

HOUSE BILL No. 4965

June 16, 2005, Introduced by Reps. Stewart, Kooiman, Booher, Caul, Farhat, Wenke,
Moolenaar, David Law, Kahn, Garfield, Nofs, Amos and Vander Veen and referred to the
Committee on Appropriations.

A bill to provide for the distribution of certain state revenues to state universities; and to prescribe the powers and duties of certain state departments and other boards and officials.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "workforce investment needs university funding act".

3 Sec. 3. As used in this act:

4 (a) "Current fiscal year" means the then current fiscal year
5 in which a payment calculation under this act is made.

6 (b) "Degree payment" means a payment to a state university
7 calculated under section 5(1)(b).

8 (c) "Department" means the department of management and
9 budget.

1 (d) "Enrollment payment" means a payment to a state university
2 calculated under section 5(1)(a).

3 (e) "Fiscal year" means a fiscal year of this state that
4 begins on October 1 of a calendar year and ends on September 30 of
5 the next calendar year.

6 (f) The number of "fiscal year equated students" at a state
7 university in a fiscal year is the sum of the following:

8 (i) The total number of semester credit hours of courses taken
9 by undergraduate students in the fiscal year divided by 30.

10 (ii) The total number of semester credit hours of courses taken
11 by students in master's programs in the fiscal year divided by 24.

12 (iii) The total number of semester credit hours of courses taken
13 by students in doctoral programs in the fiscal year divided by 16.

14 (iv) The sum of 50% of the total number of students taking
15 courses in professional degree programs in the fiscal year in the
16 fall and winter terms, plus 50% of the total number of students
17 taking courses in professional degree programs in the fiscal year
18 in the spring or summer term.

19 (g) "Research payment" means a payment to a state university
20 calculated under section 5(1)(c).

21 (h) "State university" means a university described in section
22 4, 5, or 6 of article VIII of the state constitution of 1963.

23 Sec. 5. (1) Beginning in the 2005-2006 fiscal year, the state
24 treasurer shall pay money appropriated by the legislature in a
25 fiscal year for state university operations to state universities
26 according to the following formula:

27 (a) The state treasurer shall pay between 35% and 40%, as

1 established by the legislature in the annual appropriation bill for
2 state universities for that fiscal year, of the amount available
3 for operations, to the state universities based on their
4 enrollment. The payment to a state university under this
5 subdivision is determined by multiplying the amount appropriated
6 for state universities under this subdivision by a fraction, the
7 numerator of which is the enrollment at the state university,
8 determined under section 7, and the denominator of which is the
9 enrollment at all of the state universities.

10 (b) The state treasurer shall pay between 35% and 40%, as
11 established by the legislature in the annual appropriation bill for
12 state universities for that fiscal year, of the amount available
13 for operations to the state universities, based on their degree
14 programs. The payment to a state university under this subdivision
15 is determined by multiplying the amount appropriated for state
16 universities under this subdivision by a fraction, the numerator of
17 which is the number of degrees awarded by the state university,
18 determined under section 9, and the denominator of which is the
19 number of degrees awarded by all of the state universities.

20 (c) The state treasurer shall pay between 23% and 28%, as
21 established by the legislature in the annual appropriation bill for
22 state universities for that fiscal year, of the amount available
23 for operations to the state universities, based on their research
24 activities as determined under section 11. The payment to a state
25 university under this subdivision is determined by multiplying the
26 amount appropriated for state universities under this subdivision
27 by a fraction, the numerator of which is the amount of eligible

1 research conducted by the state university, determined under
2 section 11, and the denominator of which is the amount of the
3 eligible research conducted by all of the state universities and is
4 subject to the maximum amount described in section 11.

5 (2) In a fiscal year, the state treasurer shall pay money
6 under subsection (1) out of the state treasury and distribute it in
7 11 equal installments on the sixteenth of each month, or the next
8 succeeding business day, beginning with October 16 of that fiscal
9 year.

10 Sec. 7. For purposes of section 5(1)(a), the enrollment of a
11 state university is the sum of the following, as determined by the
12 department:

13 (a) The number of resident fiscal year equated students that
14 were enrolled in the state university 2 fiscal years before the
15 current fiscal year.

16 (b) The number of nonresident fiscal year equated students
17 that were enrolled in the state university 2 fiscal years before
18 the current fiscal year, multiplied by a factor of between 0.5 and
19 0.75. In the annual appropriation bill for state universities, the
20 legislature shall determine the factor for that fiscal year.

21 Sec. 9. (1) For purposes of section 5(1)(b), the degrees
22 awarded by a state university are the sum of the following, as
23 determined by the department:

24 (a) The number of students awarded bachelor's degrees by the
25 state university 2 fiscal years before the current fiscal year,
26 multiplied by 1 of the following, as applicable:

27 (i) For degrees in agriculture or natural science, a multiplier

1 of between 2.0 and 4.0, as determined by the legislature in the
2 annual appropriation bill for state universities for the current
3 fiscal year.

4 (ii) For degrees in engineering or technology, a multiplier of
5 between 3.0 and 5.0, as determined by the legislature in the annual
6 appropriation bill for state universities for the current fiscal
7 year.

8 (iii) For degrees in health, a multiplier of between 3.0 and
9 5.0, as determined by the legislature in the annual appropriation
10 bill for state universities for the current fiscal year.

11 (iv) For all other degrees, a factor of 1.0.

12 (b) Subject to subsection (2), the number of students awarded
13 associate degrees by the state university 2 fiscal years before the
14 current fiscal year, multiplied by a factor of between 0.10 and
15 0.5, as determined by the legislature in the annual appropriation
16 bill for state universities for the current fiscal year, then
17 multiplied by 1 of the following, as applicable:

18 (i) For degrees in agriculture or natural science, a multiplier
19 of between 2.0 and 4.0, as determined by the legislature in the
20 annual appropriation bill for state universities for the current
21 fiscal year.

22 (ii) For degrees in engineering or technology, a multiplier of
23 between 3.0 and 5.0, as determined by the legislature in the annual
24 appropriation bill for state universities for the current fiscal
25 year.

26 (iii) For degrees in health, a multiplier of between 3.0 and
27 5.0, as determined by the legislature in the annual appropriation

1 bill for state universities for the current fiscal year.

2 (iv) For all other degrees, a factor of 1.0.

3 (c) The number of students awarded master's or doctoral
4 degrees by the state university 2 fiscal years before the current
5 fiscal year, multiplied by a factor of between 0.10 and 0.5, as
6 determined by the legislature in the annual appropriation bill for
7 state universities for the current fiscal year, then multiplied by
8 1 of the following, as applicable:

9 (i) For degrees in agriculture or natural science, a multiplier
10 of between 2.0 and 4.0, as determined by the legislature in the
11 annual appropriation bill for state universities for the current
12 fiscal year.

13 (ii) For degrees in engineering or technology, a multiplier of
14 between 3.0 and 5.0, as determined by the legislature in the annual
15 appropriation bill for state universities for the current fiscal
16 year.

17 (iii) For degrees in health, a multiplier of between 3.0 and
18 5.0, as determined by the legislature in the annual appropriation
19 bill for state universities for the current fiscal year.

20 (iv) For all other degrees, a factor of 1.0.

21 (d) The number of students awarded professional degrees by the
22 state university 2 fiscal years before the current fiscal year,
23 multiplied by a factor of between 0.10 and 1.0, as determined by
24 the legislature in the annual appropriation bill for state
25 universities for the current fiscal year, then multiplied by 1 of
26 the following, as applicable:

27 (i) For degrees in agriculture or natural science, a multiplier

1 of between 2.0 and 4.0, as determined by the legislature in the
2 annual appropriation bill for state universities for the current
3 fiscal year.

4 (ii) For degrees in engineering or technology, a multiplier of
5 between 3.0 and 5.0, as determined by the legislature in the annual
6 appropriation bill for state universities for the current fiscal
7 year.

8 (iii) For degrees in health, a multiplier of between 3.0 and
9 5.0, as determined by the legislature in the annual appropriation
10 bill for state universities for the current fiscal year.

11 (iv) For all other degrees, a factor of 1.0.

12 (2) As used in subsection (1)(b), the "number of qualified
13 associate degrees" awarded by a state university in a fiscal year
14 means the actual number of associate degrees awarded by the state
15 university in that fiscal year multiplied by a fraction the
16 numerator of which is the number of associate degrees conferred by
17 that state university in its 2003-2004 academic year and the
18 denominator of which is the total number of degrees conferred by
19 that state university in its 2003-2004 academic year.

20 Sec. 11. For purposes of section 5(1)(c), the amount of a
21 state university's eligible research payment is an amount equal to
22 the lesser of the following:

23 (a) The average amount of federal funds received by the state
24 university for research related to science or engineering 3 fiscal
25 years and 4 fiscal years before the current fiscal year, as
26 reported to the national science foundation by the federal
27 departments or agencies that awarded the federal funds.

1 (b) Forty percent of the total amount appropriated for
2 eligible research payments to all state universities in a fiscal
3 year.