

1	APPROPRIATION SUMMARY		
2	Full-time equated classified positions.....1.0		
3	GROSS APPROPRIATION.....	\$	1,818,181,274
4	Interdepartmental grant revenues:		
5	Total interdepartmental grants and intradepartmental		
6	transfers.....		0
7	ADJUSTED GROSS APPROPRIATION.....	\$	1,818,181,274
8	Federal revenues:		
9	Total federal revenues.....		4,400,000
10	Special revenue funds:		
11	Total local revenues.....		0
12	Total private revenues.....		0
13	Total other state restricted revenues.....		171,540,926
14	State general fund/general purpose.....	\$	1,642,240,348
15	Sec. 102. CENTRAL MICHIGAN UNIVERSITY		
16	Operations.....	\$	<u>83,944,000</u>
17	GROSS APPROPRIATION.....	\$	83,944,000
18	Appropriated from:		
19	Special revenue funds:		
20	Michigan merit award trust fund.....		2,940,725
21	State general fund/general purpose.....	\$	81,003,275
22	Sec. 103. EASTERN MICHIGAN UNIVERSITY		
23	Operations.....	\$	<u>78,973,339</u>
24	GROSS APPROPRIATION.....	\$	78,973,339
25	Appropriated from:		
26	Special revenue funds:		
27	Michigan merit award trust fund.....		100,000

1	State general fund/general purpose.....	\$	78,873,339
2	Sec. 104. FERRIS STATE UNIVERSITY		
3	Operations.....	\$	<u>50,068,210</u>
4	GROSS APPROPRIATION.....	\$	50,068,210
5	Appropriated from:		
6	Special revenue funds:		
7	Michigan merit award trust fund.....		100,000
8	State general fund/general purpose.....	\$	49,968,210
9	Sec. 105. GRAND VALLEY STATE UNIVERSITY		
10	Operations.....	\$	<u>67,216,000</u>
11	GROSS APPROPRIATION.....	\$	67,216,000
12	Appropriated from:		
13	Special revenue funds:		
14	Michigan merit award trust fund.....		13,130,181
15	State general fund/general purpose.....	\$	54,085,819
16	Sec. 106. LAKE SUPERIOR STATE UNIVERSITY		
17	Operations.....	\$	<u>12,941,842</u>
18	GROSS APPROPRIATION.....	\$	12,941,842
19	Appropriated from:		
20	Special revenue funds:		
21	Michigan merit award trust fund.....		100,000
22	State general fund/general purpose.....	\$	12,841,842
23	Sec. 107. MICHIGAN STATE UNIVERSITY		
24	Operations.....	\$	293,483,722
25	Agricultural experiment station.....		33,163,816
26	Cooperative extension service.....		<u>28,604,340</u>
27	GROSS APPROPRIATION.....	\$	355,251,878

1	Appropriated from:		
2	Special revenue funds:		
3	Michigan merit award trust fund.....		100,000
4	State general fund/general purpose.....	\$	355,151,878
5	Sec. 108. MICHIGAN TECHNOLOGICAL UNIVERSITY		
6	Operations.....	\$	<u>49,817,398</u>
7	GROSS APPROPRIATION.....	\$	49,817,398
8	Appropriated from:		
9	Special revenue funds:		
10	Michigan merit award trust fund.....		100,000
11	State general fund/general purpose.....	\$	49,717,398
12	Sec. 109. NORTHERN MICHIGAN UNIVERSITY		
13	Operations.....	\$	<u>46,911,544</u>
14	GROSS APPROPRIATION.....	\$	46,911,544
15	Appropriated from:		
16	Special revenue funds:		
17	Michigan merit award trust fund.....		100,000
18	State general fund/general purpose.....	\$	46,811,544
19	Sec. 110. OAKLAND UNIVERSITY		
20	Operations.....	\$	<u>50,576,000</u>
21	GROSS APPROPRIATION.....	\$	50,576,000
22	Appropriated from:		
23	Special revenue funds:		
24	Michigan merit award trust fund.....		3,429,858
25	State general fund/general purpose.....	\$	47,146,142
26	Sec. 111. SAGINAW VALLEY STATE UNIVERSITY		
27	Operations.....	\$	<u>27,244,000</u>

1	GROSS APPROPRIATION.....	\$	27,244,000
2	Appropriated from:		
3	Special revenue funds:		
4	Michigan merit award trust fund.....		2,590,062
5	State general fund/general purpose.....	\$	24,653,938
6	Sec. 112. UNIVERSITY OF MICHIGAN-ANN ARBOR		
7	Operations.....	\$	<u>327,306,045</u>
8	GROSS APPROPRIATION.....	\$	327,306,045
9	Appropriated from:		
10	Special revenue funds:		
11	Michigan merit award trust fund.....		100,000
12	State general fund/general purpose.....	\$	327,206,045
13	Sec. 113. UNIVERSITY OF MICHIGAN-DEARBORN		
14	Operations.....	\$	<u>25,293,938</u>
15	GROSS APPROPRIATION.....	\$	25,293,938
16	Appropriated from:		
17	Special revenue funds:		
18	Michigan merit award trust fund.....		100,000
19	State general fund/general purpose.....	\$	25,193,938
20	Sec. 114. UNIVERSITY OF MICHIGAN-FLINT		
21	Operations.....	\$	<u>21,761,282</u>
22	GROSS APPROPRIATION.....	\$	21,761,282
23	Appropriated from:		
24	Special revenue funds:		
25	Michigan merit award trust fund.....		100,000
26	State general fund/general purpose.....	\$	21,661,282
27	Sec. 115. WAYNE STATE UNIVERSITY		

1	Operations.....	\$	<u>228,379,908</u>
2	GROSS APPROPRIATION.....	\$	228,379,908
3	Appropriated from:		
4	Special revenue funds:		
5	Michigan merit award trust fund.....		100,000
6	State general fund/general purpose.....	\$	228,279,908
7	Sec. 116. WESTERN MICHIGAN UNIVERSITY		
8	Operations.....	\$	<u>123,209,294</u>
9	GROSS APPROPRIATION.....	\$	123,209,294
10	Appropriated from:		
11	Special revenue funds:		
12	Michigan merit award trust fund.....		100,000
13	State general fund/general purpose.....	\$	123,109,294
14	Sec. 117. STATE AND REGIONAL PROGRAMS		
15	Full-time equated positions.....		1.0
16	Higher education database modernization and		
17	conversion--1.0 FTE positions.....	\$	200,100
18	Midwestern higher education compact.....		<u>100</u>
19	GROSS APPROPRIATION.....	\$	200,200
20	Appropriated from:		
21	State general fund/general purpose.....	\$	200,200
22	Sec. 118. MARTIN LUTHER KING, JR.-CESAR		
23	CHAVEZ-ROSA PARKS PROGRAM		
24	Select student supportive services.....	\$	1,956,200
25	Michigan college/university partnership program.....		586,900
26	Morris Hood, Jr. educator development program.....		<u>148,700</u>
27	GROSS APPROPRIATION.....	\$	2,691,800

1	Appropriated from:	
2	State general fund/general purpose.....	\$ 2,691,800
3	Sec. 119. GRANTS AND FINANCIAL AID	
4	State competitive scholarships.....	\$ 33,111,538
5	Tuition grants.....	60,414,821
6	Michigan work-study program.....	7,326,349
7	Part-time independent student program.....	2,653,309
8	Dental clinics grant.....	4,547,050
9	Grant for general degree graduates.....	5,665,647
10	Grant for allied health graduates.....	841,614
11	Michigan education opportunity grants.....	2,084,168
12	Robert C. Byrd honors scholarship program.....	1,500,000
13	Nursing scholarship program.....	4,000,100
14	Michigan merit award program.....	135,000,000
15	Tuition incentive program.....	<u>9,250,000</u>
16	GROSS APPROPRIATION.....	\$ 266,394,596
17	Appropriated from:	
18	Federal revenues:	
19	Higher education act of 1965, title IV, 20 U.S.C....	2,900,000
20	Higher education act of 1965, title IV, part A.....	1,500,000
21	Special revenue funds:	
22	Michigan merit award trust fund.....	148,350,100
23	State general fund/general purpose.....	\$ 113,644,496

24 PART 2

25 PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2003-2004

26 GENERAL SECTIONS

1 Sec. 201. Pursuant to section 30 of article IX of the state
2 constitution of 1963, total state spending from state resources under
3 part 1 for fiscal year 2003-2004 is \$1,813,781,274.00 and state
4 spending from state resources to be paid to local units of government
5 for fiscal year 2003-2004 is \$3,759,100.00. The itemized statement
6 below identifies the estimated appropriations from which spending to
7 units of local government will occur:

8	Part-time independent student program.....	\$	1,255,700
9	Michigan education opportunity grant.....		932,900
10	Michigan work-study.....		<u>1,570,500</u>
11	TOTAL.....	\$	3,759,100

12 Sec. 202. The appropriations authorized under this act are
13 subject to the management and budget act, 1984 PA 431, MCL 18.1101 to
14 18.1594.

15 Sec. 208. Unless otherwise specified, the institutions of higher
16 education receiving appropriations in part 1 shall use the Internet to
17 fulfill the reporting requirements of this act. This requirement may
18 include transmission of reports via electronic mail to the recipients
19 identified for each reporting requirement, or it may include placement
20 of reports on an Internet or Intranet site.

21 Sec. 209. Funds appropriated in part 1 shall not be used for the
22 purchase of foreign goods or services, or both, if competitively
23 priced and of comparable quality American goods and services, or both,
24 are available. Not later than May 1, 2004, each university shall have
25 available upon request information on efforts to comply with this
26 section.

27 Sec. 212. (1) The funds appropriated in part 1 to state

1 institutions of higher education shall be paid out of the state
2 treasury and distributed by the state treasurer to the respective
3 institutions in 11 equal monthly installments on the sixteenth of each
4 month, or the next succeeding business day, beginning with October 16,
5 2003. Except for Wayne State University, each institution shall
6 accrue its July and August 2004 payments to its institutional fiscal
7 year ending June 30, 2004.

8 (2) All universities shall submit higher education institutional
9 data inventory (HEIDI) data and associated financial and program
10 information requested by and in a manner prescribed by the state
11 budget director. For universities with fiscal years ending June 30,
12 2003, these data shall be submitted to the state budget director by
13 October 15, 2003. Universities with a fiscal year ending September
14 30, 2003 shall submit preliminary HEIDI data by November 15, 2003 and
15 final data by December 15, 2003. If a university fails to submit
16 HEIDI data and associated financial aid program information in
17 accordance with this reporting schedule, the state treasurer shall
18 withhold the monthly installments under subsection (1) to the
19 university until those data are submitted.

20 (3) A detailed description of procedures utilized to arrive at the
21 amounts appropriated in part 1 shall be submitted to each institution
22 by the senate and house fiscal agencies.

23 Sec. 213. Funds received by the state from the federal
24 government or private sources for the use of a college or university
25 are appropriated for the purposes for which they are provided. The
26 acceptance and use of federal or private funds do not place an
27 obligation upon the legislature to continue the purposes for which the

1 funds are made available.

2 Sec. 214. If section 274 of the income tax act of 1967, 1967
3 PA 281, MCL 206.274, is not repealed and if a state institution of
4 higher education that receives funds under this act notifies the
5 department of treasury regarding its tuition and fee rates in order to
6 qualify as an eligible institution for the Michigan tuition tax credit
7 under section 274 of the income tax act of 1967, 1967 PA 281,
8 MCL 206.274, the institution shall also submit the notification and
9 applicable documentation of tuition and fee changes to the house and
10 senate fiscal agencies.

11 Sec. 215. A state institution of higher education that receives
12 funds under this act shall furnish all program and financial
13 information that is required by and in a manner prescribed by the
14 state budget director or the house or senate appropriations
15 committee.

16 **GRANTS AND FINANCIAL AID**

17 Sec. 301. (1) Payments of the amounts included in part 1 for the
18 state competitive scholarship program shall be distributed pursuant to
19 1964 PA 208, MCL 390.971 to 390.981.

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

24 (3) If a student who receives an award under this section has his
25 or her tuition and fees paid under the Michigan educational trust
26 program, pursuant to the Michigan education trust act, 1986 PA 316,

1 MCL 390.1421 to 390.1444, and still has financial need, the funds
2 awarded under this section may be used for educational expenses other
3 than tuition and fees.

4 (4) If the Michigan higher education assistance authority
5 increases the maximum award per eligible student from that provided in
6 the previous fiscal year, it shall not have the effect of reducing the
7 number of eligible students receiving awards in relation to the total
8 number of eligible applicants. Any increase in the maximum grant
9 shall be proportional for all eligible students receiving awards.

10 Sec. 302. (1) The amounts appropriated in part 1 for the state
11 tuition grant program shall be distributed pursuant to 1966 PA 313,
12 MCL 390.991 to 390.997a.

13 (2) Tuition grant awards shall be made to all eligible Michigan
14 residents who apply before July 15, 2003 and who are qualified.
15 Tuition grant awards shall not be made to students newly enrolled in a
16 juris doctor law degree program after the 1995-96 academic year.

17 (3) The Michigan higher education assistance authority shall
18 determine an actual maximum tuition grant award per student that
19 ensures that the aggregate payments for the tuition grant program do
20 not exceed the appropriation contained in part 1 for the state tuition
21 grant program. By December 15, 2003, and again by February 1, 2004,
22 the authority shall analyze the status of award commitments, shall
23 make any necessary adjustments, and shall confirm that those award
24 commitments will not exceed the appropriation contained in part 1 for
25 the tuition grant program. The determination and actions shall be
26 reported to the state budget director and the house and senate fiscal
27 agencies no later than February 15, 2004. If award adjustments are

1 necessary, the students shall be notified of the adjustment by the
2 third Monday in February.

3 (4) Any unexpended and unencumbered funds remaining on
4 September 30, 2004 from the amounts appropriated in part 1 for the
5 tuition grant program shall not lapse on September 30, 2004, but shall
6 continue to be available for expenditure for tuition grants provided
7 in the 2004-2005 fiscal year. The use of these unexpended fiscal year
8 2003-2004 funds shall terminate at the end of the 2004-2005 fiscal
9 year.

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

13 (6) If the Michigan higher education assistance authority
14 increases the maximum award per eligible student from that provided in
15 the previous fiscal year, it shall not have the effect of reducing the
16 number of eligible students receiving awards in relation to the total
17 number of eligible applicants. Any increase in the maximum grant
18 shall be proportional for all eligible students receiving awards for
19 fiscal year 2003-2004.

20 (7) All Ferris State University students enrolled at Kendall
21 College of Art and Design prior to January 1, 2001 who were qualified
22 for the state tuition grant shall continue to receive the dollar
23 amount of the state tuition grant for which they were eligible until
24 they graduate or are no longer enrolled in the Kendall College of Art
25 and Design at Ferris State University.

26 Sec. 303. (1) Included in the appropriation in part 1 is funding
27 for the Michigan work-study program established under 1986 PA 288,

1 MCL 390.1371 to 390.1382, and 1986 PA 303, MCL 390.1321 to 390.1332.
2 An effort should be made by each institution participating in the
3 Michigan work-study program to assure that not less than 10% of those
4 undergraduate, graduate, and professional students eligible to
5 participate in the program are placed with for-profit employers no
6 later than December 31 of each year for which funding is provided
7 under this act.

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

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

18 Sec. 304. (1) Payments of the amounts included in part 1 for the
19 general degree reimbursement program established under 1974 PA 75,
20 MCL 390.1021 to 390.1027, shall be made for all degrees identified in
21 section 1(1) of 1974 PA 75, MCL 390.1021, except doctor of dental
22 surgery, doctor of dental medicine, juris doctor law, and allied
23 health degrees.

24 (2) The reimbursement rate per eligible degree shall be the
25 equally prorated amount permitted by the appropriation, except that
26 the amount of the reimbursement for each associate degree shall be 1/2
27 of the rate of reimbursement for the other degrees eligible under

1 subsection (1) for the general degree reimbursement program.

2 Sec. 305. The reimbursement rate per eligible degree under the
3 allied health degree reimbursement program established under 1974 PA
4 75, MCL 390.1021 to 390.1027, shall be the equally prorated amount
5 permitted by the appropriation included in part 1.

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

9 Sec. 307. The auditor general may audit selected enrollments,
10 degrees, and awards at selected independent colleges and universities
11 receiving awards administered by the department of treasury. The
12 audits shall be based upon definitions and requirements established by
13 the Michigan higher education assistance authority, the state budget
14 director, and the senate and house fiscal agencies. The auditor
15 general shall accept the Free Application for Federal Student Aid
16 (FAFSA) form as the standard of residency documentation. The auditor
17 general shall submit a report of findings to the senate and house
18 appropriations committees and state budget director by May 1, 2004.

19 Sec. 308. The sums appropriated in part 1 for the student
20 financial aid and degree reimbursement programs shall be paid out of
21 the state treasury and shall be distributed to the respective
22 institutions under a quarterly payment system as follows:

23 (a) For the state competitive scholarship, nursing scholarship,
24 tuition incentive, and tuition grant programs, 40% shall be paid at
25 the beginning of the state's first fiscal quarter, 40% at the
26 beginning of the state's second fiscal quarter, 10% at the beginning
27 of the state's third fiscal quarter, and 10% at the beginning of the

1 state's fourth fiscal quarter.

2 (b) For the work-study program, payments shall be made in 11
3 monthly installments from October 1 to August 31 of any year.

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

9 (d) For the general degree reimbursement program, allied health
10 degree reimbursement program, dental clinics grant program, and Robert
11 C. Byrd honors scholarship program, 50% shall be paid at the beginning
12 of the state's first fiscal quarter and 50% at the beginning of the
13 state's second fiscal quarter after the number of earned degrees
14 conferred and total amounts to be paid are certified.

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

20 Sec. 310. (1) The funds appropriated in part 1 for the tuition
21 incentive program/high school completion program shall be distributed
22 as provided in this section and pursuant to the administrative
23 procedures for the tuition incentive program/high school completion
24 program of the department of treasury.

25 (2) As used in this section:

26 (a) "Phase I" means the first part of the tuition incentive
27 assistance program defined as the academic period of 80 semester or

1 120 term credits, or less, leading to an associate degree or
2 certificate.

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

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

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

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

11 (i) Apply for certification to the department before graduating
12 from high school or completing the general education development (GED)
13 certificate.

14 (ii) Be less than 20 years of age at the time of high school
15 graduation or GED completion.

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

18 (iv) Be at least a half-time student, earning less than 80
19 semester or 120 term credits at a participating educational
20 institution within 4 years of high school graduation or GED
21 certificate completion.

22 (b) To be eligible for phase II, a person shall meet either of the
23 following criteria in addition to the criteria in subdivision (a):

24 (i) Complete at least 56 transferable semester or 84 transferable
25 term credits.

26 (ii) Obtain an associate degree or certificate at a participating
27 institution.

1 (c) To be eligible for phase I or phase II, a person must be
2 financially eligible as determined by the department. A person is
3 financially eligible for the tuition incentive program if that person
4 was Medicaid eligible for 24 months within the 36 months before
5 application. Certification of eligibility may begin in the sixth
6 grade and continue until the time of enrollment in a participating
7 institution.

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

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

13 (a) Payments for associate degree or certificate programs shall
14 not be made for more than 80 semester or 120 term credits for any
15 individual student at any participating institution.

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

21 (c) For persons enrolled at a Michigan public university, the
22 department shall pay lower level resident tuition and mandatory fees
23 for the current year.

24 (d) For persons enrolled at a Michigan independent, nonprofit
25 degree granting college or university, or a Michigan federal tribally
26 controlled community college, or Focus: HOPE, the department shall
27 pay mandatory fees for the current year and a per-credit payment that

1 does not exceed the average community college in-district per-credit
2 tuition rate as reported on August 1, for the immediately preceding
3 academic year.

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

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

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

12 (7) Program payments shall not be used by any recipient for
13 theology or divinity courses.

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

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

23 (10) Each institution shall ensure that all known available
24 restricted grants for tuition and fees are used prior to billing the
25 tuition incentive program for any portion of a student's tuition and
26 fees.

27 (11) The department shall ensure that the tuition incentive

1 program is well publicized and that potentially eligible Medicaid
2 clients are provided information on the program. The department shall
3 provide the necessary funding and staff to fully operate the program.

4 (12) Any unexpended and unencumbered funds remaining on September
5 30, 2004 from the amounts appropriated in part 1 for the tuition
6 incentive program shall not lapse on September 30, 2004, but shall
7 continue to be available for expenditure for the tuition incentive
8 program in the fiscal year ending September 30, 2005.

9 Sec. 311. To enable the legislature and the state budget
10 director to evaluate the appropriation needs of higher education, each
11 independent college and university shall make available to the
12 legislature or state budget director, upon request, data regarding
13 grants for the preceding, current, and ensuing fiscal years.

14 Sec. 312. From the funds appropriated in part 1, the Michigan
15 higher education assistance authority shall administer the nursing
16 scholarship program pursuant to 2002 PA 591, MCL 390.1181 to
17 390.1189.

18 Sec. 315. Included in part 1 is funding for the dental clinics
19 grant. This appropriation is for the University of Detroit Mercy to
20 support dental clinical services provided by its school of dentistry
21 to low income residents in southeastern Michigan.

22 **STATE UNIVERSITIES**

23 Sec. 401. (1) Included in part 1 is \$5,720,400.00 to Wayne State
24 University for the Joseph F. Young, Sr. psychiatric research and
25 training program. Wayne State University shall use these funds for
26 psychiatric laboratory and clinical research, training, and treatment
27 services. Within the available appropriation, services shall not be

1 denied to any patient who meets established research guidelines for
2 treatment on the basis of personal financial circumstances, age,
3 geographic residence, or projected/actual length of treatment as
4 medically warranted.

5 (2) Wayne State University shall report the following information
6 to the department of community health by November 1, 2004:

7 (a) The number and type of psychiatric research projects funded by
8 the appropriation described in subsection (1).

9 (b) The number and type of students trained and the location of
10 training funded by the appropriation.

11 (c) Demographic data regarding the number and profile of patients
12 to receive psychiatric services funded by the appropriation and a
13 profile of the services provided.

14 (d) A summary budget outlining major expenditure categories and
15 any first- and third-party reimbursements.

16 (3) Copies of these reports shall also be provided to the house
17 and senate fiscal agencies and the state budget director.

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

26 Sec. 405. (1) There is created the higher education
27 institutional data inventory advisory committee. The committee shall

1 be appointed by the state budget director and shall consist of the
2 following members:

- 3 (a) One representative from the house fiscal agency.
- 4 (b) One representative from the senate fiscal agency.
- 5 (c) One representative from the state budget director's office.
- 6 (d) Three representatives of the presidents council of state
7 universities. The presidents council shall appoint 1 representative
8 each from a masters, a doctoral, and a research university.

9 (2) The committee shall be responsible for maintaining and
10 enhancing the state higher education database for which funding is
11 included in part 1.

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

17 Sec. 409. The amounts appropriated in part 1 for public
18 universities establish a per-student funding floor of \$4,000.00. The
19 concept of maintaining reasonable per-student floor funding shall be
20 continued into future fiscal years.

21 Sec. 418. No state funds shall be used by any state university
22 to undertake a collaborative effort with any other university that
23 would have the effect of increasing its enrollment of first-time
24 professional law degree seeking students.

25 Sec. 421. (1) Central Michigan University shall report by
26 September 30, 2004 to the state budget director, house and senate
27 appropriations committees, and the house and senate fiscal agencies

1 information on the activities and effectiveness of the national
2 charter schools institute for which an appropriation is provided in
3 part 1. Included in the report shall be an accounting of all revenues
4 and expenditures of the institute, the names of the public school
5 academies served, and the type of assistance provided to each public
6 school academy.

7 (2) All funds received under part 1 for the national charter
8 schools institute are intended to be expended on activities of that
9 institute.

10 Sec. 426. (1) It is the legislative intent that private
11 bookstores that sell textbooks to university students and student
12 governments that provide a book swap for university students have
13 accurate and timely access to lists of universities' required
14 textbooks in order to provide prompt and efficient service for
15 students. It is further the legislative intent that each state
16 university allow students who are on financial aid or are receiving
17 tuition grants to decide where to purchase their textbooks.

18 (2) By February 15, 2004, the presidents council state
19 universities of Michigan shall research and report to the house and
20 senate appropriations subcommittees on higher education on the
21 potential for public universities to provide group purchasing for
22 textbooks for students at all 15 state universities.

23 Sec. 433. (1) Included in part 1 is \$2,953,400.00 for the
24 agricultural experiment station and \$2,619,000.00 for the cooperative
25 extension service for project GREEN. Project GREEN is intended to
26 address critical regulatory, food safety, economic, and environmental
27 problems faced by this state's plant-based agriculture, forestry, and

1 processing industries. "GREEN" is an acronym for generating research
2 and extension to meet environmental and economic needs.

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

7 (3) Not later than September 30, 2004, a report shall be submitted
8 by Michigan State University to the state budget director, the house
9 and senate appropriations subcommittees on agriculture and on higher
10 education, and the house and senate fiscal agencies for the preceding
11 fiscal year regarding project GREEN projects. The report shall
12 include, but is not limited to, the dollar amount of each project and
13 a review of each project's performance and accomplishments.

14 Sec. 434. All state universities shall work with the Michigan
15 economic development corporation (MEDC) to foster the state's economic
16 development. The presidents council shall meet quarterly with the
17 MEDC or its representative to discuss potential cooperative efforts
18 and examine any strategies or issues of concern related to advancement
19 of Michigan's economic development. The state universities, through
20 its presidents council, shall submit a report that summarizes the
21 discussion and identifies any conclusions or recommendations of the
22 participants at each quarterly meeting. The quarterly report shall be
23 submitted to the state budget director, the house and senate
24 appropriations subcommittees on higher education, and the house and
25 senate fiscal agencies no later than 30 days after each quarterly
26 meeting.

27 Sec. 436. The appropriations in part 1 for Michigan's 15 public

1 universities are intended to maintain the access and affordability to
2 these institutions for students and parents. As a condition to
3 receiving the appropriations in part 1, public universities shall
4 adopt reasonable tuition and fee increases for the 2003-2004 academic
5 year.

6 Sec. 437. It is the intent of the legislature that funds in a
7 Michigan public school employee retirement system (MPSERS)
8 stabilization subaccount be used for fiscal year 2003-04 to maintain
9 the annual level percentage of the payroll contribution rate at the
10 fiscal year 2002-03 estimated rate for the 7 state universities that
11 have employees in the MPSERS system.

12 Sec. 439. Any of Michigan's public universities which have a
13 policy allowing smoking in their dormitories or residence halls shall
14 report to the legislature, by December 1, 2003, the reason or reasons
15 for that policy.

16 Sec. 441. Included in the appropriation for Western Michigan
17 University in part 1 is \$10,000,000.00 of base funding for the
18 creation of a life sciences research and commercialization center.

19 **MARTIN LUTHER KING, JR. - CESAR CHAVEZ - ROSA PARKS**

20 **PROGRAMS**

21 Sec. 501. (1) Included in the appropriation for each public
22 university in part 1 is funding for the Martin Luther King, Jr. -
23 Cesar Chavez - Rosa Parks future faculty program, that is intended to
24 increase the pool of minority candidates pursuing faculty teaching
25 careers in postsecondary education. Each university shall apply the
26 percentage increase applicable to every university in the calculation

1 of appropriations in part 1 to the amount of funds allocated to the
2 future faculty program.

3 (2) The program shall be administered by each university in a
4 manner prescribed by the Michigan department of career development.
5 The Michigan department of career development shall use a good faith
6 effort standard to evaluate whether a fellowship is in default.

7 Sec. 502. (1) Included in the appropriation for each public
8 university in part 1 is funding for the Martin Luther King, Jr. -
9 Cesar Chavez - Rosa Parks college day program that is intended to
10 introduce schoolchildren underrepresented in postsecondary education
11 to the potential of a college education.

12 (2) Individual program plans of each university shall include a
13 budget of equal contributions from this program, the participating
14 public university, the participating school district, and the
15 participating independent degree granting college. College day funds
16 shall not be expended to cover indirect costs. Not more than 20% of
17 the university match shall be attributable to indirect costs. Each
18 university shall apply the percentage increase applicable to every
19 university in the calculation of appropriations in part 1 to the
20 amount of funds allocated to the college day program.

21 (3) The program shall be administered by each university in a
22 manner prescribed by the Michigan department of career development.

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

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

4 (3) The program shall be administered by the Michigan department
5 of career development.

6 Sec. 504. (1) Included in part 1 is funding for the Martin
7 Luther King, Jr. - Cesar Chavez - Rosa Parks college/university
8 partnership program between 4-year public and independent colleges and
9 universities and public community colleges, which is intended to
10 increase the number of academically and economically disadvantaged
11 students who transfer from community colleges into baccalaureate
12 programs.

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

18 (3) The program shall be administered by the Michigan department
19 of career development.

20 Sec. 505. (1) Included in the appropriation for each public
21 university in part 1 is funding for the Martin Luther King, Jr. -
22 Cesar Chavez - Rosa Parks visiting professors program which is
23 intended to increase the number of underrepresented minority
24 instructors in the classroom and provide role models for
25 underrepresented minority students.

26 (2) The program shall be administered by the Michigan department
27 of career development.

1 Sec. 506. (1) Included in the appropriation in part 1 is funding
2 under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks
3 initiative for the Morris Hood, Jr. educator development program which
4 is intended to increase the number of minority students, especially
5 males, who enroll in and complete K-12 teacher education programs at
6 the baccalaureate level.

7 (2) The program shall be administered by each state-approved
8 teacher education institution in a manner prescribed by the Michigan
9 department of career development.

10 (3) Approved teacher education institutions may and are encouraged
11 to use student support services funding in coordination with the
12 Morris Hood, Jr. funding to achieve the goals of the program.

13 Sec. 507. Each state institution of higher education receiving
14 funds under section 503, 504, or 506 shall notify the Michigan
15 department of career development by April 15, 2004 as to whether it
16 will expend by the end of its fiscal year the funds received under
17 section 503, 504, or 506. Notwithstanding the award limitations in
18 sections 503 and 504, the amount of funding reported as not being
19 expended will be reallocated to the institutions that intend to expend
20 all funding received under section 503, 504, or 506.

21 **STUDENT PERFORMANCE REPORTING**

22 Sec. 601. (1) From the amount appropriated in part 1 for state
23 universities, the state universities shall systematically inform
24 Michigan high schools regarding the academic status of students from
25 each high school in a manner prescribed by the presidents council,
26 state universities of Michigan in cooperation with the Michigan

1 association of secondary school principals.

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

7 Sec. 602. From the amount appropriated in part 1 for state
8 universities, the state universities shall inform Michigan community
9 colleges regarding the academic status of community college transfer
10 students in a manner prescribed by the presidents council, state
11 universities of Michigan in cooperation with the Michigan community
12 college association.

13 GENERAL REPORTS AND AUDITS

14 Sec. 701. (1) The auditor general shall review higher education
15 institutional data inventory (HEIDI) enrollment data submitted by all
16 public universities and may perform audits of selected public
17 universities if determined necessary. The review and audits shall be
18 based upon the definitions, requirements, and uniform reporting
19 categories established by the state budget director and the senate and
20 house fiscal agencies. The auditor general shall submit a report of
21 findings to the house and senate appropriations committees and the
22 state budget director no later than July 1, 2004.

23 (2) Student credit hours reports shall not include the following:
24 (a) Student credit hours generated through correspondence courses,
25 credit by examination, or inmate prison programs regardless of
26 teaching location.

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

24 (a) Bachelors:

25	Ferris State University	Art education, B.F.A.
26	Ferris State University	Biochemistry major, B.A.
27	Ferris State University	Chemistry major, B.A.

1	Ferris State University	Metals/jewelry design,
2		B.F.A.
3	Grand Valley State University	Cell and molecular biology,
4		B.S.
5	Grand Valley State University	Clinical laboratory science,
6		B.S.
7	Grand Valley State University	Dance, B.A.
8	Grand Valley State University	Medical imaging/radiation
9		science, B.S.
10	Lake Superior State University	Athletic training, B.S.
11	Michigan State University	Professional writing, B.A.
12	Michigan Technological University	Computer network and system
13		administration, B.S.
14	Michigan Technological University	Computer systems science,
15		B.S.
16	Northern Michigan University	Earth science, Bachelors
17	Northern Michigan University	Entertainment and sports
18		promotion, Bachelors
19	Northern Michigan University	Geographic information
20		science, Bachelors
21	Oakland University	Financial information
22		systems, B.S.
23	Oakland University	Wellness, health promotion,
24		and injury prevention,
25		B.S.
26	Wayne State University	Major in health education,
27		B.S.

1	Western Michigan University	Athletic training, B.A.
2	Western Michigan University	Engineering, B.S.E.
3	Western Michigan University	Major in financial planning,
4		B.B.A.
5	Western Michigan University	Major in geochemistry, B.S.
6	Western Michigan University	Major in global and
7		international studies,
8		B.A.
9	(b) Masters:	
10	Central Michigan University	Reading and literacy K-12,
11		M.A.
12	Eastern Michigan University	Schools, society, and
13		violence, M.A.
14	Ferris State University	Masters in business
15		administration, M.B.A.
16	Grand Valley State University	Biology, M.S.
17	Grand Valley State University	M.A. program in English,
18		M.A.
19	Grand Valley State University	Psychology, M.S.
20	Michigan State University	Digital rhetoric and
21		professional writing, M.A.
22	Michigan State University	Environmental design, M.A.
23	Michigan State University	Finance, M.S.
24	Michigan State University	Food safety, M.S.
25	Michigan State University	Youth development, M.A.
26	Saginaw Valley State University	Instructional technology,
27		M.A.

1	University of Michigan	Health and health care
2		research, M.S.
3	University of Michigan	International tax, L.L.M.
4	University of Michigan	Media arts, M.A.
5	University of Michigan-Dearborn	Psychology specialization in
6		health psychology, M.S.
7	University of Michigan-Dearborn	Science education, M.S.
8	Wayne State University	Accounting, M.S.
9	Wayne State University	Master of occupational
10		therapy, M.O.T.
11	(c) Doctorate:	
12	Michigan State University	Rhetoric and writing, Ph.D.
13	Oakland University	Ph.D. program in mechanical
14		engineering, Ph.D.
15	University of Michigan	Joint doctoral program on
16		women's studies and
17		sociology
18	Western Michigan University	Evaluation, Ph.D.
19	Western Michigan University	Spanish, Ph.D.

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

23 Sec. 702. The principal executive officer of each institution of
 24 higher education receiving an appropriation under this act shall
 25 expend a portion of the funds appropriated to that institution to make
 26 a report to the auditor general, the house and senate fiscal agencies,
 27 and the state budget director within 60 days after the auditor general

1 issues his or her report on the operation of the institution. The
2 institution's report shall specify all of the following:

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

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

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

10 Sec. 708. The auditor general shall conduct performance audits
11 of state universities during the fiscal year ending September 30, 2004
12 as the auditor general considers necessary.

13 Sec. 709. An institution receiving funds under this bill and
14 also subject to the student right-to-know and campus security act,
15 Public Law 101-522, 104 Stat. 2381, shall make a copy of all material
16 prepared pursuant to the public information reporting requirements
17 under the crime awareness and campus security act of 1990, title II of
18 the student right-to-know and campus security act, Public Law 101-542,
19 104 Stat. 2381 available in electronic Internet format on their
20 websites.

21 Sec. 710. By February 15, 2004, each public university that
22 receives funds under this act shall report to the house and senate
23 appropriations subcommittees on higher education and the house and
24 senate fiscal agencies the aggregate dollar amount and the number and
25 percentages of undergraduate students who receive need-based grants,
26 merit-based scholarships and grants, loans, and work-study financial
27 aid for the academic year 2002-2003.

PART 2A

PROVISIONS CONCERNING APPROPRIATIONS FOR FISCAL YEAR 2002-2003

Sec. 1101. The appropriations in 2002 PA 746 for fiscal year 2002-2003, sections 153 and 157, financed from the Michigan merit award trust fund, shall be appropriated from the tobacco settlement trust fund instead of the Michigan merit award trust fund. An amount of \$1,595,982.00 for community colleges and \$9,060,952.00 for higher education shall be appropriated from the tobacco settlement trust fund instead of the Michigan merit award trust fund.

Sec. 1102. It is the intent of the legislature that Michigan competitive scholarship award applicants and Michigan tuition grant applicants be notified not later than July 1, 2003 of the status of their awards.