ARTICLE III

STATE AID FOR UNIVERSITIES AND STUDENT FINANCIAL AID

Sec. 236. (1) Subject to the conditions set forth in this article, the amounts listed in this section are appropriated for higher education for the fiscal year ending September 30, 2024–2025, from the funds indicated in this section. The following is a summary of the appropriations in this section and section 236j:

(a) The gross appropriation is $2,291,048,800.00–$2,314,197,000.00. After deducting total interdepartmental grants and intradepartmental transfers in the amount of $0.00, the adjusted gross appropriation is $2,291,048,800.00–$2,314,197,000.00.

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

(i) Total federal revenues, $131,026,400.00–$3,200,000.00.

(ii) Total local revenues, $0.00.

(iii) Total private revenues, $0.00.

(iv) Total other state restricted revenues, $482,268,300.00–$545,468,300.00.

(v) State general fund/general purpose money, $1,677,754,100.00–$1,765,528,700.00.

(c) The totals and subtotals reflected in subdivisions (a) and (b) do not include
amounts appropriated under subsection (7)(f) or (8)(c) to avoid duplicating totals of amounts appropriated in this section and section 236j.

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

(a) The appropriation for Central Michigan University is $95,413,800.00, $89,352,000.00 for operations, $0.00 for per-student floor funding, $4,467,600.00 for operations increase, and $1,594,200.00 for costs incurred under the North American Indian tuition waiver. $97,771,900.00, $93,819,600.00 for operations, $2,345,500.00 for operations increase, and $1,606,800.00 for costs incurred under the North American Indian tuition waiver.

(b) The appropriation for Eastern Michigan University is $83,144,700.00, $78,798,800.00 for operations, $0.00 for per-student floor funding, $3,939,900.00 for operations increase, and $406,000.00 for costs incurred under the North American Indian tuition waiver. $85,208,400.00, $82,738,700.00 for operations, $2,068,500.00 for operations increase, and $401,200.00 for costs incurred under the North American Indian tuition waiver.

(c) The appropriation for Ferris State University is $59,646,500.00, $56,126,000.00 for operations, $0.00 for per-student floor funding, $2,806,300.00 for operations increase, and $714,200.00 for costs incurred under the North American Indian tuition waiver. $61,137,700.00, $58,932,300.00 for operations, $1,473,300.00 for operations increase, and $732,100.00 for costs incurred under the North American Indian tuition waiver.

(d) The appropriation for Grand Valley State University is $97,365,000.00, $79,974,500.00 for operations, $11,560,000.00 for per-student floor funding, $4,576,700.00 for operations increase, and $1,253,800.00 for costs incurred under the North American Indian tuition waiver. $99,837,200.00, $96,111,200.00 for operations, $2,402,800.00 for operations increase, and $1,323,200.00 for costs incurred under the North American Indian tuition waiver.

(e) The appropriation for Lake Superior State University is $15,190,300.00, $13,573,100.00 for operations, $0.00 for per-student floor funding, $678,700.00 for operations increase, and $938,500.00 for costs incurred under the North American Indian tuition waiver. $15,482,500.00, $14,251,800.00 for operations, $356,300.00 for operations increase, and $874,400.00 for costs incurred under the North American Indian tuition waiver.
(f) The appropriation for Michigan State University is $390,452,600.00, $301,681,300.00 for operations, $0.00 for per-student floor funding, $15,084,100.00 for operations increase, $1,943,800.00 for costs incurred under the North American Indian tuition waiver, $38,518,400.00 for MSU AgBioResearch, and $33,225,000.00 for MSU Extension.

$400,364,600.00, $316,765,400.00 for operations, $7,919,100.00 for operations increase, $2,143,100.00 for costs incurred under the North American Indian tuition waiver, $39,481,400.00 for MSU AgBioResearch, and $34,055,600.00 for MSU Extension.

(g) The appropriation for Michigan Technological University is $54,525,700.00, $51,103,600.00 for operations, $0.00 for per-student floor funding, $2,555,200.00 for operations increase, and $866,900.00 for costs incurred under the North American Indian tuition waiver. $55,781,900.00, $53,658,800.00 for operations, $1,341,500.00 for operations increase, and $781,600.00 for costs incurred under the North American Indian tuition waiver.

(h) The appropriation for Northern Michigan University is $53,320,000.00, $49,589,800.00 for operations, $0.00 for per-student floor funding, $2,479,500.00 for operations increase, and $1,250,700.00 for costs incurred under the North American Indian tuition waiver. $54,783,700.00, $52,069,300.00 for operations, $1,301,700.00 for operations increase, and $1,412,700.00 for costs incurred under the North American Indian tuition waiver.

(i) The appropriation for Oakland University is $72,288,800.00, $60,406,600.00 for operations, $8,123,900.00 for per-student floor funding, $3,426,500.00 for operations increase, and $331,800.00 for costs incurred under the North American Indian tuition waiver. $74,047,100.00, $71,957,000.00 for operations, $1,798,900.00 for operations increase, and $291,200.00 for costs incurred under the North American Indian tuition waiver.

(j) The appropriation for Saginaw Valley State University is $33,894,500.00, $32,086,300.00 for operations, $0.00 for per-student floor funding, $1,604,300.00 for operations increase, and $203,900.00 for costs incurred under the North American Indian tuition waiver. $34,731,400.00, $33,690,600.00 for operations, $842,300.00 for operations increase, and $198,500.00 for costs incurred under the North American Indian tuition waiver.

(k) The appropriation for University of Michigan – Ann Arbor is $356,568,800.00,
$338,360,300.00 for operations, $0.00 for per student floor funding, $16,918,000.00 for operations increase, and $1,290,500.00 for costs incurred under the North American Indian tuition waiver. $365,681,600.00, $355,278,300.00 for operations, $8,882,000.00 for operations increase, and $1,521,300.00 for costs incurred under the North American Indian tuition waiver.

(l) The appropriation for University of Michigan – Dearborn is $31,233,500.00, $27,869,700.00 for operations, $1,699,800.00 for per student floor funding, $1,478,500.00 for operations increase, and $185,500.00 for costs incurred under the North American Indian tuition waiver. $32,033,000.00, $31,048,000.00 for operations, $776,200.00 for operations increase, and $208,800.00 for costs incurred under the North American Indian tuition waiver.

(m) The appropriation for University of Michigan – Flint is $26,404,700.00, $24,774,800.00 for operations, $0.00 for per student floor funding, $1,238,700.00 for operations increase, and $391,200.00 for costs incurred under the North American Indian tuition waiver. $26,955,700.00, $26,013,500.00 for operations, $650,300.00 for operations increase, and $291,900.00 for costs incurred under the North American Indian tuition waiver.

(n) The appropriation for Wayne State University is $224,354,500.00, $213,286,600.00 for operations, $0.00 for per student floor funding, $10,664,300.00 for operations increase, and $403,600.00 for costs incurred under the North American Indian tuition waiver. $229,975,400.00, $223,950,900.00 for operations, $5,598,800.00 for operations increase, and $425,700.00 for costs incurred under the North American Indian tuition waiver.

(o) The appropriation for Western Michigan University is $119,983,900.00, $113,752,600.00 for operations, $0.00 for per student floor funding, $5,687,600.00 for operations increase, and $543,700.00 for costs incurred under the North American Indian tuition waiver. $123,039,800.00, $119,440,200.00 for operations, $2,986,000.00 for operations increase, and $613,600.00 for costs incurred under the North American Indian tuition waiver.

(3) The amount appropriated in subsection (2) for public universities is $1,713,727,300.00, $1,756,831,900.00, appropriated from the following:

(a) State school aid fund, $443,168,300.00—$536,968,300.00.
(b) State general fund/general purpose money, $1,270,619,000.00—$1,219,863,600.00.

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

(5) The amount appropriated for state and regional programs is $316,800.00, appropriated from general fund/general purpose money and allocated as follows:
   (a) Higher education database modernization and conversion, $200,000.00.
   (b) Midwestern Higher Education Compact, $116,800.00.

(6) The amount appropriated for the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks program is $2,691,500.00, appropriated from general fund/general purpose money and allocated as follows:
   (a) Select student support services, $1,956,100.00.
   (b) Michigan college/university partnership program, $586,800.00.
   (c) Morris Hood, Jr. educator development program, $148,600.00.

(7) Subject to subsection (8), the amount appropriated for grants and financial aid is $447,283,200.00 allocated as follows. $545,856,800.00. The estimated allocations for grants and financial aid are:
   (a) State competitive scholarships, $26,861,700.00—$19,930,900.00.
   (b) Tuition grants, $42,021,500.00—$34,925,900.00.
   (c) Tuition incentive program, $73,800,000.00—$93,800,000.00.
   (d) Children of veterans and officer's survivor tuition grant programs, $1,400,000.00—$2,000,000.00.
   (e) Project GEAR-UP, $3,200,000.00.
   (f) Michigan achievement scholarships, $300,000,000.00—$330,000,000.00. From this amount, up to $10,000,000.00 may be used to award skills scholarships under section 248a.
   (g) Michigan reconnect, $62,000,000.00.

(8) The money appropriated in subsection (7) for grants and financial aid is appropriated from the following:
   (a) Federal revenues under the United States Department of Education, Office of Elementary and Secondary Education, GEAR-UP program, $3,200,000.00.
   (b) Federal revenues under the social security act, temporary assistance for needy families, $127,826,400.00.
   (c) Postsecondary scholarship fund, $300,000,000.00—$330,000,000.00.
(c) State general fund/general purpose money, $16,256,800.00. $212,656,800.00.

(d) Any state funds appropriated in subsection (7) that are not expended in the fiscal year in which they were appropriated, as determined by the state budget director, may be used to supplement any of the allocations under subsection (7).

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

(10) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), the amount appropriated for Michigan Technological University for the creation of a bachelor of science degree in nursing program is $870,000.00, appropriated from state general fund/general purpose money.

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

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

(13) For fiscal year 2023-2024 only, from the appropriations described in subsection (1), subjects to section 236m and 236o, $170,000,000.00 is appropriated from general fund/general purpose money for infrastructure, technology, equipment, maintenance, and safety.

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

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

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

(a) Central Michigan University, $13,013,100.00, $12,927,300.00.
(b) Eastern Michigan University, $6,068,200.00, $6,028,200.00.
(c) Ferris State University, $9,756,300.00, $9,555,800.00.
(d) Grand Valley State University, $8,680,100.00, $8,622,800.00.
(e) Lake Superior State University, $2,246,100.00, $2,231,300.00.
(f) Michigan State University, $16,725,300.00, $16,615,000.00.
(g) Michigan Technological University, $4,030,700.00, $5,787,900.00.
(h) Northern Michigan University, $7,768,000.00, $8,917,700.00.
(i) Oakland University, $9,617,400.00, $11,256,500.00.
(j) Saginaw Valley State University, $7,880,000.00, $7,828,000.00.
(k) University of Michigan - Ann Arbor, $11,757,500.00, $12,280,600.00.
(l) University of Michigan - Dearborn, $10,802,200.00, $10,736,000.00.
(m) University of Michigan - Flint, $6,103,500.00, $6,063,200.00.
(n) Wayne State University, $10,082,300.00, $10,082,300.00.
(o) Western Michigan University, $10,149,100.00, $11,262,700.00.

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

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

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

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

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

(6) For the fiscal year ending September 30, 2024, $300,000,000.00 is deposited into the postsecondary scholarship fund from the state general fund/general purpose money.

(7) It is the intent of the legislature that the postsecondary scholarship fund serves as the primary funding source of the Michigan achievement scholarship. To ensure the Michigan achievement scholarship provides ongoing supports for students, it is the intent of the legislature to increase annual deposits into the postsecondary scholarship fund by $50,000,000.00 per year until the fully implemented costs of the Michigan achievement scholarship are deposited annually into the postsecondary scholarship fund.

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

Sec. 241a. (1) All public universities shall submit higher education institutional
data inventory (HEIDI) data and associated financial aid program information requested by
and in a manner prescribed by the state budget director. For public universities with
fiscal years ending June 30, these data must be submitted to the state budget director by
October 15 of each fiscal year. Public universities with a fiscal year ending September 30,
2023–2024 shall submit preliminary HEIDI data by November 15, 2023–2024 and final data by
December 15, 2023–2024.

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

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

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

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

(4) No later than October 15 each year, a public university shall maintain a public
transparency website available through a link on its website homepage. The website must
include all of the following concerning the public university:

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

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

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

(A) Earnings and wages.

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

(D) All other personnel costs.

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

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

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

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

(iii) Audits and financial reports for the most recent fiscal year for which they are available.

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

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

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

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

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

(i) Enrollment.

(ii) Student retention rate.

(iii) Six-year graduation rates.

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

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

(vi) Faculty to student ratios and total public university employee to student ratios.
(vii) Teaching load by faculty classification.

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

(i) An icon badge that provides statewide consistency and public visibility. For this purpose, public universities shall use the icon badge provided by the department of technology, management, and budget consistent with the icon badge developed by the department of education for K-12 school districts. It must appear on the front of each public university's homepage. The size of the icon may be reduced to 150 x 150 pixels. The font size and style for this reporting must be consistent with other documents on each public university's website.

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

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

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

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

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

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

(e) A directory of resources available at the public university or surrounding community for students or employees who are survivors of sexual assault or sexual abuse.


(g) Campus security policies and crime statistics pursuant to the student right-to-know and campus security act, Public Law 101-542, 104 Stat 2381. Information must include 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.

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

(2) Payments under section 236 for operations increase and per-student floor funding must be made only to a public university that certifies to the state budget director by the last business day of August each year that its board did not adopt an increase in tuition and fee rates for resident undergraduate students after September 1, 2022-2023 for the 2022-2023-2023-2024 academic year and that its board will not adopt an increase in tuition and fee rates for resident undergraduate students for the 2023-2024 academic year that is greater than 4.5% or $676.00, whichever is greater, the tuition restraint described in this subsection. For the academic year 2024-2025, the tuition restraint level is equal to the greater of 5.0% or $781.00. For the academic year 2025-2026, the tuition restraint level is equal to the greater of 5.0% or $820.00. It is intended that in the next fiscal year, the tuition restraint rate will only be adjusted for the subsequent academic year. 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 public 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 2023-2024-2024-2025 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 public 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.

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

(a) The public university participates in reverse transfer agreements described in section 286 with at least 3 community colleges in this state.

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

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

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

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

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

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

(4) The state budget director shall implement uniform reporting requirements to ensure that a public university receiving a payment under section 236 for operations increase or 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.

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

Sec. 247 (1) The funds appropriated in section 236 for Michigan reconnect must be
distributed and administered by the department of lifelong education, advancement, and
potential pursuant to the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to
390.1709, the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1711 to 390.1723
and the administrative procedures for Michigan reconnect of the department.

(2) After administering Michigan reconnect pursuant to subsection (1), the department
may use any remaining funds appropriated in section 236 for Michigan reconnect for
outreach, enrollment supports, administration of the program, and grants to institutions of
higher education or nonprofit organizations to provide support to reconnect eligible
students to increase degree or credential completion.

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

(2) As used in this section:

(a) "Department" means the department of treasury—lifelong education, advancement,
and potential.

(b) "Eligible institution" means a public university that receives an appropriation
in section 236, a community college that receives an appropriation in section 201, a
federally recognized tribal college in this state, or an independent nonprofit college or
university in this state as described in section 1 of 1966 PA 313, MCL 390.991, determined
by the department.

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

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

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

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

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

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

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

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

(B) For a student indicating on the student's Free Application for Federal Student Aid that the student is not the only member of the student's household or the student's parents' household attending a postsecondary institution during that academic year, the greater of the number described in subparagraph (A) or a number determined by the department. For the purposes of this subparagraph, the department, in collaboration with the state budget office and the house and senate fiscal agencies, may calculate a student
aid index number or may issue administrative guidance for the student aid index eligibility
of students with more than 1 member of the student's household or the student's parents' household attending a postsecondary institution during that academic year. It is intended that the utilization of a student aid index instead of expected family contribution does not adversely impact the eligibility of students with multiple members of the student's household or the student's parents' household in college.

(iii) It is intended that the legislature and executive branch work collaboratively to use Michigan achievement scholarship uptake and other relevant data to establish a more permanent measure of financial need for the Michigan achievement scholarship for subsequent academic years.

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

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

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

(c) Be a full-time undergraduate student at an eligible institution, as defined by that eligible institution, and be a first-time enrollee in an eligible institution during the 2023-2024 academic year, or a subsequent academic year, within 15 months after high school graduation or attainment of a high school equivalency certificate or have received a Michigan achievement scholarship in a previous academic year. For the purposes of this subdivision, participation in a dual enrollment, early college, or other similar program while attending high school does not disqualify a student from being considered a first-time enrollee.

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

(e) Not be incarcerated in a corrections institution.

(f) Not be in default on a federal student loan.

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

(ii) For a student indicating on the student’s Free Application for Federal Student Aid that the student is the only member of the student’s household or the student’s parents’ household attending a postsecondary institution during that academic year, $30,000.00 or less.

(1ii) For a student indicating on the student’s Free Application for Federal Student Aid that the student is not the only member of the student’s household or the student’s parents’ household attending a postsecondary institution during that academic year, the greater of the number described in subparagraph (i) or a number determined by the department of treasury. For the purposes of this subparagraph, the department of treasury, in collaboration with the state budget office and the house and senate fiscal agencies, may calculate a student aid index number or may issue administrative guidance for the student aid index eligibility of students with more than 1 member of the student’s household or the student’s parents’ household attending a postsecondary institution during that academic year. It is the intent of the legislature that the utilization of a student aid index instead of expected family contribution does not adversely impact the eligibility of students with multiple members of the student’s household or the student’s parents’ household in college.

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

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

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

(g) For scholarships awarded at eligible institutions that are a public university or for eligible students enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121 or an independent nonprofit college or university, be an SAI eligible student.

(4) Michigan achievement scholarships are subject to all of the following: The amount awarded to an eligible student at an eligible institution must equal 1 of the following:

(a) Subject to section 248a(3)(f)(i), an eligible student may receive an award under this section or section 248a for a maximum of 5 academic years, not more than 3 of which may be for attending eligible institutions that are community colleges or federally recognized tribal colleges unless the student is enrolled in a baccalaureate degree program described in section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121. A student may not receive an award under this subsection and section 248a(3)(f)(i) during the same academic year. The amount awarded to an eligible student who is not an SAI eligible student and is enrolled at an eligible institution that is a community college or federally recognized tribal college must be equal to the sum of the last-dollar payment amount.

(b) The amount awarded to an eligible student who is an SAI eligible student and is enrolled at an eligible institution that is a community college or federally recognized tribal college must equal the sum of the following: the last-dollar payment amount plus an additional payment amount of $1,000.00.

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

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

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

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

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

(d) The amount awarded to an eligible student at an eligible institution that is an independent nonprofit college or university must equal the sum of the following:
(i) A minimum payment of $1,000.00.

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

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

(f) As used in this subsection:

(i) “Last-dollar payment amount” means an amount equal to the tuition, mandatory fees, and contact hours for each student's actual program of study, minus all gift aid received by the student.

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

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

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

(7) From the funds appropriated in section 236(7) for the Michigan achievement scholarships, the department may not use more than $10,000,000.00 for the purposes of outreach programs to raise awareness of the Michigan achievement scholarship described in this section and section 248a and shall ensure that Michigan achievement scholarships are well publicized and that high school students are provided information on the program. The department may receive and expend funds received from outside sources for scholarships, marketing, or other purposes related to the Michigan achievement scholarship. The department shall provide the necessary funding and staff to fully operate the program.

(8) The department shall convene a workgroup during the fiscal year ending September 30, 2024 to consider and advise the department on implementing policies for administering the Michigan achievement scholarship. The workgroup shall include...
participation from the Michigan Association of State Universities and its institutional
members, the Michigan College Access Network, the Michigan Community College Association
and its institutional members, the Michigan Independent Colleges and Universities and its
institutional members, and any other interested stakeholders and offices as determined by
the department. The workgroup shall make recommendations on packaging order, packaging
structure, definitions of terms not otherwise defined in statute, and other administrative
regulatory requirements as necessary to implement the Michigan achievement scholarship.

(9) The following reporting obligations apply to the Michigan achievement
scholarship program:

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

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

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

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

(iv) The number of Michigan achievement scholarships that were canceled due to
failure to maintain satisfactory academic progress under subsection (2)(d) as defined in
this section.

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

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

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

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

(10) (9) Beginning April 1, 2024, by April 1 of each year, each eligible institution shall submit a report to the department, the state budget office, and the house and senate fiscal agencies providing information as to the total institutional grant aid per full-year equated undergraduate student for the current institution fiscal year and average amount of institutional grant aid awarded to full-time first time undergraduate students for the immediately preceding 2 institution fiscal years. If the institution does not maintain total institutional grant aid per full-year equated undergraduate student at the average amount provided over the immediately preceding 3 institution fiscal years, if the amount calculated for fiscal year 2024 does not maintain an average amount of institutional grant aid awarded to full-time first time undergraduate students that is equal to or above the amount calculated in fiscal year 2023, the institution must include in the report a description of changes to institutional finances or the student population that prevented the institution from maintaining support for institutional aid. Any changes to the institutional financial aid during the two immediately preceding fiscal years. An institution's report of total institutional grant aid per full-year equated undergraduate student—the average amount of institutional grant aid awarded to full-time first time undergraduate students pursuant to this subdivision must be consistent with data most recently reported to the Integrated Postsecondary Education Data System.

(11) (10) For each fiscal year, an eligible institution becomes ineligible for funding under this section if, in the immediately preceding fiscal year, the institution exceeds 1 of must report and maintain the following tuition restraint requirements, as applicable:

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

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

(c) The state budget director shall implement reporting requirements to ensure that an eligible institution has satisfied the tuition restraint requirements of this section. The state budget director has the sole authority to determine if an eligible institution has met the requirements of this section.

(d) If an eligible institution exceeds the applicable tuition restraint level for two
consecutive years, the state budget director may deem the institution ineligible for
funding under this section in the subsequent academic year.

(12) It is the intent of the legislature that an eligible institution
will not make reductive changes to scholarship or financial aid programs offered by that
eligible institution that have the goal or net effect of shifting the cost burden of those
programs to the program described in this section.

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

(2) As used in this section:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(4) Except as otherwise provided in subsection (5), the department shall promulgate rules to implement subsection (3)(a), (b), and (d) only, pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, subject to all of the following:
(a) Under subsection (3)(a), the department is limited to developing the form for the
application described in subsection (3)(a) and prescribing the time and manner of its
completion.

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

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

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

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

Sec. 250. To be considered eligible for any scholarship or grant financial aid
program administered by the department of treasury—lifelong education, advancement, and
potential, the student must file the Free Application for Federal Student Aid (FAFSA)
annually, unless it is not required by the department.

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

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

(3) The department of \textit{treasury-lifelong education, advancement, and potential} shall implement a proportional competitive scholarship award level for recipients enrolled less than full-time in a given semester or term.

(4) If a student who receives an award under this section has the student's tuition, contact hours, and fees paid under the Michigan educational trust program, pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442, and still has financial need, the funds awarded under this section may be used for educational expenses other than tuition and fees.

(4) If the department of \textit{treasury-lifelong education, advancement, and potential} increases the award per eligible student from that provided in the previous fiscal year, it must not have the effect of reducing the number of eligible students receiving awards in relation to the total number of eligible applicants. Any increase in the award must be proportional for all eligible students receiving awards.

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

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

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

(3) Pursuant to section 5 of 1966 PA 313, MCL 390.995, and subject to subsections (6) and (7), the department of \textit{treasury-lifelong education, advancement, and potential} shall determine an actual tuition grant award per student, which must be $3,000.00, that ensures that the aggregate payments for the tuition grant program do not exceed the appropriation contained in section 236 for the state tuition grant program. If the department determines that insufficient funds are available to establish an award amount equal to $3,000.00, the
department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the estimated amount of additional funds necessary to establish a $3,000.00 award amount. If the department determines that sufficient funds are available to establish an award amount equal to $3,000.00, the department shall immediately report to the house and senate appropriations subcommittees on higher education, the house and senate fiscal agencies, and the state budget director regarding the award amount established and the projected amount of any projected year-end appropriation balance based on that award amount. By February 18 of each fiscal year, the department 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 236 for the tuition grant program. The determination and actions must be reported to the state budget director and the house and senate fiscal agencies no later than the final day of February of each year. If award adjustments are necessary, the students must be notified of the adjustment by March 4 of each year. For the purpose of determining a student’s financial need under 1966 PA 313, MCL 390.991 to 390.999, the department of lifelong education, advancement, and potential shall presume that a student who receives a Michigan achievement scholarship under section 248 has no need for a state tuition grant under this section. It is the intent of the legislature that 1966 PA 313, MCL 390.991 to 390.997a, will be amended to end tuition grant eligibility of students enrolling in college for the first time after the fiscal year ending on September 30, 2024, as those students may be eligible for the Michigan achievement scholarship.

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

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

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

(7) The department of Treasury-lifelong education, advancement, and potential shall
not award tuition grants to otherwise eligible students enrolled in an independent college
or university that does not report, in a form and manner directed by and satisfactory to
the department of Treasury-lifelong education, advancement, and potential, by October 31 of
each year, all of the following:

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

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

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

(8) By February 1 of each year, each independent college and university participating
in the tuition grant program shall report to the house and senate appropriations
subcommittees on higher education, the house and senate fiscal agencies, and the state
budget director on its efforts to develop and implement sexual assault response training
for the institution's title IX coordinator, campus law enforcement personnel, campus public
safety personnel, and any other campus personnel charged with responding to on-campus
incidents, including information on sexual assault response training materials and the
status of implementing sexual assault response training for institutional personnel.

Sec. 253. The auditor general may audit selected enrollments, degrees, and awards at
selected independent colleges and universities receiving awards that are administered by
the department of Treasury-lifelong education, advancement, and potential. The audits
shall be based upon definitions and requirements established by the department of Treasury-
lifelong education, advancement, and potential, the state budget director, and the senate
and house fiscal agencies. The auditor general shall accept the Free Application for
Federal Student Aid (FAFSA) form as the standard of residency documentation.
Sec. 255. The department of Treasury—lifelong education, advancement, and potential shall determine the needs analysis criteria for students to qualify for the state competitive scholarship program and tuition grant program. To be consistent with federal requirements, the department of Treasury—lifelong education, advancement, and potential may take student wages into consideration when determining the amount of the award.

Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive program must be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program of the department of Treasury—lifelong education, advancement, and potential.

   (2) As used in this section:

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

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

      (c) "Department" means the department of Treasury—lifelong education, advancement, and potential.

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

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

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

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

       (ii) Be a United States citizen and a resident of this state according to institutional criteria; maintain residency in this state, as determined for purposes of the Free Application for Federal Student Aid.
(iii) 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 achievement of a high school equivalency certificate. All program eligibility expires 10 years after initial enrollment at a participating educational institution.

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

(b) To be eligible for phase II, an individual must 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, an individual must be financially eligible as determined by the department. An individual is financially eligible for the tuition incentive program if the individual was eligible for Medicaid from this state for 24 months within any 36 months prior to completion of high school or achievement of a high school equivalency certificate. The department shall accept certification of Medicaid eligibility only from the department of health and human services for the purposes of verifying if a person is Medicaid eligible for 24 months within any 36 months prior to completion of high school or achievement of a high school equivalency certificate. Certification of eligibility may begin in the sixth grade.

(4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall only accept standard per-credit hour tuition billings and 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 must not be made for more than 80 semester or 120 term credits for any individual student at any participating institution. The department shall not do either of the following:

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

(ii) Adopt or apply any per-semester or per-term credit maximum for a student whose semester-credit or term-credit load will not result in exceeding the total 80 semester-credit or 120 term-credit maximum provided in this subdivision.
(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 division resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent, nonprofit degree-granting college or university, a Michigan federal tribally controlled community college, or Focus: HOPE, 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 by the last business day of August 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) The department shall work closely with participating institutions to provide the highest level of participation and ensure that all requirements of the program are met.

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

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

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

(11) The department shall collaborate with the center to use the P-20 longitudinal data system to report the following information for each qualified postsecondary institution:
(a) The number of phase I students in the most recently completed academic year who
in any academic year received a tuition incentive program award and who successfully
completed a degree or certificate program. Cohort graduation rates for phase I students
must be calculated using the established success rate methodology developed by the center
in collaboration with the postsecondary institutions.

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

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

Sec. 258. By February 15 of each year, the department of treasury, lifelong education,
advancement, and potential shall post to its publicly available website a report for the
preceding fiscal year on all student financial aid programs for which funds are
appropriated in section 236. For each student financial aid program, the report shall
include, but is not limited to, the total number of awards paid in the preceding fiscal
year, the total dollar amount of those awards, and the number of students receiving awards
and the total amount of those awards at each eligible postsecondary institution. To the
extent information is available, the report shall also include information on household
income and other demographic characteristics of students receiving awards under each
program and historical information on the number of awards and total award amounts for each
program.

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

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

(a) A list of public and private community support centers, student debt clinics, and other organizations and their contact information submitted by Michigan College Access Network that provides free information and services for student loan borrowers to help educate them about repayment options and to help them access student loan programs or benefits for which they may be eligible.

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

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

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

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

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

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

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

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

(ii) Deciding how much to borrow.

(iii) Creating a plan for borrowing and repayment.

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

(v) Factors that affect total student loan costs.

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

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

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

(ix) Student loan debt relief scams.

(i) Loan amortization information.

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

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

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

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

Sec. 263. (1) Included in the appropriation in section 236 for fiscal year 2023-2024 for MSU AgBioResearch is $2,982,900.00 and included in the appropriation in section 236 for MSU Extension is $2,645,200.00 for Project GREEEN. Project GREEEN is intended to address critical regulatory, food safety, economic, and environmental problems faced by this state's plant-based agriculture, forestry, and processing industries. "GREEEN" is an acronym for Generating Research and Extension to Meet Environmental and Economic Needs.

(2) The department of agriculture and rural development and Michigan State University, in consultation with agricultural commodity groups and other interested parties, shall develop Project GREEEN and its program priorities.
Sec. 264. Included in the appropriation in section 236 for fiscal year 2023-2024 for Michigan State University is $80,000.00 for the Michigan Future Farmers of America Association. This $80,000.00 allocation must not supplant any existing support that Michigan State University provides to the Michigan Future Farmers of America Association.

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

(2) By January 15 of each year, the department of civil rights, lifelong education, advancement, and potential shall annually submit to the state budget director, the house and senate appropriations subcommittees on higher education, and the house and senate fiscal agencies a report on North American Indian tuition waivers for the preceding academic year that includes, but is not limited to, all of the following information:

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

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

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

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

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

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

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

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

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

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

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

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

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

(b) Inform the applicant that he or she they may submit a transcript of his or her
their college-level military training and education to the public university.

(c) If the applicant submits a transcript described in subdivision (b), evaluate that
transcript and notify the applicant of what transfer credits are available to the applicant
from the public university for his or her their college-level military training and
education.

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

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

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

(2) Each public university shall administer the program in a manner prescribed by the
department of labor and economic opportunity. The department of labor and economic
opportunity shall use a good-faith effort standard to evaluate whether a fellowship is in
default. All of the following apply to the program:

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

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

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

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

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

Sec. 277. (1) Included in the appropriation for fiscal year 2023-2024, 2024-2025 for
each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar
Chavez - Rosa Parks college day program that is intended to introduce academically or
economically disadvantaged schoolchildren to the potential of a college education in this
state. Preference may not be given to participants on the basis of race, color, ethnicity,
gender, or national origin. Public universities should encourage participation from those
who would otherwise not adequately be represented in the student population.

(2) Individual program plans of each public university must 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 must not be expended to cover indirect costs. Not more than 20% of the university
match may be attributable to indirect costs. Each public university shall apply the
percentage change applicable to every public university in the calculation of
appropriations in section 236 to the amount of funds allocated to the college day program.

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

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

(2) An award made under this program to any 1 institution must not be greater than
$150,000.00, must have an award period of no more than 2 years, and must be matched on a
70% state, 30% college or university basis.

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

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

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

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

Sec. 280. (1) Included in the appropriation for fiscal year 2023-2024-2024-2025 for
each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar
Chavez - Rosa Parks visiting professors program, which is intended to increase the number
of instructors in the classroom to provide role models for academically or economically
disadvantaged students. Preference may not be given to participants on the basis of race,
color, ethnicity, gender, or national origin. Public universities should encourage participation from those who would otherwise not adequately be represented in the student population.

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

(3) The amount allocated to each public university is $11,019.00–$11,294.00 and is subject to an award period of no more than 2 years. Each public university receiving funds for fiscal year 2023–2024–2025–2026 under this section shall report to the department of labor and economic opportunity by April 15, 2024–2025 the amount of its unobligated and unexpended funds as of March 31, 2024–2025 and a plan to expend the remaining funds by the end of the fiscal year. The amount of funding reported as not being expended may be transferred, under the direction of the department, to another public university for use under this section.

Sec. 281. (1) Included in the appropriation for fiscal year 2023–2024–2025–2026 for each public university in section 236 is funding under the Martin Luther King, Jr. - Cesar Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator development program, which is intended to increase the number of academically or economically disadvantaged students who enroll in and complete K-12 teacher education programs at the baccalaureate level and teach in this state. Preference may not be given to participants on the basis of race, color, ethnicity, gender, or national origin. Institutions should encourage participation from those who would otherwise not adequately be represented in the teacher education student population.

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

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

Sec. 282. (1) Each institution receiving funds for fiscal year 2023–2024–2025–2026 under section 278, 279, or 281 shall provide to the department of labor and economic opportunity by April 15, 2024–2025 the unobligated and unexpended funds as of March 31, 2024–2025 and a plan to expend the remaining funds by the end of the fiscal year.
Notwithstanding the award limitations in sections 278 and 279, the amount of funding reported as not being expended will be reallocated to the institutions that intend to expend all funding received under section 278, 279, or 281.

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

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

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