Mercy for graduate research aid.

(5) From the general degree reimbursement program, \$30,100.00 shall be provided to Marygrove College for learning clinics.

(6) From the general degree reimbursement program, \$50,000.00 shall be provided to Suomi College for career education programs.

Sec. 305. The reimbursement rate per eligible degree under the allied health degree reimbursement program established under Act No. 75 of the Public Acts of 1974, being sections 390.1021 to 390.1027 of the Michigan Compiled Laws, shall be the equally prorated amount permitted by the appropriation included in section 101.

Sec. 306. Funds disbursed through the degree reimbursement programs shall not be used by any recipient institution for theology or divinity programs.

Sec. 307. The auditor general shall audit selected enrollments, degrees, and awards at selected independent colleges and universities receiving awards administered by the department of treasury. The audits shall be based upon definitions and requirements established by the department of management and budget and the senate and house fiscal agencies. The auditor general shall submit a report of findings to the senate and house appropriations committees not later than May 1, 1997.

Sec. 308. The sums appropriated in section 101 for the student financial aid and degree reimbursement programs shall be paid out of the state treasury and shall be distributed to the respective institutions in accordance with a quarterly payment system as follows:

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

(b) For the work-study program, payments shall be made in 9 monthly installments from October 1 to June 30 of any year.

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

(d) For the general degree reimbursement program, allied health degree reimbursement program, Michigan resident dental grant program, Robert C. Byrd honors scholarship program, and Paul Douglas teacher scholarship program, 50% shall be paid at the beginning of the state's first fiscal quarter and 50% at the beginning of the state's second fiscal quarter after the number of earned degrees conferred and total amounts to be paid are certified.

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

Sec. 310. (1) The funds appropriated in section 101 for the tuition incentive program/high school completion program shall be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program/high school completion program of the family independence agency.

(2) As used in this section:

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

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

(c) "Department" means the family independence agency.

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

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

- (i) Apply for certification to the department before graduating from high school or completing the general education development (GED) certificate.
 - (ii) Be less than 20 years of age at the time of high school graduation or GED completion.
 - (iii) Be a United States citizen and a resident of Michigan according to institutional criteria.
 - (iv) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or GED certificate completion.
- (b) To be eligible for phase II, a person shall meet either of the following criteria in addition to the criteria in subdivision (a):
- (i) Complete at least 56 transferable semester or 84 transferable term credits.
 - (ii) Obtain an associate degree or certificate at a participating institution.
- (c) To be eligible for phase I or phase II, a person must be financially eligible as determined by the department. A person is financially eligible for the tuition incentive program if that person was medicaid eligible for 24 months within the 36 months before application. Certification of eligibility may begin in the sixth grade and continue until the time of enrollment in a participating institution.
- (4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall reject billings that are excessive or outside the guidelines for the type of educational institution.
- (5) For phase I, all of the following apply:
- (a) Payments for associate degree or certificate programs shall not be made for more than 80 semester or 120 term credits for any individual student at any participating institution.
 - (b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.
 - (c) For persons enrolled at a Michigan public university, the department shall pay lower level resident tuition and mandatory fees for the current year.
 - (d) For persons enrolled at a Michigan independent, nonprofit degree granting college or university or a Michigan federal tribally controlled community college, the department shall pay mandatory fees for the current year and a per credit payment that does not exceed the average community college in-district per credit tuition rate as reported on August 1, for the immediately preceding academic year.
- (6) A person participating in phase II may be eligible for additional funds not to exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the following conditions:
- (a) Credits are earned in a 4-year program at a Michigan degree granting 4-year college or university.
 - (b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.
- (7) Program payments shall not be used by any recipient for theology or divinity courses.
- (8) The department shall work closely with participating institutions to develop an application and eligibility determination process that will provide the highest level of participation and ensure that all requirements of the program are met.
- (9) Applications for the tuition incentive program may be approved at any time after the student begins the sixth grade. If a determination of financial eligibility is made, that determination is valid as long as the student meets all other program requirements and conditions.
- (10) Each institution shall ensure that all known available restricted grants for tuition and fees are used prior to billing the tuition incentive program for any portion of a student's tuition and fees.
- (11) The department shall ensure that the tuition incentive program is well publicized and that potentially eligible medicaid clients are provided information on the program. The department shall provide the necessary funding and staff to fully operate the program.
- (12) When statutory provisions are enacted to provide for a tuition incentive program/high school completion program, the provisions of this section are superseded.
- (13) Any unexpended and unencumbered funds remaining on September 30, 1997 from the amounts appropriated in section 101 for the tuition incentive program shall not lapse on September 30, 1997, but shall continue to be available for expenditure for the tuition incentive program in the fiscal year ending September 30, 1998.

Sec. 311. To enable the legislature to evaluate the appropriation needs of higher education, each independent college and university shall make available to the legislature, upon request, data regarding grants for the preceding, current, and ensuing fiscal years.

Sec. 312. The funds appropriated in section 101 for the center for advanced technologies-engineering program provided in conjunction with the coalition for new manufacturing education are designated to focus:hope to reimburse the costs of the manufacturing based education.

STATE UNIVERSITIES

Sec. 401. (1) Included in section 101 is \$5,479,166.00 to Wayne State University for the Joseph F. Young, Sr. psychiatric research and training program. Wayne State University shall use these funds for psychiatric laboratory and clinical research, training, and treatment services. Within the available appropriation, services shall not be denied to any patient who meets established research guidelines for treatment on the basis of personal financial circumstances, age, geographic residence, or projected/actual length of treatment as medically warranted.

(2) Wayne State University shall report the following information to the department of community health by November 1, 1997:

- (a) The number and type of psychiatric research projects funded by the appropriation described in subsection (1).
 - (b) The number and type of students trained and the location of training funded by the appropriation.
 - (c) Demographic data regarding the number and profile of patients to receive psychiatric services funded by the appropriation and a profile of the services provided.
 - (d) A summary budget outlining major expenditure categories and any first and third party reimbursements.
- (3) Copies of these reports shall also be provided to the house and senate fiscal agencies and the department of management and budget.

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

Sec. 403. It is the intent of the legislature that resident tuition rates be charged for students attending Michigan's public 4-year universities if the student's parent or parents or person in loco parentis are transferred to Michigan because the company they work for closed a plant in another state. This section applies only to students whose parent or parents or person in loco parentis are transferred by a company specifically because of a plant closing and whose parent or parents or person in loco parentis continue to be employed by that same company in Michigan.

Sec. 404. It is the intent of the legislature that no funds, other than tuition and other revenues from law school students or private funds explicitly directed to the Detroit College of Law-Michigan State University law alliance, shall be used either directly or indirectly to support the joint law school. The auditor general or a certified public accountant appointed by the auditor general shall audit the financial and accounting systems of the Detroit College of Law-Michigan State University law alliance to determine compliance with this statement of legislative intent and report its findings to the department of management and budget, house and senate fiscal agencies, and members of the house and senate appropriations subcommittees on higher education.

Sec. 405. Included in section 101 is funding to support modernization and conversion of the state's higher education databases. The department of management and budget, in consultation with the house fiscal agency and senate fiscal agency, shall have the responsibility of effecting the conversion. The conversion shall include all federal and state collected higher education data.

Sec. 406. (1) An institution receiving funding under this act and also subject to the student right-to-know and campus security act, Public Law 101-522, 104 Stat. 2381, shall furnish by September 1, 1997 to the department of management and budget and the house and senate fiscal agencies a copy of all material prepared pursuant to the public information reporting requirements under the crime awareness and campus security act of 1990, title II of the student right-to-know and campus security act, Public Law 101-542, 104 Stat. 2381.

(2) Institutions will similarly report on initiatives to address substance abuse issues on their respective campuses.

Sec. 408. The legislature recognizes that the first and foremost obligation of the public universities is undergraduate instruction. The public universities are therefore encouraged to increase their commitment of tenured and tenure track faculty to undergraduate instruction.

Sec. 409. The amounts included in section 101 for public universities to establish per-student funding floors for research, doctoral, and masters universities shall be recognized as a permanent part of base funding and the concept of maintaining reasonable per-student floor funding shall be continued into future fiscal years.

Sec. 410. A public university receiving funding under this act that extends employee benefits to the unmarried partners of the university's employees, other than prenatal and postnatal care, shall have their appropriation reduced by an amount equal to the cost of extending employee benefits to the unmarried partners of the university's employees.

Sec. 411. No state funds shall be used by any state university to undertake a collaborative effort with any other university that would have the effect of increasing its enrollment of first-time professional law degree seeking students.

Sec. 412. From the funds appropriated in section 101, each state university shall establish a system to track students that graduate from the university. The system shall minimally provide information on the students' field of study and year of graduation, whether they are employed or continuing their education, the field in which they are employed or their subsequent field of academic study, their job title, their salary, and their city, town, or other place of residence.

Sec. 413. It is the intent of the legislature that the appropriations in section 101 for any state university be reduced by the amount expended by any university to fulfill an outstanding obligation of athletic personnel contracts before the end of the contract term.

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

Sec. 501. (1) Included in the appropriation for each public university in section 101 is funding for the Martin Luther King, Jr.-Cesar Chavez-Rosa Parks future faculty program, that is intended to increase the pool of minority candidates pursuing full-time faculty teaching careers in postsecondary education in this state.

(2) The program shall be administered by each university in a manner prescribed by the office of equity in the Michigan department of education.

Sec. 502. (1) Included in the appropriation for each public university in section 101 is funding for the Martin Luther King, Jr.-Cesar Chavez-Rosa Parks college day program that is intended to introduce school children underrepresented in postsecondary education to the potential of a college education.

(2) Individual program plans of each university shall include a budget of equal contributions from this program, the participating public university, the participating school district, and the participating independent degree granting college. College day funds shall not be expended to cover indirect costs. Not more than 20% of the university match shall be attributable to indirect costs.

(3) The program shall be administered by each university in a manner prescribed by the office of equity in the Michigan department of education.

Sec. 503. (1) Included in section 101 is funding for the Martin Luther King, Jr.-Cesar Chavez-Rosa Parks select student support services program for developing academically and economically disadvantaged student retention programs for 4-year public and independent educational institutions in this state.

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

(3) The program shall be administered by the office of equity in the Michigan department of education.

(4) Of the amount appropriated in section 101 for the Martin Luther King, Jr.-Cesar Chavez-Rosa Parks select student support services program, an amount not to exceed \$100,000.00 shall be used to conduct campus climate forums.

Sec. 504. (1) Included in section 101 is funding for the Martin Luther King, Jr.-Cesar Chavez-Rosa Parks linkage program between 4-year universities and public community colleges, which is intended to increase the number of underrepresented minority students who transfer from community colleges into baccalaureate programs.

(2) The grants shall be made under this program to Michigan public universities. An award to any 1 institution shall not be greater than \$150,000.00, and the amount awarded shall be matched on a 70% state, 30% university basis.

(3) The program shall be administered by the office of equity in the Michigan department of education.

Sec. 505. (1) Included in the appropriation in section 101 is funding for the Martin Luther King, Jr.-Cesar Chavez-Rosa Parks visiting professors program which is intended to increase the number of minority instructors in the classroom and provide role models for underrepresented minority students.

(2) The program shall be administered by the office of equity in the Michigan department of education.

UNIVERSITY SERVICE TO K-12 EDUCATION

Sec. 601. (1) From the amount appropriated in section 101 for state universities, the state universities shall systematically inform Michigan high schools regarding the academic status of students from each high school in a manner prescribed by the presidents council, state universities of Michigan in cooperation with the Michigan association of secondary school principals.

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

GENERAL REPORTS AND AUDITS

Sec. 701. (1) The auditor general shall audit enrollments at 5 randomly selected public universities. The audits shall be based upon the definitions and requirements established by the department of management and budget and the senate and house fiscal agencies. The audits shall be based on uniform reporting categories and shall include higher education institutional data inventory (HEIDI) data. The auditor general shall submit a report of findings to the house and senate appropriations committees no later than March 1, 1997.

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

(a) Student credit hours generated through correspondence courses, credit by examination, or inmate prison programs regardless of teaching location.

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

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

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

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

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

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

Sec. 701a. (1) Pursuant to section 701(2)(b), the following degree programs may be established:

(a) **Bachelors**

Central Michigan University

European Studies Program, B.A./B.S.

Ferris State University

Music Industry Management, B.S.

Ferris State University

Quality Engineering Technology, B.S.

Lake Superior State University

Fine Arts Studies, B.A.

Lake Superior State University

Engineering Management, B.S.

Saginaw Valley State University

Geriatric Services Management, B.S.

University of Michigan-Ann Arbor

Jazz and Contemporary Improvisation, B.F.A.

University of Michigan-Ann Arbor

B.S. in Physical Education, with a concentration in Athletic Training

Western Michigan University

Manufacturing Engineering, B.S.

(b) **Masters**

Central Michigan University

Physician Assistant, Masters

Michigan Technological University

Environmental Policy, M.S.

University of Michigan-Dearborn

Automotive Engineering, M.S.E.

Western Michigan University

Engineering (Computer Engineering), M.S.E.

(c) **Specialist**

Saginaw Valley State University

Education Specialist Degree, Ed.S.

(d) **Doctorate**

Michigan State University

Packaging major, Ph.D.

Michigan Technological University

Geological Engineering, Ph.D.

Michigan Technological University

Mathematical Sciences, Ph.D.

Western Michigan University

Industrial Engineering, Ph.D.

(2) The listing of degree programs in subsection (1) does not constitute legislative intent to provide additional dollars for those programs.

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

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

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

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

Sec. 703. A state university that has not reported project completion and total expenditure of oil overcharge revenues shall submit an annual report by October 1, 1997 to the public service commission in the department of consumer and industry services.

Sec. 704. (1) Each state university shall annually submit a report to the department of management and budget and house and senate fiscal agencies on efforts to ensure the English language oral proficiency of teaching faculty.

(2) The next reporting date for the report under subsection (1) is November 1, 1996.

Sec. 705. (1) Each state university shall report the following information for the 1995-96 academic year to the house and senate fiscal agencies and the department of management and budget:

(a) Separately, the number of ranked faculty, unranked faculty, and graduate assistants who taught an undergraduate class section.

(b) The total number of undergraduate credit hours and section credits taught by each of the following:

(i) Ranked faculty.

(ii) Unranked faculty.

(iii) Graduate assistants.

(2) For the purposes of this section, "ranked faculty", "unranked faculty", and "graduate assistants" mean those terms as defined in the higher education institutional data inventory (HEIDI).

(3) This information shall be provided on or before October 31, 1996.

Sec. 706. The legislature recognizes that a major obligation of the public universities is to provide undergraduate instruction to academically qualified citizens of this state. The public universities shall ensure that academically qualified Michigan residents are afforded the greatest opportunity to attend these institutions. Michigan residents shall comprise a substantial majority of each university's undergraduate population. Further, the universities shall report by October 15, 1996 to the department of management and budget and the house and senate fiscal agencies regarding their efforts to comply with the requirements of this section.

Sec. 707. A public university receiving funding under this act that extends employee benefits to the unmarried partners of the university's employees shall furnish all program and financial information that is required by and in a manner prescribed by the director of the department of management and budget or the house or senate appropriations committees.

Sec. 708. The auditor general shall conduct not less than 3 performance audits of the state universities during the fiscal year ending September 30, 1997.

This act is ordered to take immediate effect.

Secretary of the Senate.

Clerk of the House of Representatives.

Approved -----

Governor.