

THE STATE SCHOOL AID ACT OF 1979 (EXCERPT)
Act 94 of 1979

***** 388.1865.amended THIS AMENDED SECTION IS EFFECTIVE OCTOBER 1, 2022 *****

388.1865.amended Performance funding; payment conditions; limitation on tuition and fee rates; certification; definitions; uniform reporting requirements; penalties for universities exceeding tuition and fee rate cap.

Sec. 265. (1) Payments under section 236 for operations increase and per-student floor funding for fiscal year 2022-2023 must only be made to a public university that certifies to the state budget director by October 1, 2022 that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after September 1, 2021 for the 2021-2022 academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the 2022-2023 academic year that is greater than 5.0% or \$722.00, whichever is greater. As used in this subsection:

(a) "Fee" means any board-authorized fee that will be paid by more than 1/2 of all resident undergraduate students at least once during their enrollment at a public university, as described in the higher education institutional data inventory (HEIDI) user manual. A university increasing a fee that applies to a specific subset of students or courses shall provide sufficient information to prove that the increase applied to that subset will not cause the increase in the average amount of board-authorized total tuition and fees paid by resident undergraduate students in the 2022-2023 academic year to exceed the limit established in this subsection.

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

(2) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving a payment under section 236 for operations increase and per-student floor funding has satisfied the tuition restraint requirements of this section. The state budget director has the sole authority to determine if a public university has met the requirements of this section. Information reported by a public university to the state budget director under this subsection must also be reported to the house and senate appropriations subcommittees on higher education and the house and senate fiscal agencies.

(3) Universities that exceed the tuition and fee rate cap described in subsection (1) will not receive a planning or construction authorization for a state-funded capital outlay project in fiscal year 2023-2024 or 2024-2025.

(4) Notwithstanding any other provision of this act, the legislature may at any time adjust appropriations for a university that adopts an increase in tuition and fee rates for resident undergraduate students that exceeds the rate cap established in subsection (1).

History: Add. 2011, Act 62, Eff. Oct. 1, 2011;—Am. 2012, Act 201, Imd. Eff. June 26, 2012;—Am. 2013, Act 60, Imd. Eff. June 13, 2013;—Am. 2014, Act 196, Eff. Oct. 1, 2014;—Am. 2015, Act 85, Eff. Oct. 1, 2015;—Am. 2016, Act 249, Eff. Oct. 1, 2016;—Am. 2017, Act 108, Eff. Oct. 1, 2017;—Am. 2018, Act 265, Eff. Oct. 1, 2018;—Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018;—Am. 2019, Act 62, Eff. Oct. 1, 2019;—Am. 2020, Act 165, Eff. Oct. 1, 2020;—Am. 2021, Act 86, Eff. Oct. 1, 2021;—Am. 2022, Act 144, Eff. Oct. 1, 2022.