



Senate Fiscal Agency
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Senate Bill 273 (S-1 as reported)
Committee: Appropriations

FY 2004-05 Year-to-Date Gross Appropriation	\$1,654,917,200
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Changes from FY 2004-05 Year-to-Date:

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| 1. University Operations. The Senate distributes funding in 4 categories: a) \$20.5 million for a \$3,750 per-student floor; b) \$1.0 million to reward job placement; c) \$2.0 million for engineering, technology, and health degrees granted; and d) \$7.4 million for research. Funding for Northern and Wayne State is reduced by \$4.5 million and \$10.7 million, respectively, to align their per-student funding more closely with their peers. | 14,364,500 |
| 2. King-Chavez-Parks (KCP) Initiative. The Governor consolidates KCP funding into a new competitive grant program administered by the Department of Labor and Economic Growth. The 15 public universities and 28 community colleges would be required to compete for the grants and independent colleges would no longer be eligible for the KCP Programs. The Senate retains the current program. | 0 |
| 3. National Charter Schools Institute. The Governor eliminates, but the Senate retains, \$500,000 for this program operated by Central Michigan University that provides technical support and training for educators, parents, and authorizing agents. | 0 |
| 4. Agriculture Experiment Station (AES). The Governor reduces AES funding by 10.0% for an FY 2005-06 total of \$29,863,800; the Senate retains current funding of \$33,163,800. | 0 |
| 5. Cooperative Extension Service (CES). The Governor reduces CES funding by 23.4% for an FY 2005-06 total of \$21,904,300; the Senate retains current funding of \$28,604,300. | 0 |
| 6. Collegiate Employment Research Institute. The Senate includes funding to collect data on job placement for graduates of the 15 public universities. | 100,000 |
| 7. Midwest Higher Education Compact. The Governor eliminates Michigan's membership dues in this 10-state compact that is charged with promoting interstate cooperation and resource sharing in Higher Education. In addition to Michigan, other Compact members are Illinois, Indiana, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Ohio, and Wisconsin. The Senate funds FY 2005-06 dues of \$90,000. | (75,000) |
| 8. State Competitive Scholarships. The Governor and Senate reduce Federal funds for this program to reflect the expected FY 2005-06 Federal funding level for Michigan of \$2.0 million. | (1,000,000) |
| 9. Michigan Tuition Grants. The Governor eliminates these need-based grants of \$61.8 million for approximately 40,000 students at Michigan's independent colleges and universities; the Senate reduces the grants by \$3.0 million. | (3,000,000) |
| 10. Michigan Merit Awards. The Governor recommends a total of \$121.0 million and the Senate includes a total of \$101.3 million, for FY 2005-06. The Governor proposes a "new" \$4,000 Merit Scholarship beginning with the high school graduating class of 2007. The new \$4,000 Merit Scholarship would be awarded to students who obtain an associates degree or its equivalent, or who earn junior status at a Michigan college or university. The Senate proposes award revisions which are still being developed. | 39,881,400 |
| 11. Tuition Incentive Program (TIP). The Governor and Senate recommend an increase of \$1.75 million from the Merit Award Trust Fund to fund an expanding caseload; total FY 2005-06 appropriation would be \$12.0 million. | 1,750,000 |
| 12. Comparison to Governor's Recommendation. The Senate is \$64.1 million Gross and GF/GP over the Governor. | |

Total Changes	\$52,020,900
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FY 2005-06 Senate Appropriations Committee Gross Appropriation.....	\$1,706,938,100
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Changes from FY 2004-05 Year to Date:

1. **State Spending to Local Units.** Governor identifies none, Senate retains current year estimate. (Sec. 201)
2. **Appropriations Report from Fiscal Agencies.** Governor deletes, Senate retains. (Sec. 212(3))
3. **Tuition Tax Credit.** Governor deletes notification requirement, Senate retains. (Sec. 214)
4. **Tuition Grants.** Governor deletes due to proposed elimination of program, Senate retains. (Sec. 302)
5. **Quarterly Payments for Financial Aid.** Governor changes current 40/40/10/10% schedule to 25/25/25/25% for all programs except Work Study and Byrd Scholarships, Senate retains current schedule. (Sec. 308)
6. **Tuition Incentive Program.** Governor and Senate delete fund carry-forward provision. (Sec. 310(11))
7. **Nursing Education Programs.** The Senate adds legislative intent to expand these programs at the 15 public universities. (Sec. 313)
8. **Douglas Lake.** Governor deletes Legislative intent to preserve research value, Senate retains. (Sec. 402)
9. **HEIDI Advisory Committee.** Governor deletes, Senate retains. (Sec. 405)
10. **Collegiate Employment Research Institute.** Senate adds data collection and reporting requirements for job placement and first destination information for graduating students at the public universities. (Sec. 406)
11. **CMU's National Charter Schools Institute.** Governor deletes funding and language, Senate deletes language only.
12. **Lists of Required Textbooks.** Governor deletes legislative intent for timely access by private bookstores/student groups and for ability of students to decide where to purchase textbooks, Senate retains. (Sec. 426)
13. **Tuition Restraint.** Pursuant to Executive Order 2005-7, Governor and Senate add legislative intent that if a university increases resident undergraduate tuition and required fees, then that university shall increase student financial aid expenditures by at least the same percentage; report required by November 15, 2005. (Sec. 436)
14. **Michigan Public School Employees Retirement System (MPERS).** Governor deletes legislative intent to provide a subsidy for the MPERS contribution rate; the Senate retains with an amount of \$3.96 million. (Sec. 437)
15. **Tuition Revisions.** Governor and Senate require report on any revision to any semester's tuition and fee charges. (Sec. 440)
16. **Per-Student Floor Funding.** Governor deletes Legislative intent to fund a \$4,000 per-student floor for FY 2004-05; Senate adds per-student funding floor of \$3,750 for FY 2005-06. (Sec. 450)
17. **Student and Presidential Housing.** Governor and Senate delete report requirement. (Sec. 460)
18. **King-Chavez-Parks.** Governor consolidates current programs into one new competitive grant program and eliminates specific allocations for universities; community colleges are newly eligible but independent colleges are no longer eligible; Senate retains current year programs. (Sec. 501)
19. **New Academic Programs.** Governor deletes FY 2004-05 degree list; Senate adds Presidents Council approved degrees for FY 2005-06. (Sec 701a)
20. **FY 2003-04 Tuition Restraint.** Governor and Senate delete. (Sec. 1201)

Date Completed: 6-8-05

Fiscal Analyst: Ellen Jeffries

SB 273 (S-1): Higher Education**FY 2005-06: Senate Approps.**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	FY 2004-05 Post EO 2005-7 Year-to-Date	2004-05 Approp Per Student*	Foundation Funding Floor of \$3,750	Reward for Job Placement \$1,000,000	Funding for Engineering, Tech, Health Degrees \$2,000,000	Investment in Research Programs \$7,376,800	Reduce NMU & WSU toward Peers; CERI; Dues; Finan. Aid	FY 2005-06 Senate Approps Rec.	\$ Change From 2004-05	% Change From 2004-05	2005-06 Senate Approp. Per Student*	\$ Change From Governor
UNIVERSITIES												
Central	78,507,600	3,661	1,918,700	76,700	139,900	\$2,500		80,645,400	2,137,800	2.7%	3,760	2,848,400
Eastern	75,938,400	3,878	0	80,700	81,600	14,700		76,115,400	177,000	0.2%	3,888	403,400
Ferris	48,108,900	4,653	0	89,900	186,800	500		48,386,100	277,200	0.6%	4,680	375,200
Grand Valley	56,887,300	3,072	12,544,000	83,600	70,800	4,600		69,590,300	12,703,000	22.3%	3,759	12,784,200
Lake Superior	12,462,100	4,447	0	85,300	17,200	0		12,564,600	102,500	0.8%	4,483	161,200
Michigan State	282,466,900	8,289	0	77,900	252,500	1,311,200		284,108,500	1,641,600	0.6%	8,331	1,977,800
Michigan Tech	47,867,400	7,918	0	86,200	132,600	206,300		48,292,500	425,100	0.9%	7,988	585,000
Northern	44,971,500	5,415	0	77,700	34,400	0	(4,609,300)	40,474,300	(4,497,200)	-10.0%	4,873	(4,413,100)
Oakland	47,261,300	3,462	3,933,700	82,500	99,400	52,300		51,429,200	4,167,900	8.8%	3,767	4,353,200
Saginaw Valley	25,681,200	3,467	2,093,600	88,000	28,700	700		27,892,200	2,211,000	8.6%	3,766	2,280,600
UM-Ann Arbor	315,030,900	8,104	0	82,500	487,300	4,726,800		320,327,500	5,296,600	1.7%	8,240	5,594,500
UM-Dearborn	24,256,400	3,754	0	0	78,300	23,500		24,358,200	101,800	0.4%	3,769	178,700
UM-Flint	20,855,200	4,263	0	0	25,900	5,500		20,886,600	31,400	0.2%	4,270	104,600
Wayne State	214,284,600	8,665	0	0	232,300	946,400	(11,892,900)	203,570,400	(10,714,200)	-5.0%	8,232	(10,443,500)
Western	108,900,500	4,349	0	89,000	132,300	81,700		109,203,500	303,000	0.3%	4,361	529,700
Ag Experiment Station(AES)	33,163,800							33,163,800	0	0.0%		3,300,000
Cooperative Extension(CES)	28,604,300							28,604,300	0	0.0%		6,700,000
Higher Education Database	200,000							200,000	0	0.0%		0
Collegiate Employ. Research Inst.	0						100,000	100,000	100,000	na		100,000
Midwest Higher Ed Compact	165,000						(75,000)	90,000	(75,000)	-45.5%		90,000
King-Chavez-Parks	2,691,500							2,691,500	0	0.0%		(2,455,400)
TOTAL UNIVERSITIES	1,468,304,800	5,870	20,490,000	1,000,000	2,000,000	7,376,700	(16,477,200)	1,482,694,300	14,389,500	1.0%	5,928	25,054,500
Merit Award Trust Fund	9,500,000		0	0	0	0	0	9,500,000	0	0.0%		0
State GF/GP	1,458,804,800		20,490,000	1,000,000	2,000,000	7,376,700	(16,477,200)	1,473,194,300	14,389,500	1.0%		25,054,500
GRANTS & FINANCIAL AID												
Competitive Scholarships	35,630,500						(1,000,000)	34,630,500	(1,000,000)	-2.8%		0
Tuition Grants	61,768,100						(3,000,000)	58,768,100	(3,000,000)	-4.9%		58,768,100
Work Study	7,326,300							7,326,300	0	0.0%		0
Part-time Independent	2,653,300							2,653,300	0	0.0%		0
Ed.Opportunity Grants(MEOG)	2,084,200							2,084,200	0	0.0%		0
Byrd Scholarship Program	1,500,000							1,500,000	0	0.0%		0
Nursing Scholarship Program	4,000,000							4,000,000	0	0.0%		0
Michigan Merit Award Program	61,400,000						39,881,400	101,281,400	39,881,400	65.0%		(19,718,600)
Tuition Incentive Program(TIP)	10,250,000						1,750,000	12,000,000	1,750,000	17.1%		0
TOTAL FINANCIAL AID	186,612,400		0	0	0	0	37,631,400	224,243,800	37,631,400	20.2%		39,049,500
Federal	4,500,000		0	0	0	0	(1,000,000)	3,500,000	(1,000,000)	-22.2%		0
Merit Award Trust Fund	75,650,000		0	0	0	0	61,350,000	137,000,000	61,350,000	81.1%		0
MHEAA Operating Fund	0		0	0	0	0	0	0	0			
State GF/GP	106,462,400		0	0	0	0	(22,718,600)	83,743,800	(22,718,600)	-21.3%		39,049,500
TOTAL HIGHER ED	1,654,917,200		20,490,000	1,000,000	2,000,000	7,376,700	21,154,200	1,706,938,100	52,020,900	3.1%		64,104,000
TOTAL FEDERAL	4,500,000		0	0	0	0	(1,000,000)	3,500,000	(1,000,000)	-22.2%		0
TOTAL STATE RESTRICTED	85,150,000		0	0	0	0	61,350,000	146,500,000	61,350,000	72.0%		0
TOTAL STATE GF/GP	1,565,267,200		20,490,000	1,000,000	2,000,000	7,376,700	(39,195,800)	1,556,938,100	(8,329,100)	-0.5%		64,104,000