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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, ~~2026,~~ **2027**, from the funds indicated in this section. The following is a summary of the appropriations in this section and sections ~~236d, 236e, and 236j~~:

(a) The gross appropriation is ~~\$2,336,912,000.00.~~ **\$2,592,127,000.00**. After deducting total interdepartmental grants and intradepartmental transfers in the amount of \$0.00, the adjusted gross appropriation is ~~\$2,336,912,000.00.~~ **\$2,592,127,000.00**.

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

- (i) Total federal revenues, \$3,200,000.00.
- (ii) Total local revenues, \$0.00.
- (iii) Total private revenues, \$0.00.
- (iv) Total other state restricted revenues, ~~\$850,768,300.00.~~ **\$1,379,418,300.00**.
- (v) State general fund/general purpose money, ~~\$1,482,943,700.00.~~ **\$1,209,508,700.00**.

~~(c) The totals and subtotals reflected in subdivisions (a) and (b) do not include amounts appropriated under subsection (7)(d) or (8)(b) to avoid duplicating totals of~~

1 ~~amounts appropriated in this section and section 236j.~~

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

3 (a) The appropriation for Central Michigan University is ~~\$99,466,100.00,~~  
4 ~~\$95,226,900.00 for operations, \$0.00 for operations increase, \$2,558,800.00 for MPSERS~~  
5 ~~support payment, and \$1,680,400.00 for costs incurred under the North American Indian~~  
6 ~~tuition waiver.~~ **\$99,759,800.00, \$97,785,700.00 for operations, \$0.00 for operations**  
7 **increase, and \$1,974,100.00 for costs incurred under the North American Indian tuition**  
8 **waiver.**

9 (b) The appropriation for Eastern Michigan University is ~~\$86,649,200.00,~~  
10 ~~\$83,979,800.00 for operations, \$0.00 for operations increase, \$2,256,500.00 for MPSERS~~  
11 ~~support payment, and \$412,900.00 for costs incurred under the North American Indian tuition~~  
12 ~~waiver.~~ **\$86,660,200.00, \$86,236,300.00 for operations, \$0.00 for operations increase, and**  
13 **\$423,900.00 for costs incurred under the North American Indian tuition waiver.**

14 (c) The appropriation for Ferris State University is ~~\$62,221,900.00, \$59,816,300.00~~  
15 ~~for operations, \$0.00 for operations increase, \$1,607,300.00 for MPSERS support payment,~~  
16 ~~and \$798,300.00 for costs incurred under the North American Indian tuition waiver.~~  
17 **\$62,195,100.00, \$61,423,600.00 for operations, \$0.00 for operations increase, and**  
18 **\$771,500.00 for costs incurred under the North American Indian tuition waiver.**

19 (d) The appropriation for Grand Valley State University is ~~\$98,772,000.00,~~  
20 ~~\$97,552,900.00 for operations, \$0.00 for operations increase, \$0.00 for MPSERS support~~  
21 ~~payment, and \$1,219,100.00 for costs incurred under the North American Indian tuition~~  
22 ~~waiver.~~ **\$98,788,400.00, \$97,552,900.00 for operations, \$0.00 for operations increase, and**  
23 **\$1,235,500.00 for costs incurred under the North American Indian tuition waiver.**

24 (e) The appropriation for Lake Superior State University is ~~\$16,301,400.00,~~  
25 ~~\$14,465,600.00 for operations, \$0.00 for operations increase, \$388,700.00 for MPSERS~~  
26 ~~support payment, and \$1,447,100.00 for costs incurred under the North American Indian~~  
27 ~~tuition waiver.~~ **\$16,419,200.00, \$14,854,300.00 for operations, \$0.00 for operations**  
28 **increase, and \$1,564,900.00 for costs incurred under the North American Indian tuition**  
29 **waiver.**

30 (f) The appropriation for Michigan State University is ~~\$396,845,300.00,~~  
31 ~~\$321,516,900.00 for operations, \$0.00 for operations increase, \$0.00 for MPSERS support~~  
32 ~~payment, \$2,508,800.00 for costs incurred under the North American Indian tuition waiver,~~

1 ~~\$39,096,200.00 for MSU AgBioResearch, and \$33,723,400.00 for MSU Extension.~~  
2 **\$396,750,000.00, \$321,516,900.00 for operations, \$0.00 for operations increase,**  
3 **\$2,413,500.00 for costs incurred under the North American Indian tuition waiver,**  
4 **\$39,096,200.00 for MSU AgBioResearch, and \$33,723,400.00 for MSU Extension.**

5 (g) The appropriation for Michigan Technological University is ~~\$56,659,000.00,~~  
6 ~~\$54,463,700.00 for operations, \$0.00 for operations increase, \$1,463,400.00 for MPSEERS~~  
7 ~~support payment, and \$731,900.00 for costs incurred under the North American Indian tuition~~  
8 ~~waiver.~~ **\$56,727,800.00, \$55,927,100.00 for operations, \$0.00 for operations increase, and**  
9 **\$800,700.00 for costs incurred under the North American Indian tuition waiver.**

10 (h) The appropriation for Northern Michigan University is ~~\$55,688,200.00,~~  
11 ~~\$52,850,300.00 for operations, \$0.00 for operations increase, \$1,420,100.00 for MPSEERS~~  
12 ~~support payment, and \$1,417,800.00 for costs incurred under the North American Indian~~  
13 ~~tuition waiver.~~ **\$55,925,000.00, \$54,270,400.00 for operations, \$0.00 for operations**  
14 **increase, and \$1,654,600.00 for costs incurred under the North American Indian tuition**  
15 **waiver.**

16 (i) The appropriation for Oakland University is ~~\$73,361,600.00, \$73,036,400.00 for~~  
17 ~~operations, \$0.00 for operations increase, \$0.00 for MPSEERS support payment, and~~  
18 ~~\$325,200.00 for costs incurred under the North American Indian tuition waiver.~~  
19 **\$73,414,700.00, \$73,036,400.00 for operations, \$0.00 for operations increase, and**  
20 **\$378,300.00 for costs incurred under the North American Indian tuition waiver.**

21 (j) The appropriation for Saginaw Valley State University is ~~\$34,379,000.00,~~  
22 ~~\$34,196,000.00 for operations, \$0.00 for operations increase, \$0.00 for MPSEERS support~~  
23 ~~payment, and \$183,000.00 for costs incurred under the North American Indian tuition waiver.~~  
24 **\$34,436,800.00, \$34,196,000.00 for operations, \$0.00 for operations increase, and**  
25 **\$240,800.00 for costs incurred under the North American Indian tuition waiver.**

26 (k) The appropriation for University of Michigan - Ann Arbor is ~~\$362,507,900.00,~~  
27 ~~\$360,607,300.00 for operations, \$0.00 for operations increase, \$0.00 for MPSEERS support~~  
28 ~~payment, and \$1,900,600.00 for costs incurred under the North American Indian tuition~~  
29 ~~waiver.~~ **\$362,353,400.00, \$360,607,300.00 for operations, \$0.00 for operations increase, and**  
30 **\$1,746,100.00 for costs incurred under the North American Indian tuition waiver.**

31 (l) The appropriation for University of Michigan - Dearborn is ~~\$31,708,000.00,~~  
32 ~~\$31,513,700.00 for operations, \$0.00 for operations increase, \$0.00 for MPSEERS support~~

1 ~~payment, and \$194,300.00 for costs incurred under the North American Indian tuition waiver,~~  
2 **\$31,762,500.00, \$31,513,700.00 for operations, \$0.00 for operations increase, and**  
3 **\$248,800.00 for costs incurred under the North American Indian tuition waiver.**

4 (m) The appropriation for University of Michigan - Flint is ~~\$26,884,600.00,~~  
5 ~~\$26,403,700.00 for operations, \$0.00 for operations increase, \$0.00 for MPSERS support~~  
6 ~~payment, and \$480,900.00 for costs incurred under the North American Indian tuition waiver.~~  
7 **\$26,941,300.00, \$26,403,700.00 for operations, \$0.00 for operations increase, and**  
8 **\$537,600.00 for costs incurred under the North American Indian tuition waiver.**

9 (n) The appropriation for Wayne State University is ~~\$227,787,300.00, \$227,310,200.00~~  
10 ~~for operations, \$0.00 for operations increase, \$0.00 for MPSERS support payment, and~~  
11 ~~\$477,100.00 for costs incurred under the North American Indian tuition waiver.~~  
12 **\$227,908,900.00, \$227,310,200.00 for operations, \$0.00 for operations increase, and**  
13 **\$598,700.00 for costs incurred under the North American Indian tuition waiver.**

14 (o) The appropriation for Western Michigan University is ~~\$125,246,700.00,~~  
15 ~~\$121,231,800.00 for operations, \$0.00 for operations increase, \$3,257,500.00 for MPSERS~~  
16 ~~support payment, and \$757,400.00 for costs incurred under the North American Indian tuition~~  
17 ~~waiver.~~ **\$125,265,800.00, \$124,489,300.00 for operations, \$0.00 for operations increase, and**  
18 **\$776,500.00 for costs incurred under the North American Indian tuition waiver.**

19 (3) The amount appropriated in subsection (2) for public universities is  
20 ~~\$1,754,478,200.00, \$1,755,308,900.00,~~ appropriated from the following:

21 (a) State school aid fund, ~~\$643,168,300.00.~~ **\$658,533,800.00.**

22 (b) State general fund/general purpose money, ~~\$1,111,309,900.00.~~ **\$1,096,775,100.00.**

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

25 (5) The amount appropriated for state and regional programs is \$322,100.00,  
26 appropriated from general fund/general purpose money and allocated as follows:

27 (a) Higher education database modernization and conversion, \$200,000.00.

28 (b) Midwestern Higher Education Compact, \$122,100.00.

29 (6) The amount appropriated for the Martin Luther King, Jr. - Cesar Chavez - Rosa  
30 Parks program is \$2,691,500.00, appropriated from general fund/general purpose money and  
31 allocated as follows:

32 (a) Select student support services, \$1,956,100.00.

1 (b) Michigan college/university partnership program, \$586,800.00.

2 (c) Morris Hood, Jr. educator development program, \$148,600.00.

3 (7) Subject to subsection (8), the amount appropriated for grants and financial aid  
4 is ~~\$469,500,000.00~~ **\$753,000,000.00**, allocated as follows:

5 (a) Tuition incentive program, ~~\$122,300,000.00~~ **\$148,800,000.00**.

6 (b) Children of veterans and officer's survivor tuition grant programs,  
7 \$2,000,000.00.

8 (c) Project GEAR-UP, \$3,200,000.00.

9 (d) Michigan achievement scholarships, ~~\$300,000,000.00~~ **\$532,000,000.00**. From this  
10 amount, up to \$10,000,000.00 may be used to award skills scholarships under section 248a.

11 (e) Michigan reconnect, ~~\$42,000,000.00~~ **\$67,000,000.00**.

12 (8) The money appropriated in subsection (7) for grants and financial aid is  
13 appropriated from the following:

14 (a) Federal revenues under the United States Department of Education, Office of  
15 Elementary and Secondary Education, GEAR-UP program, \$3,200,000.00.

16 (b) Postsecondary scholarship fund, ~~\$300,000,000.00~~ **\$132,000,000.00**.

17 (c) State general fund/general purpose money, ~~\$166,300,000.00~~ **\$109,720,000.000**.

18 **(d) State school aid fund, \$508,080,000.00.**

19 **(e)** ~~(d)~~ At the close of the fiscal year, state ~~general fund/general purpose~~ money  
20 appropriated in subsection (7) for grants and scholarships that is unspent must be  
21 deposited into the postsecondary scholarship fund created in section 236j.

22 (9) For fiscal year ~~2025-2026~~ **2026-2027** only, in addition to the allocation under  
23 subsection (4), from the appropriations described in subsection (1), there is allocated an  
24 amount not to exceed ~~\$7,600,000.00~~ **\$1,750,000.00** for payments to participating public  
25 universities, appropriated from the state school aid fund. A public university that  
26 receives money under this subsection shall use that money solely for the purpose of  
27 offsetting the normal cost contribution rate. As used in this subsection, "participating  
28 public universities" means public universities that are a reporting unit of the Michigan  
29 public school employees' retirement system under the public school employees retirement act  
30 of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that pay contributions to the Michigan  
31 public school employees' retirement system for the state fiscal year.

32 **(10) For fiscal year 2026-2027 only, from the appropriations described in subsection**

1 **(1), subject to section 236m, \$26,734,300.00 is appropriated from the state school aid fund**  
2 **for infrastructure, technology, equipment, maintenance, and safety.**

3 Sec. 236c. In addition to the funds appropriated for fiscal year ~~2025-2026~~ **2026-2027**  
4 in section 236, appropriations to the department of technology, management, and budget in  
5 the act providing general appropriations for fiscal year ~~2025-2026~~ **2026-2027** for state  
6 building authority rent, totaling an estimated ~~\$142,153,900.00,~~ **\$153,218,900.00,** provide  
7 funding for the state share of costs for previously constructed capital projects for state  
8 universities. These appropriations for state building authority rent represent additional  
9 state general fund support provided to public universities, and the following is an  
10 estimate of the amount of that support to each public university:

- 11 (a) Central Michigan University, \$12,914,000.00.
- 12 (b) Eastern Michigan University, ~~\$6,022,000.00.~~ **\$8,272,000.00.**
- 13 (c) Ferris State University, \$9,546,000.00.
- 14 (d) Grand Valley State University, ~~\$8,614,000.00.~~ **\$10,864,000.00.**
- 15 (e) Lake Superior State University, \$2,229,000.00.
- 16 (f) Michigan State University, \$16,598,000.00.
- 17 (g) Michigan Technological University, \$5,521,000.00.
- 18 (h) Northern Michigan University, \$9,735,900.00.
- 19 (i) Oakland University, ~~\$11,245,000.00.~~ **\$13,310,000.00.**
- 20 (j) Saginaw Valley State University, \$7,820,000.00.
- 21 (k) University of Michigan - Ann Arbor, \$14,068,000.00.
- 22 (l) University of Michigan - Dearborn, \$10,725,000.00.
- 23 (m) University of Michigan - Flint, ~~\$6,057,000.00.~~ **\$8,307,000.00.**
- 24 (n) Wayne State University, ~~\$10,072,000.00.~~ **\$12,322,000.00.**
- 25 (o) Western Michigan University, \$10,987,000.00.

26 Sec. 236d. (1) In addition to the funds appropriated under section 232(2) for  
27 university operations, for fiscal year ~~2025-2026~~ **2026-2027** only, there is appropriated an  
28 amount not to exceed \$50,114,100.00 from the state ~~general fund/general purpose money~~  
29 **school aid fund** for 1-time ~~operations increase~~ payments. These funds are intended to be  
30 used for the same purposes as the funds appropriated under section 236(2) for university  
31 operations.

- 32 (2) From the amount appropriated under subsection (1), **subject to the conditions**

1 **described in sections 241a, 241b, 241c, and 244** each university is allocated the following:

- 2 (a) Central Michigan University, \$2,885,000.00.
- 3 (b) Eastern Michigan University, \$2,544,200.00.
- 4 (c) Ferris State University, \$1,812,200.00.
- 5 (d) Grand Valley State University, \$2,955,400.00.
- 6 (e) Lake Superior State University, \$438,300.00.
- 7 (f) Michigan State University, \$9,740,500.00.
- 8 (g) Michigan Technological University, \$1,650,000.00.
- 9 (h) Northern Michigan University, \$1,601,100.00.
- 10 (i) Oakland University, \$2,212,700.00.
- 11 (j) Saginaw Valley State University, \$1,036,000.00.
- 12 (k) University of Michigan - Ann Arbor, \$10,924,800.00.
- 13 (l) University of Michigan - Dearborn, \$954,700.00.
- 14 (m) University of Michigan - Flint, \$799,900.00.
- 15 (n) Wayne State University, \$6,886,500.00.
- 16 (o) Western Michigan University, \$3,672,800.00.

17 (3) In addition to the funds appropriated in section 236(2) for MSU AgBioResearch,  
18 for fiscal year ~~2025-2026~~**2026-2027** only, there is appropriated an amount not to exceed  
19 \$1,184,400.00 from the state ~~general fund/general purpose money~~**school aid fund** for MSU  
20 AgBioResearch.

21 (4) In addition to the funds appropriated in section 236(2) for MSU Extension, for  
22 fiscal year ~~2025-2026~~**2026-2027** only, there is appropriated an amount not to exceed  
23 \$1,021,700.00 from the state ~~general fund/general purpose money~~**school aid fund** for MSU  
24 Extension.

25 Sec. 236j. (1) The postsecondary scholarship fund is created in the department of  
26 treasury for the purpose of providing scholarship awards to eligible students who attend  
27 eligible postsecondary educational institutions in this state, as provided in subsection  
28 (5).

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

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

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

5 (5) Money must be expended from the postsecondary scholarship fund ~~only~~ for the  
6 purpose of ~~providing Michigan achievement scholarship awards~~ **supporting state grants and**  
7 **financial aid allocated in section 236(7)** ~~to eligible students who attend eligible~~  
8 ~~postsecondary educational institutions in this state~~ and for other purposes described in  
9 this section. ~~From the funds appropriated in section 236(7) for the Michigan achievement~~  
10 ~~scholarship, the department of lifelong education, advancement, and potential may use up to~~  
11 ~~\$10,000,000.00 annually for the purposes of outreach programs to raise awareness of the~~  
12 ~~Michigan achievement scholarship and other state scholarship programs allocated in section~~  
13 ~~236(7). The department of lifelong education, advancement, and potential shall ensure that~~  
14 ~~state scholarships are well publicized and that high school students are provided~~  
15 ~~information on the availability of financial aid. The department of lifelong education,~~  
16 ~~advancement, and potential may receive and expend funds received from outside sources for~~  
17 ~~scholarships, marketing, or other purposes related to Michigan state scholarships. The~~  
18 ~~department of lifelong education, advancement, and potential shall provide the necessary~~  
19 ~~funding and staff to fully operate the programs.~~

20 ~~(6) For the fiscal year ending September 30, 2026, \$300,000,000.00 of ongoing funding~~  
21 ~~is deposited into the postsecondary scholarship fund. from the following:~~

22 ~~(a) State school aid fund, \$200,000,000.00.~~

23 ~~(b) State general fund/general purpose money, \$100,000,000.00.~~

24 **(6)–(7)** It is the intent of the legislature that the postsecondary scholarship fund  
25 serves as ~~the primary~~ **a** funding source of the Michigan achievement scholarship. To ensure  
26 the Michigan achievement scholarship provides ongoing supports for students, it is the  
27 intent of the legislature to ~~increase annual deposits into the postsecondary scholarship~~  
28 ~~fund~~ **provide annual ongoing increases for the Michigan achievement scholarship allocated in**  
29 **section 236(7) and to use funds from the postsecondary scholarship fund** ~~until the to~~  
30 **support the scale up to the** fully implemented costs of the Michigan achievement  
31 scholarship. ~~are deposited annually into the postsecondary scholarship fund.~~

32 **(7)–(8)** In addition to the appropriations in section 236, if the amount of ~~general~~

1 **state funds** ~~money~~ allocated in section 236(7) (a), (b), (d), or (e) is not sufficient to  
2 fully fund 1 or more of those awards, there is appropriated from the postsecondary  
3 scholarship fund the amount necessary to fully fund those awards. The state budget director  
4 **must determine if money is appropriated from the postsecondary scholarship fund under this**  
5 **subsection and** shall provide written notification to the house and senate appropriations  
6 subcommittee on higher education and the house and senate fiscal agencies prior to any  
7 additional appropriation described in this subsection.

8 ~~(9) In addition to the deposit to the postsecondary scholarship fund described in~~  
9 ~~subsection (6), for the fiscal year ending September 30, 2025 only, an amount not to exceed~~  
10 ~~\$80,000,000.00 from the unspent and unreserved state school aid fund balances appropriated~~  
11 ~~under section 11, as recorded as part of the state book-closing process for the 2024-2025~~  
12 ~~fiscal year, is deposited into the postsecondary scholarship fund.~~

13 **Sec. 236m. (1) Funds appropriated in section 236(10) for infrastructure, technology,**  
14 **equipment, maintenance, and safety are intended to be used for necessary improvements and**  
15 **deferred maintenance of public university buildings, facilities, and other physical**  
16 **infrastructure; necessary improvements and deferred maintenance of information technology,**  
17 **other technology infrastructure, and other equipment; and other purposes related to**  
18 **infrastructure, technology, equipment, and maintenance. A public university may also use**  
19 **these funds for debt or to upgrade safety and security infrastructure. These funds are not**  
20 **intended to be used for any other purpose than what is specified in this section.**

21 **(2) Each public university that receives an appropriation in section 236 must be paid**  
22 **a minimum of \$1,000,000.00. The remaining payment amount will be calculated based on each**  
23 **university's respective share of total fiscal year equated students as reported to the**  
24 **higher education institutional data inventory for the fiscal year ending September 30,**  
25 **2025. Payments must be distributed in 1 lump sum to each institution by November 16, 2026**  
26 **as follows:**

- 27 **(a) Central Michigan University, \$1,629,300.00.**
- 28 **(b) Eastern Michigan University, \$1,523,400.00.**
- 29 **(c) Ferris State University, \$1,409,000.00.**
- 30 **(d) Grand Valley State University, \$1,988,300.00.**
- 31 **(e) Lake Superior State University, \$1,060,100.00.**
- 32 **(f) Michigan State University, \$3,441,300.00.**

1 (g) Michigan Technological University, \$1,338,700.00.

2 (h) Northern Michigan University, \$1,322,300.00.

3 (i) Oakland University, \$1,696,000.00.

4 (j) Saginaw Valley State University, \$1,296,000.00.

5 (k) University of Michigan - Ann Arbor, \$3,627,400.00.

6 (l) University of Michigan - Dearborn, \$1,332,100.00.

7 (m) University of Michigan - Flint, \$1,302,000.00.

8 (n) Wayne State University, \$2,060,100.00.

9 (o) Western Michigan University, \$1,708,300.00.

10 Sec. 236s. (1) ~~Not later than~~ **Within 30 days after** ~~of~~ the enactment of ~~the an~~  
11 ~~amendatory act that added to this section,~~ **article**, the ~~legislature house and senate fiscal~~  
12 **agencies** shall provide to the ~~responsible entity and the state budget director office~~ a  
13 **jointly agreed upon** list of legislatively directed spending items, **as defined in public**  
14 **acts 32 and 33 of 2025, funded by the amendatory act.**, ~~which may be referred to in this~~  
15 ~~section as grants or direct appropriation grants, funded under the amendatory act that~~  
16 ~~added this section consistent with house or senate rules and this section.~~ The list must  
17 include all information and documents pertaining to the funded items as publicly disclosed  
18 in accordance with ~~house or senate rules and this section.~~ **public acts 32 and 33 of 2025.**

19 ~~(2) Notwithstanding any other conditions or requirements for direct appropriation~~  
20 ~~grants, the responsible entity shall perform, at a minimum, at least all of the following~~  
21 ~~activities to administer the grants described in subsection (1):~~

22 ~~(a) Establish a process to review, complete, and execute a grant agreement with a~~  
23 ~~grant recipient. The responsible entity shall not execute a grant agreement unless all~~  
24 ~~necessary documentation has been submitted and reviewed.~~

25 ~~(b) Verify to the extent possible that a grant recipient is a not-for-profit entity~~  
26 ~~and will use funds as publicly disclosed and for a public purpose that serves the economic~~  
27 ~~prosperity, health, safety, or general welfare of the residents of this state.~~

28 ~~(c) Review and verify all necessary information to ensure the grant recipient is~~  
29 ~~reasonably able to execute the grant agreement, perform its fiduciary duty, and comply with~~  
30 ~~all applicable state and federal statutes. The responsible entity may deduct the cost of~~  
31 ~~background checks and any other efforts performed as part of this verification from the~~  
32 ~~amount of the designated grant award.~~

1 ~~(d) Disburse the grant money per the grant disbursement schedule in the executed~~  
2 ~~grant agreement on a reimbursement basis after the grantee has provided sufficient~~  
3 ~~documentation, as determined by the responsible entity, to verify that expenditures were~~  
4 ~~made in accordance with the project purpose.~~

5 ~~(c) If the state budget director determines that information provided by the grantee~~  
6 ~~does not meet the disclosure requirements, that the grant will be used to pay a tax lien,~~  
7 ~~delinquent tax, or other obligation owed to this state, or that the grant will create a~~  
8 ~~conflict of interest, the responsible entity shall not release the grant money to the~~  
9 ~~grantee. Money that is not released under this subdivision lapses at the end of the fiscal~~  
10 ~~year. There is not a conflict of interest if the sponsoring legislator certifies that the~~  
11 ~~sponsoring legislator's immediate family members, legislative staff members that have~~  
12 ~~worked for the sponsoring legislator within the past 2 years, and the sponsoring legislator~~  
13 ~~do not have a direct or indirect pecuniary interest in the legislatively directed spending~~  
14 ~~item.~~

15 ~~(3) An executed grant agreement under this section between the responsible entity and~~  
16 ~~a grant recipient must include at least all of the following:~~

17 ~~(a) All necessary identifying information for the grant recipient, including any tax~~  
18 ~~and financial information necessary for the responsible entity to administer grant money~~  
19 ~~under this section.~~

20 ~~(b) A description of the project for which the grant money will be expended,~~  
21 ~~including tentative timelines and the estimated budget. Project budget must include how all~~  
22 ~~grant money will be used and must indicate if any grant money will be provided to a third~~  
23 ~~party or subrecipient. The responsible entity shall not reimburse expenditures that are~~  
24 ~~outside of the project purpose, as stated in the executed grant agreement, from~~  
25 ~~appropriations under the amendatory act that added this section. The grantee shall return~~  
26 ~~to the state treasury any interest in excess of \$1,000.00 earned on the grant money while~~  
27 ~~unexpended and in possession of the grantee.~~

28 ~~(c) Unless otherwise specified in the responsible entity's policy, a requirement that~~  
29 ~~funds appropriated for the grants described in subsection (1) may be used only for~~  
30 ~~expenditures that occur on or after the effective date of the amendatory act that added~~  
31 ~~this section.~~

32 ~~(d) A requirement for reporting by the grant recipient to the responsible entity and~~

1 ~~the legislative sponsor that provides the status of the project and an accounting of all~~  
2 ~~money expended by the grant recipient, as determined by the responsible entity.~~

3 ~~(c) A clawback provision that allows the department of treasury to recoup or~~  
4 ~~otherwise collect any grant money that is declined, unspent, or otherwise misused.~~

5 ~~(f) The documents publicly disclosed under subsection (1).~~

6 ~~(4) If appropriate to improve the administration or oversight of a grant described in~~  
7 ~~subsection (1), the responsible entity may adopt a memorandum of understanding with another~~  
8 ~~state department to perform the required duties under this section.~~

9 ~~(5) A grant recipient shall respond to all reasonable information requests from the~~  
10 ~~responsible entity related to grant expenditures and retain grant records for not less than~~  
11 ~~7 years, and the grant may be subject to monitoring, site visits, and audit as determined~~  
12 ~~by the responsible entity. The grant agreement required under this section must include~~  
13 ~~signed assurance by the chief executive officer or other executive officer of the grant~~  
14 ~~recipient authorized to bind the grant recipient that the requirements of this subsection~~  
15 ~~will be met.~~

16 ~~(6) The grant recipient shall expend all grant money awarded and complete all~~  
17 ~~projects not later than September 30, 2030. If at that time any unexpended money remains,~~  
18 ~~the grant recipient shall return that money to the state treasury. If a grant recipient~~  
19 ~~does not provide information sufficient to execute a grant agreement not later than June 1,~~  
20 ~~2026, the responsible entity shall return money associated with the grant to the state~~  
21 ~~treasury.~~

22 ~~(7) Any grant money that is awarded to a responsible entity is appropriated in that~~  
23 ~~responsible entity for the purpose of the intended grant.~~

24 ~~(2) (8) Except as otherwise provided in subsection (9), beginning March 15 of the~~  
25 ~~current fiscal year, the responsible entity~~ **In accordance with section 364(4) of the**  
26 **management and budget act, 1984 PA 431, MCL 18.364(4), the department or agency**  
27 **administering the grant** shall post a report in a publicly accessible location on its  
28 website **beginning March 15 of the current fiscal year.** ~~The report must list the grant~~  
29 ~~recipient, project purpose, and location of the project for each grant described in~~  
30 ~~subsection (1), the status of money allocated and disbursed under the grant agreement, and~~  
31 ~~the legislative sponsor, if applicable. The responsible entity~~ **The department or agency**  
32 shall update the report and **shall** post ~~the~~ **an** updated report ~~in a publicly accessible~~

1 ~~location on its website~~ not later than June 15 of the current fiscal year and again not  
2 later than September 15 of the current fiscal year. ~~The responsible entity~~ **The department**  
3 shall include in the report the most comprehensive information the ~~responsible entity~~  
4 **department** has available at the time of posting for grants awarded.

5 ~~(9) If the state budget office determines that it is more efficient for the state~~  
6 ~~budget office to compile all affected responsible entities' information and post a report~~  
7 ~~of the compiled information rather than the report required under subsection (8) being~~  
8 ~~posted by individual responsible entities, the state budget office may compile that~~  
9 ~~information across all affected responsible entities and other state departments and post~~  
10 ~~the compiled report and any updates on the same time schedule as identified in subsection~~  
11 ~~(8).~~

12 ~~(10) If the responsible entity reasonably determines that the money allocated for an~~  
13 ~~executed grant agreement under this section was misused or that use of the money was~~  
14 ~~misrepresented by the grant recipient, the responsible entity shall not award any~~  
15 ~~additional funds under the executed grant agreement and shall refer the grant for review~~  
16 ~~following internal audit protocols, which may include referral for criminal investigation.~~

17 ~~(11) As used in this section, "responsible entity" means the department of lifelong~~  
18 ~~education, advancement, and potential, a public university, or other person that~~  
19 ~~administers a grant under this article.~~

20 Sec. 241. ~~Subject~~ **Excluding section 236m, and subject** to sections 241a, 241b, 241c,  
21 ~~241e, 241h,~~ and 244, the funds appropriated in sections 236 and 236d to public universities  
22 must be paid out of the state treasury and distributed by the state treasurer to the  
23 respective institutions in 11 equal monthly installments on the sixteenth of each month, or  
24 the next succeeding business day, beginning with October 16, ~~2025.~~ **2026**. Except for Wayne  
25 State University, each institution shall accrue its July and August ~~2026.~~ **2027** payments to  
26 its institutional fiscal year ending June 30, ~~2026.~~ **2027**.

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

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

6 (a) Each public university's certification of its compliance with the requirements  
7 described in subsections (4) ~~and~~, (5), **and (6)**.

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

9 (3) If a public university fails to submit HEIDI data and associated ~~financial aid~~  
10 ~~program information reporting in sections 241a, 241b, 241c, and 244~~ in accordance with the  
11 required reporting schedule, the state ~~treasurer~~**budget director** may withhold the monthly  
12 operations installments under section 236 **and 236d** to the public university until those  
13 ~~data reports~~ are submitted. If a public university does not comply with all of the  
14 requirements described in ~~subsections (4) and (5)~~**sections 241a, 241b, 241c, and 244** by the  
15 end of the fiscal year, the public university forfeits the amount withheld. The state  
16 budget director shall notify the chairs of the house and senate appropriations  
17 subcommittees on higher education at least 10 days before withholding funds from any public  
18 university.

19 (4) No later than ~~November 1~~**the first business day of November** of each year, a  
20 public university shall maintain a public transparency website available through a link on  
21 its website homepage. The website must include all of the following concerning the public  
22 university:

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

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

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

27 (A) Earnings and wages.

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

30 (C) Retirement benefit costs.

31 (D) All other personnel costs.

32 (ii) A chart of all current expenditures the public university reported as part of its

1 higher education institutional data inventory data under subsection (1), broken into the  
2 same subcategories in which it reported those data.

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

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

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

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

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

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

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

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

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

22 (i) Enrollment.

23 (ii) Student retention rate.

24 (iii) Six-year graduation rates.

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

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

28 (vi) Faculty to student ratios and total public university employee to student  
29 ratios.

30 (vii) Teaching load by faculty classification.

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

32 (i) An icon badge that provides statewide consistency and public visibility. For this

1 purpose, public universities shall use the icon badge provided by the department of  
2 technology, management, and budget consistent with the icon badge developed by the  
3 department of education for K-12 school districts. It must appear on the front of each  
4 public university's homepage. The size of the icon may be reduced to 150 x 150 pixels. The  
5 font size and style for this reporting must be consistent with other documents on each  
6 public university's website.

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

11 ~~(k) The name of the current president, the names of the city and state where the~~  
12 ~~president currently resides, and the president's annual salary.~~

13 (5) No later than ~~November 1~~ **the first business day of November of** each year, a  
14 public university shall develop, maintain, and update a "campus safety information and  
15 resources" link, prominently displayed on the homepage of its website, to a section of its  
16 website containing, at a minimum, all of the following information:

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

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

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

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

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

26 (f) An electronic copy of "A Resource Handbook for Campus Sexual Assault Survivors,  
27 Friends and Family", published in 2018.

28 (g) Campus security policies and crime statistics pursuant to the student right-to-  
29 know and campus security act, Public Law 101-542, 104 Stat 2381. Information must include  
30 all material prepared pursuant to the public information reporting requirements under the  
31 crime awareness and campus security act of 1990, title II of the student right-to-know and  
32 campus security act, Public Law 101-542, 104 Stat 2381.

1           (6) Each public university shall certify to the state budget director by the first  
2 business day of November each year that it complies with all of the following requirements:

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

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

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

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

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

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

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

20           Sec. 241b. (1) No later than ~~November 1~~ **the first business day of November** of each  
21 year, each public university that receives an appropriation in section 236 shall report its  
22 annual security report, also known as the Clery Act Report, as required under 20 USC  
23 1092(f). Each public university shall include a title IX summary report that includes all  
24 of the following information:

25           (a) The amounts and descriptions of all fees incurred in title IX-related civil and  
26 criminal litigation.

27           (b) The number of title IX complaints.

28           (c) The average length of time for investigation and resolution of title IX  
29 complaints.

30           (d) The aggregate number of title IX cases, investigations, and complaints for each  
31 of the categories described in subparagraphs (i) to (v), subject to subparagraph (vi), as  
32 follows:

1 (i) Cases investigated for less than 15 days.

2 (ii) Cases investigated for at least 15 days and less than 30 days.

3 (iii) Cases investigated for at least 30 days and less than 60 days.

4 (iv) Cases investigated for at least 60 days and less than 90 days.

5 (v) Cases investigated for 90 days or more.

6 (vi) If, for any category of cases under subparagraphs (i) to (v), there is an  
7 aggregate of fewer than 5 cases investigated, the public university shall not report the  
8 aggregate number of cases and instead shall report that fewer than 5 cases were  
9 investigated.

10 (e) The number of title IX appeals and the resolutions of those appeals.

11 (f) The number of title IX-related complaints filed by the public university with law  
12 enforcement agencies.

13 (2) No later than ~~November 1~~ **the first business day of November** of each year, each  
14 public university that receives an appropriation in section 236 shall certify all of the  
15 following:

16 (a) The public university complies with federal regulations under title IX, as  
17 required by the United States Department of Education, including, but not limited to, the  
18 following:

19 (i) Use of medical experts that do not have an actual or apparent conflict of  
20 interest.

21 (ii) Issuance of title IX reports to complainants and respondents that are not  
22 divergent.

23 (iii) Notification of resources to each individual who reports having experienced  
24 sexual assault by a public university member.

25 (iv) Consistent annual training for title IX staff and law enforcement.

26 (b) The public university provides both of the following:

27 (i) An in-person sexual misconduct prevention presentation or course for all freshman  
28 and incoming transfer students, which must include contact information for the title IX  
29 office of the public university. For a student who does not have any in-person credit hours  
30 on campus, the university may provide the presentation or course electronically.

31 (ii) An online or electronic sexual misconduct prevention presentation or course for  
32 all students not considered freshmen or incoming transfer students.

1 (c) The public university had a third party review its title IX compliance office and  
2 related policies and procedures by the end of the 2018-2019 academic year. A copy of the  
3 third-party review must be transmitted to the state budget director, the house and senate  
4 appropriations subcommittees on higher education, and the house and senate fiscal agencies.  
5 Each public university shall have a third-party review once every 4 years and a copy of the  
6 third-party review must be transmitted to the state budget director, the house and senate  
7 appropriations subcommittees on higher education, and the house and senate fiscal agencies.

8 (d) The public university requires that the governing board and the president or  
9 chancellor of the public university receive quarterly reports from their title IX  
10 coordinator or title IX office. The report must contain aggregated data of the number of  
11 sexual misconduct reports that the office received for the academic year, the types of  
12 reports received, including reports received against employees, and a summary of the  
13 general outcomes of the reports and investigations. A member of the governing board may  
14 request to review a title IX investigation report involving a complaint against an  
15 employee, and the public university shall provide the report in a manner it considers  
16 appropriate. The public university shall protect the complainant's anonymity, and the  
17 report must not contain specific identifying information.

18 (e) If allegations against an employee are made in more than 1 title IX complaint  
19 that resulted in the public university finding that no misconduct occurred, the public  
20 university requires that the title IX officer promptly notify the president or chancellor  
21 and a member of the public university's governing board in writing and take all appropriate  
22 steps to ensure that the matter is being investigated thoroughly, including hiring an  
23 outside investigator for future cases involving that employee. A third-party title IX  
24 investigation under this subdivision does not prohibit the public university from  
25 simultaneously conducting its own title IX investigation through its own title IX  
26 coordinator.

27 (f) The public university's president or chancellor and a member of its governing  
28 board has reviewed all title IX reports involving the alleged sexual misconduct of an  
29 employee of the public university.

30 (3) As used in this section, "sexual misconduct" includes, but is not limited to,  
31 intimate partner violence, nonconsensual sexual conduct, sexual assault, sexual  
32 exploitation, sexual harassment, and stalking.

1           Sec. 241c. (1) No later than the ~~first-last~~ business day of ~~November-August~~ each  
2 year, each public university that receives an appropriation in section 236 shall submit the  
3 amount of tuition and fees actually charged to a full-time resident undergraduate student  
4 for academic year ~~2025-2026-2026-2027~~ as part of the public university's higher education  
5 institutional data inventory (HEIDI) data. A public university shall report any revisions  
6 for any semester of the reported academic year to HEIDI within 15 days of being adopted.

7           (2) Payments under section 236d must be made only to a public university that  
8 certifies to the state budget director by the ~~first-last~~ business day of ~~November-August~~  
9 each year that its board did not adopt an increase in tuition and fee rates for ~~resident~~  
10 ~~undergraduate students after September 1, 2024 for the 2024-2025 academic year and that its~~  
11 ~~board will not adopt an increase in tuition and fee rates for~~ resident undergraduate  
12 students for the ~~2025-2026-2026-2027~~ academic year that is greater than ~~4.5% or \$735.00,~~  
13 **4.0% or \$651.00**, whichever is greater. For the academic year ~~2026-2027, 2027-2028~~, the  
14 tuition and fee restraint rate for resident undergraduate students is an increase of not  
15 greater than ~~4.0% or \$651.00, 5.0% or \$855.00~~, whichever is greater. It is the intent of  
16 the legislature that in the next fiscal year, the tuition and fee restraint rate will be  
17 adjusted only for the subsequent academic year. As used in this subsection:

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

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

32           ~~(3) Each public university shall certify to the state budget director by the first~~

1 ~~business day of November each year that it complies with all of the following requirements:~~

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

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

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

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

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

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

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

19 **(3)–(4)** The state budget director shall implement uniform reporting requirements to  
20 ensure that a public university receiving a payment under section 236d has satisfied the  
21 tuition restraint requirements of this section. The state budget director has the sole  
22 authority to determine if a public university has met the requirements of this section.  
23 Information reported by a public university to the state budget director under this  
24 subsection must also be reported to the house and senate appropriations subcommittees on  
25 higher education and the house and senate fiscal agencies.

26 Sec. 247. (1) The funds appropriated in section 236 for Michigan reconnect must be  
27 distributed and administered by the department of lifelong education, advancement, and  
28 potential pursuant to the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to  
29 390.1709, the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1711 to 390.1723,  
30 and the department's administrative procedures for Michigan reconnect.

31 (2) For fiscal year ~~2025–2026–2026–2027~~ only, the department of lifelong education,  
32 advancement, and potential may use the funds appropriated in section 236 for Michigan

1 reconnect to support students who are receiving awards under the temporary "ARP - Michigan  
2 reconnect expansion to 21" program described in 2023 PA 119.

3 Sec. 248. (1) The funds appropriated in section 236 for **the** Michigan achievement  
4 scholarships must be distributed as provided in this section ~~and~~, section 248a, **the**  
5 **Michigan achievement scholarship act, and the Michigan achievement skills scholarship act**  
6 pursuant to the administrative procedures ~~for Michigan achievement scholarships~~ of the  
7 department.

8 (2) As used in this section:

9 (a) "Cost of attendance" means ~~expenses for a student's tuition, mandatory fees, and~~  
10 ~~contact hours for the student's actual program of study; books, supplies, and equipment~~  
11 ~~required for courses of instruction; housing and food costs; transportation expenses;~~  
12 ~~federal student loan fees; miscellaneous expenses, including a reasonable amount for the~~  
13 ~~documented cost of a personal computer, allowance for child care, or allowance for other~~  
14 ~~dependent care; costs related to a disability; costs of obtaining a license, certification,~~  
15 ~~or first professional credential; and reasonable costs for study abroad programs.~~ **that term**  
16 **as defined in the Michigan achievement scholarship act.**

17 (b) "Department" means the department of lifelong education, advancement, and  
18 potential.

19 (c) "Eligible institution" means ~~a public university that receives an appropriation~~  
20 ~~in section 236, a community college that receives an appropriation in section 201, a~~  
21 ~~federally recognized tribal college in this state, or an independent nonprofit college or~~  
22 ~~university in this state as described in section 1 of 1966 PA 313, MCL 390.991.~~ **that term**  
23 **as defined in the Michigan achievement scholarship act.**

24 (d) "Gift aid" ~~includes federal Pell grants under 20 USC 1070a, tuition incentive~~  
25 ~~program benefits under section 256, state tuition grants under section 252, awards received~~  
26 ~~for minimum payments awarded in subsection (4), higher education expenses paid under the~~  
27 ~~Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679, and all other~~  
28 ~~federal, state, local, or institutional aid in the form of grants, scholarships, or~~  
29 ~~discounts applied toward tuition and mandatory fees. Gift aid does not include student~~  
30 ~~loans, work-study awards, qualified withdrawals made from education savings accounts to pay~~  
31 ~~higher education expenses pursuant to the Michigan education savings program act, 2000 PA~~  
32 ~~161, MCL 390.1471 to 390.1486, or higher education expenses paid under the Michigan~~

1 education trust program pursuant to the Michigan education trust act, 1986 PA 316, MCL  
2 390.1421 to 390.1442. **means that term as defined in the Michigan achievement scholarship  
3 act.**

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

5 **(e) (f)** ~~"Last-dollar-payment amount" means 1 of the following:~~

6 ~~(i) For a student attending a community college or federally recognized tribal  
7 college, an amount equal to the student's tuition, mandatory fees, and contact hours for  
8 the student's actual program of study, minus all gift aid received by the student.~~

9 ~~(ii) For a student attending a public university or an independent nonprofit college  
10 or university, or for a student enrolled in a baccalaureate degree program described in  
11 section 121 of the community college act of 1966, 1966 PA 331, MCL 389.121, an amount equal  
12 to the student's individual cost of attendance, minus all gift aid received by the student.~~  
13 **that term as defined in the Michigan achievement scholarship act.**

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

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

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

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

29 ~~(A) For a student indicating on the student's Free Application for Federal Student  
30 Aid that the student is the only member of the student's household or the student's  
31 parents' household attending a postsecondary institution during that academic year,  
32 \$30,000.00 or less.~~

1 ~~(B) For a student indicating on the student's Free Application for Federal Student~~  
2 ~~Aid that the student is not the only member of the student's household or the student's~~  
3 ~~parents' household attending a postsecondary institution during that academic year, the~~  
4 ~~greater of the number described in sub-subparagraph (A) or guidance determined by the~~  
5 ~~department. For the purposes of this sub-subparagraph, the department, in collaboration~~  
6 ~~with the state budget office and the house and senate fiscal agencies, may calculate a~~  
7 ~~student aid index number or may issue administrative guidance for the student aid index~~  
8 ~~eligibility of students with more than 1 member of the student's household or the student's~~  
9 ~~parents' household attending a postsecondary institution during that academic year. It is~~  
10 ~~intended that the utilization of a student aid index instead of expected family~~  
11 ~~contribution does not adversely impact the eligibility of students with multiple members of~~  
12 ~~the student's household or student's parents' household attending postsecondary~~  
13 ~~institutions. It is further intended that the legislature and executive branch work~~  
14 ~~collaboratively to use Michigan achievement scholarship uptake and other relevant data to~~  
15 ~~establish a more permanent measure of financial need for the Michigan achievement~~  
16 ~~scholarship for subsequent academic years.~~

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

19 ~~(a) Maintain residency in this state, as determined for purposes of the Free~~  
20 ~~Application for Federal Student Aid.~~

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

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

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

1 ~~(e) Not be in default on a federal student loan.~~

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

4 ~~(g) For a student who is enrolled at an eligible institution that is a public~~  
5 ~~university or an independent nonprofit college or university, or who is enrolled in a~~  
6 ~~baccalaureate degree program described in section 121 of the community college act of 1966,~~  
7 ~~1966 PA 331, MCL 389.121, at an eligible institution, be an SAI eligible student.~~

8 ~~(3)-(4)~~ The amount awarded to an eligible student at an eligible institution must  
9 equal 1 of the following, as applicable:

10 (a) The amount awarded to an eligible student who is enrolled at an eligible  
11 institution that is a community college or federally recognized tribal college ~~where the~~  
12 ~~student is eligible for that institution's in-district tuition rate must be equal to the~~  
13 ~~sum of the last-dollar payment amount. **must be awarded pursuant to section 9 of the**~~  
14 **Michigan achievement scholarship act, as applicable.** The amount awarded to an eligible  
15 student who is eligible for a federal Pell grant under 20 USC 1070a must include an  
16 additional **payment** amount of \$1,000.00.

17 ~~(b) The amount awarded to an eligible student who is enrolled at an eligible~~  
18 ~~institution that is a community college or federally recognized tribal college where the~~  
19 ~~student is not eligible for that institution's in-district tuition rate must be the lesser~~  
20 ~~of the last-dollar payment amount, or the in-district tuition rate. The amount awarded to~~  
21 ~~an eligible student who is eligible for a federal Pell grant under 20 USC 1070a must~~  
22 ~~include an additional amount of \$1,000.00.~~

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

27 (i) A minimum payment of \$2,500.00.

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

29 ~~(c)-(d)~~ The amount awarded to an eligible student at an eligible institution that is  
30 an independent nonprofit college or university must equal the sum of the following:

31 (i) A minimum payment of \$2,500.00.

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

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

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

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

12           (4) ~~(7)~~ From the funds appropriated in section 236(7) for the Michigan achievement  
13 scholarships, the department may ~~not use more than~~ **up to \$10,000,000.00 annually** for the  
14 purposes of outreach programs to raise awareness of the Michigan achievement scholarship  
15 ~~described in this section and section 248a and~~ **other state grants and financial aid**  
16 **allocated in section 236(7).** The department shall ensure that Michigan achievement  
17 ~~scholarships~~ **state grants and financial aid** are well publicized and that high school  
18 students are provided information on the ~~program~~ **availability of financial aid.** The  
19 department may receive and expend funds received from outside sources for scholarships,  
20 marketing, or other purposes related to the Michigan ~~achievement scholarship~~ **state grants**  
21 **and financial aid.** The department shall provide the necessary funding and staff to fully  
22 operate the programs.

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

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

3 ~~(a) By February 15 of each year, the department shall provide a written report,~~  
4 ~~organized by eligible institution, to the house and senate appropriations subcommittees on~~  
5 ~~higher education, the house and senate fiscal agencies, and the state budget director that~~  
6 ~~includes the following information for the previous academic year:~~

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

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

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

11 ~~(iv) The number of Michigan achievement scholarships that were canceled due to~~  
12 ~~failure to maintain satisfactory academic progress as described in subsection (3) (d).~~

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

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

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

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

26 ~~(10) By April 1 of each year, each eligible institution shall submit a report to the~~  
27 ~~department, the state budget office, and the house and senate fiscal agencies providing~~  
28 ~~information as to the average amount of institutional grant aid awarded to full-time first-~~  
29 ~~time undergraduate students for the immediately preceding 2 institution fiscal years. If~~  
30 ~~the average amount of institutional grant aid awarded to full-time first-time undergraduate~~  
31 ~~students in fiscal year 2024-2025 is less than the average amount of institutional grant~~  
32 ~~aid awarded to full-time first-time undergraduate students in fiscal year 2023-2024, the~~

1 ~~institution shall include in the report a description of any changes to the institutional~~  
2 ~~financial aid during the 2 immediately preceding fiscal years. An institution's report of~~  
3 ~~the average amount of institutional grant aid awarded to full-time first-time undergraduate~~  
4 ~~students pursuant to this subsection must be consistent with data most recently reported to~~  
5 ~~the Integrated Postsecondary Education Data System.~~

6 ~~(11) For each fiscal year, an eligible institution shall maintain and report its~~  
7 ~~compliance with the following tuition restraint requirements, as applicable:~~

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

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

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

16 ~~(13) If an eligible institution exceeds the applicable tuition restraint level for 2~~  
17 ~~consecutive years, the state budget director may consider the institution ineligible for~~  
18 ~~funding under this section in the subsequent academic year.~~

19 ~~(14) If an institution is considered ineligible for funding under this section, the~~  
20 ~~state budget director shall reevaluate the status of the ineligible institution after 1~~  
21 ~~academic year.~~

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

26 Sec. 248a. (1) The funds appropriated in section 236 for **the Michigan achievement**  
27 ~~scholarships~~ **skills scholarship** must be distributed as provided in this section ~~and,~~  
28 section 248, **the Michigan achievement skills scholarship act, and the Michigan achievement**  
29 **scholarship act** pursuant to the administrative procedures ~~for Michigan achievement~~  
30 ~~scholarship private training program~~ of the department **of lifelong education, advancement,**  
31 **and potential.**

32 (2) ~~As used in this section: A skills scholarship is a grant not to exceed \$2,000.00~~

1 per year to contribute to tuition costs for a qualified occupational training program at a  
2 training institution for a training program participant who meets the requirements defined  
3 in the Michigan achievement skills scholarship act. A program participant may receive a  
4 skills scholarship under this section for a maximum of 2 academic years.

5 ~~(a) "Department" means the department of lifelong education, advancement, and~~  
6 ~~potential.~~

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

8 ~~(c) "Qualified occupational training program" means that term as defined in section~~  
9 ~~13 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL 390.1713, or a program~~  
10 ~~that provides not less than 150 clock hours of instructional time over a period of not less~~  
11 ~~than 8 weeks in career-oriented skilled trades instruction in maritime trades, at an~~  
12 ~~independent nonprofit institution incorporated in this state that is nationally accredited~~  
13 ~~and approved for federal financial aid.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

27 ~~(4) Except as otherwise provided in subsection (5), the department shall promulgate~~  
28 ~~rules to implement subsection (3) (a), (b), and (d) only, pursuant to the administrative~~  
29 ~~procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, subject to all of the following:~~

30 ~~(a) Under subsection (3) (a), the department is limited to developing the form for the~~  
31 ~~application described in subsection (3) (a) and prescribing the time and manner of its~~  
32 ~~completion.~~

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

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

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

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

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

17 (2) As used in this section:

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

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

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

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

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

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

32 (i) Be less than 20 years of age at the time the individual graduates from high

1 school with a diploma or certificate of completion or achieves a high school equivalency  
2 certificate or, for students attending a 5-year middle college approved by the Michigan  
3 department of education, be less than 21 years of age when the individual graduates from  
4 high school, **or be considered a special education pupil at the time the individual**  
5 **graduated from high school as defined by section 6(4)(l)(i) of this act.**

6 (ii) Be a United States citizen and maintain residency in this state, as determined  
7 for purposes of the Free Application for Federal Student Aid.

8 (iii) Be at least a half-time student, earning less than 80 semester or 120 term  
9 credits at a participating educational institution within 4 years of high school graduation  
10 or achievement of a high school equivalency certificate. All program eligibility expires 10  
11 years after initial enrollment at a participating educational institution.

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

14 (b) To be eligible for phase II, an individual must **prior to academic year 2026-2027**  
15 meet either of the following criteria in addition to the criteria in subdivision (a):

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

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

18 (c) **Beginning in academic year 2026-2027, no new individuals shall become eligible**  
19 **for phase II of the tuition incentive program, as those individuals may be eligible for the**  
20 **Michigan achievement scholarship. An individual awarded phase II prior to academic year**  
21 **2026-2027 may continue to receive a phase II award under this section provided that the**  
22 **individual meets all other criteria required for phase II in this section.**

23 (d) ~~(e)~~ To be eligible for phase I or phase II, an individual must be financially  
24 eligible as determined by the department. An individual is financially eligible for the  
25 tuition incentive program if the individual was eligible for Medicaid from this state for  
26 24 months within any 36 months prior to completion of high school or achievement of a high  
27 school equivalency certificate. The department shall accept certification of Medicaid  
28 eligibility only from the department of health and human services for the purposes of  
29 verifying if a person is Medicaid eligible for 24 months within any 36 months prior to  
30 completion of high school or achievement of a high school equivalency certificate.  
31 Certification of eligibility may begin in the sixth grade.

32 (4) For phase I, the department shall provide payment on behalf of a person eligible

1 under subsection (3). The department shall only accept standard per-credit hour tuition  
2 billings and shall reject billings that are excessive or outside the guidelines for the  
3 type of educational institution.

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

5 (a) Payments for associate degree or certificate programs must not be made for more  
6 than 80 semester or 120 term credits for any individual student at any participating  
7 institution. The department shall not do either of the following:

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

10 (ii) Adopt or apply any per-semester or per-term credit maximum for a student whose  
11 semester-credit or term-credit load will not result in exceeding the total 80 semester-  
12 credit or 120 term-credit maximum provided in this subdivision.

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

17 (c) For persons enrolled at a Michigan public university, the department shall pay  
18 ~~lower division resident tuition and mandatory fees for the current year. one of the~~  
19 **following, as applicable:**

20 (i) **For awards made during academic year 2026-2027 or a prior academic year, lower**  
21 **division resident tuition and mandatory fees for the current year.**

22 (ii) **For awards made during academic year 2027-2028 or a subsequent academic year,**  
23 **mandatory fees for the current year and a per-credit payment that does not exceed 2.5 times**  
24 **the average community college in-district per-credit tuition rate as reported by the last**  
25 **business day of August for the immediately preceding academic year.**

26 (d) For persons enrolled at a Michigan independent, nonprofit degree-granting college  
27 or university or a Michigan federal tribally controlled community college, the department  
28 shall pay mandatory fees for the current year and a per-credit payment that does not exceed  
29 the average community college in-district per-credit tuition rate as reported by the last  
30 business day of August for the immediately preceding academic year.

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

1 following conditions:

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

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

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

8 (8) The department shall notify students in an age-appropriate manner of their  
9 financial eligibility for the program any time after the student begins sixth grade.

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

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

17 (11) The department shall collaborate with the center to use the P-20 longitudinal  
18 data system to report the following information for each qualified postsecondary  
19 institution:

20 (a) The number of phase I students in the most recently completed academic year who  
21 in any academic year received a tuition incentive program award and who successfully  
22 completed a degree or certificate program. Cohort graduation rates for phase I students  
23 must be calculated using the established success rate methodology developed by the center  
24 in collaboration with the postsecondary institutions.

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

30 (12) If a qualified postsecondary institution does not report the data necessary to  
31 complete the reporting in subsection (11) to the P-20 longitudinal data system by October  
32 15 for the prior academic year, the department shall not award phase I tuition incentive

1 program funding to otherwise eligible students enrolled in that institution until the data  
2 are submitted.

3 Sec. 263. (1) Included in the appropriation in section 236 for fiscal year ~~2025-2026~~  
4 **2026-2027** for MSU AgBioResearch is \$2,982,900.00 and included in the appropriation in  
5 section 236 for MSU Extension is \$2,645,200.00 for Project GREEN. Project GREEN is  
6 intended to address critical regulatory, food safety, economic, and environmental problems  
7 faced by this state's plant-based agriculture, forestry, and processing industries.  
8 "GREEN" is an acronym for Generating Research and Extension to Meet Environmental and  
9 Economic Needs.

10 (2) The department of agriculture and rural development and Michigan State  
11 University, in consultation with agricultural commodity groups and other interested  
12 parties, shall develop Project GREEN and its program priorities.

13 Sec. 263b. Included in the appropriation in section 236 for fiscal year ~~2025-2026~~  
14 **2026-2027** for MSU AgBioResearch and MSU Extension is funding for the Agricultural Climate  
15 Resiliency Program. The Agricultural Climate Resiliency Program is intended to address  
16 environmental sustainability of Michigan agriculture and promote the protection and  
17 efficient use of Michigan's water resources.

18 Sec. 264. Included in the appropriation in section 236 for fiscal year ~~2025-2026~~  
19 **2026-2027** for Michigan State University is \$80,000.00 for the Michigan Future Farmers of  
20 America Association. This \$80,000.00 allocation must not supplant any existing support that  
21 Michigan State University provides to the Michigan Future Farmers of America Association.

22 Sec. 268. (1) For the fiscal year ending September 30, ~~2026,~~ **2027**, it is the intent  
23 of the legislature that funds be allocated for unfunded North American Indian tuition  
24 waiver costs incurred by public universities under 1976 PA 174, MCL 390.1251 to 390.1253,  
25 from the ~~general fund,~~ **state school aid fund.**

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

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

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

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

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

8 ~~(iii) The number of North American Indian students who receive a granted waiver for~~  
9 ~~the previous academic year. **The monetary value of the waivers granted each term for the**~~  
10 **previous academic year.**

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

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

22 (3) By January 1 of each year, a public university that receives an appropriation in  
23 section 236, or a tribal college receiving pass-through funds under section 269, 270, or  
24 270c, shall provide to the department of lifelong education, advancement, and potential any  
25 information necessary for preparing the report detailed in subsection (2), using guidelines  
26 and procedures developed by the department of lifelong education, advancement, and  
27 potential.

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

32 Sec. 269. For fiscal year ~~2025-2026~~ **2026-2027**, from the amount appropriated in

1 section 236 to Central Michigan University for costs incurred under the North American  
2 Indian tuition waiver, ~~\$80,800.00~~ **\$96,700.00** must be paid to Saginaw Chippewa Tribal  
3 College for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL  
4 390.1251 to 390.1253. It is the intent of the legislature that Saginaw Chippewa Tribal  
5 College provide the department of lifelong education, advancement, and potential the  
6 necessary information for the college to be included in the report required under section  
7 268.

8 Sec. 270. For fiscal year ~~2025-2026~~ **2026-2027**, from the amount appropriated in  
9 section 236 to Lake Superior State University for costs incurred under the North American  
10 Indian tuition waiver, ~~\$498,800.00~~ **\$465,000.00** must be paid to Bay Mills Community College  
11 for the costs of waiving tuition for North American Indians under 1976 PA 174, MCL 390.1251  
12 to 390.1253. It is the intent of the legislature that Bay Mills Community College provide  
13 the department of lifelong education, advancement, and potential the necessary information  
14 for the college to be included in the report required under section 268.

15 Sec. 270c. For fiscal year ~~2025-2026~~ **2026-2027**, from the amount appropriated in  
16 section 236 to Northern Michigan University for costs incurred under the North American  
17 Indian tuition waiver, ~~\$105,700.00~~ **\$112,200.00** is to be paid to Keweenaw Bay Ojibwa  
18 Community College for the costs of waiving tuition for North American Indians under 1976 PA  
19 174, MCL 390.1251 to 390.1253. It is the intent of the legislature that Keweenaw Bay Ojibwa  
20 Community College provide the department of lifelong education, advancement, and potential  
21 the necessary information for the community college to be included in the report required  
22 under section 268.

23 Sec. 276. (1) Included in the appropriation for fiscal year ~~2025-2026~~ **2026-2027** for  
24 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar  
25 Chavez - Rosa Parks future faculty fellowship program that is intended to increase the pool  
26 of academically or economically disadvantaged candidates pursuing faculty or administration  
27 careers in postsecondary education in this state. Preference may not be given to applicants  
28 on the basis of race, color, ethnicity, gender, or national origin. Institutions should  
29 encourage applications from applicants who would otherwise not adequately be represented in  
30 the graduate student, faculty, or administration populations. Each public university shall  
31 apply the percentage change applicable to every public university in the calculation of  
32 appropriations in section 236 to the amount of funds allocated to the future faculty

1 fellowship program.

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

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

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

15 (c) Program allocations not expended or encumbered by September 30, ~~2027-2028~~, must  
16 be returned to the department of labor and economic opportunity so that those funds may  
17 lapse to the state general fund.

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

20 (e) In addition to the appropriation for fiscal year ~~2025-2026-2026-2027~~, any revenue  
21 received during prior fiscal years by the department of labor and economic opportunity from  
22 defaulted fellowship agreements is appropriated for the purposes originally intended.

23 Sec. 277. (1) Included in the appropriation for fiscal year ~~2025-2026-2026-2027~~ for  
24 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar  
25 Chavez - Rosa Parks college day program that is intended to introduce academically or  
26 economically disadvantaged schoolchildren to the potential of a college education in this  
27 state. Preference may not be given to participants on the basis of race, color, ethnicity,  
28 gender, or national origin. Public universities should encourage participation from those  
29 who would otherwise not adequately be represented in the student population.

30 (2) Individual program plans of each public university must include a budget of equal  
31 contributions from this program, the participating public university, the participating  
32 school district, and the participating independent degree-granting college. College day

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

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

7 Sec. 278. (1) Included in the appropriation for fiscal year ~~2025-2026~~**2026-2027** for  
8 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar  
9 Chavez - Rosa Parks select student support services program for developing academically or  
10 economically disadvantaged student retention programs for 4-year public and independent  
11 educational institutions in this state. Preference may not be given to participants on the  
12 basis of race, color, ethnicity, gender, or national origin. Institutions should encourage  
13 participation from those who would otherwise not adequately be represented in the student  
14 population.

15 (2) An award made under this program to any 1 institution must not be greater than  
16 \$150,000.00, must have an award period of no more than 2 years, and must be matched on a  
17 70% state, 30% college or university basis.

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

20 Sec. 279. (1) Included in the appropriation for fiscal year ~~2025-2026~~**2026-2027** for  
21 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar  
22 Chavez - Rosa Parks college/university partnership program between 4-year public and  
23 independent colleges and universities and public community colleges, which is intended to  
24 increase the number of academically or economically disadvantaged students who transfer  
25 from community colleges into baccalaureate programs in this state. Preference may not be  
26 given to participants on the basis of race, color, ethnicity, gender, or national origin.  
27 Institutions should encourage participation from those who would otherwise not adequately  
28 be represented in the transfer student population.

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

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

3 Sec. 280. (1) Included in the appropriation for fiscal year ~~2025-2026~~**2026-2027** for  
4 each public university in section 236 is funding for the Martin Luther King, Jr. - Cesar  
5 Chavez - Rosa Parks visiting professors program, which is intended to increase the number  
6 of instructors in the classroom to provide role models for academically or economically  
7 disadvantaged students. Preference may not be given to participants on the basis of race,  
8 color, ethnicity, gender, or national origin. Public universities should encourage  
9 participation from those who would otherwise not adequately be represented in the student  
10 population.

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

13 (3) The amount allocated to each public university is \$11,184.00 and is subject to an  
14 award period of no more than 2 years. Each public university receiving funds for fiscal  
15 year ~~2025-2026~~**2026-2027** under this section shall report to the department of labor and  
16 economic opportunity by April 15, ~~2026~~**2027** the amount of its unobligated and unexpended  
17 funds as of March 31, ~~2026~~**2027** and a plan to expend the remaining funds by the end of the  
18 fiscal year. The amount of funding reported as not being expended may be transferred, under  
19 the direction of the department, to another public university for use under this section.

20 Sec. 281. (1) Included in the appropriation for fiscal year ~~2025-2026~~**2026-2027** for  
21 each public university in section 236 is funding under the Martin Luther King, Jr. - Cesar  
22 Chavez - Rosa Parks initiative for the Morris Hood, Jr. educator development program, which  
23 is intended to increase the number of academically or economically disadvantaged students  
24 who enroll in and complete K-12 teacher education programs at the baccalaureate level and  
25 teach in this state. Preference may not be given to participants on the basis of race,  
26 color, ethnicity, gender, or national origin. Institutions should encourage participation  
27 from those who would otherwise not adequately be represented in the teacher education  
28 student population.

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

32 (3) Approved teacher education institutions may and are encouraged to use select

1 student support services funding in coordination with the Morris Hood, Jr. funding to  
2 achieve the goals of the program described in this section.

3 Sec. 282. (1) Each institution receiving funds for fiscal year ~~2025-2026~~**2026-2027**  
4 under section 278, 279, or 281 shall provide to the department of labor and economic  
5 opportunity by April 15, ~~2026~~**2027** the unobligated and unexpended funds as of March 31,  
6 ~~2026~~**2027** and a plan to expend the remaining funds by the end of the fiscal year.  
7 Notwithstanding the award limitations in sections 278 and 279, the amount of funding  
8 reported as not being expended will be reallocated to the institutions that intend to  
9 expend all funding received under section 278, 279, or 281.

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

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

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