



Senate Fiscal Agency
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BILL ANALYSIS

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

Changes from FY 2004-05 Year-to-Date:Items Included by the House and Senate

1. **Agriculture Experiment Station (AES).** The Governor reduced AES funding by 10.0%; the House and Senate retained the FY 2004-05 amount of \$33,163,800. 0
2. **Cooperative Extension Service (CES).** The Governor reduced CES funding by 23.4%; the House and Senate retained the FY 2004-05 amount of \$28,604,300. 0
3. **Midwest Higher Education Compact.** The Governor eliminated Michigan's membership dues in this 10-state compact; the House and Senate included the \$90,000 annual dues. (75,000)
4. **State Competitive Scholarships.** The Governor, House, and Senate reduced Federal funds to reflect the expected FY 2005-06 Federal contribution of \$2.0 million; total funding would be \$34.6 million. (1,000,000)

Conference Agreement on Items of Difference

5. **University Operations.** The Governor retained the FY 2004-05 appropriations except for the transfer of \$2.5 million in King-Chavez-Parks funding to a new program; the House used a formula to redistribute dollars to universities based on enrollment, degrees granted, and research; the Senate provided a funding floor of \$3,750 per student and incentive funds for job placement, degrees granted, and research. The Conference Report included \$2.5 million across-the-board for each university and \$6.9 million each for the Senate funding floor and the House funding model. 16,351,700
6. **National Charter Schools Institute.** The Governor and House eliminated funding for this program operated by Central Michigan University; the Senate and Conference retained the \$500,000. 0
7. **King-Chavez-Parks Initiative.** The Governor transferred \$2.5 million from University Operations line-items and consolidated it with existing KCP grant funds of \$2.7 million, into a new competitive grant program administered by DLEG; the House eliminated the entire \$5.2 million KCP program; the Senate and Conference retained the FY 2004-05 KCP structure and \$5.2 million in funding. 0
8. **Collegiate Employment Research Institute.** The Senate included \$100,000 to collect job placement data for public university graduates; Governor, House, and Conference did not. 0
9. **Michigan Tuition Grants.** The Governor eliminated the \$61.8 million program; the House reduced by \$1.2 million; Senate/Conference reduced by \$3.0 million and used \$4.0 million in FY 2004-05 carry-forward funds as a replacement for GF/GP. (3,000,000)
10. **Work Study, Part-time Independent, and Education Opportunity Grants.** The House eliminated; Governor, Senate, and Conference retained at FY 2004-05 total funding of \$12.1 million. 0
11. **Michigan Merit Awards.** The Governor recommended a total of \$121.0 million, the House \$130.0 million, and the Senate \$101.3 million. If no policy changes other than eliminating out-of-state awards are adopted, it is estimated that funding of \$126.4 million would be required for FY 2005-06. 65,000,000
12. **Tuition Incentive Program (TIP).** The Governor, Senate, and Conference recommended an increase of \$1.75 million due to caseload, for a total of \$12.0 million; the House did not. 1,750,000
13. **Fund Shifts.** The House added \$20.0 million in new MHEAA revenue and shifted \$3.0 million in tobacco revenue to University Operations; the Senate shifted \$19.7 million in tobacco revenue to fund GF/GP Financial Aid programs. The Conference Report replaced \$3.0 million GF with MHEAA funds. 0

Total Changes..... \$79,026,700

FY 2005-06 Conference Report Gross Appropriation \$1,733,943,900

Amount Over/(Under) GF/GP Target: \$5,800

Changes from FY 2004-05 Year to Date:Items Included by the House and Senate

1. **Appropriations Report from Fiscal Agencies.** Governor deleted, Senate and House retained. (Sec. 212(3))
2. **Tuition Tax Credit.** Governor deleted notification requirement, Senate and House retained. (Sec. 214)
3. **Payments for Financial Aid.** Governor changed current 40/40/10/10% schedule to 25/25/25/25% for all programs except Work Study and Byrd Scholarships, Senate and House retained current schedule. (Sec. 308)
4. **Douglas Lake.** Governor deleted legislative intent to preserve research value, Senate/House retained. (Sec. 402)
5. **HEIDI Advisory Committee.** Governor deleted, Senate and House retained. (Sec. 405)
6. **Lists of Required Textbooks.** Governor deleted legislative intent for timely access by private bookstores/student groups and for ability of students to decide where to purchase textbooks, Senate and House retained. (Sec. 426)
7. **Tuition Restraint.** Pursuant to Executive Order 2005-7, Governor, House, and Senate added 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)
8. **Michigan Public School Employees Retirement System (MPSERS).** Governor deleted legislative intent to provide a subsidy for the MPSERS contribution rate; Senate and House retained with an amount of \$3.96 million. (Sec. 437)
9. **Tuition Revisions Report.** Governor/House/Senate required if there are changes in any semester. (Sec. 440)
10. **Student and Presidential Housing.** Governor, House, and Senate deleted report requirement. (Sec. 460)
11. **New Academic Programs.** Senate/House added Presidents Council approved degrees for FY 2005-06. (Sec 701a)
12. **FY 2003-04 Tuition Restraint.** Governor, House, and Senate deleted. (Sec. 1201)

Conference Agreement on Items of Difference

13. **State Spending to Local Units.** Governor/House identified none, Senate/Conference retained current year estimate. (Sec. 201)
14. **State Competitive Scholarships.** Conference excluded veterans' benefits from eligibility determination. (Sec. 301(5))
15. **Tuition Grants.** Governor deleted program; House changed application deadline; Conference included deadlines of July 15, 2005, July 1, 2006, & June 15, 2007, and guarantee of no less than a \$2,000 award. (Sec. 302)
16. **Work Study.** House deleted due to their elimination of program, Governor/Senate/Conference retained. (Sec. 303)
17. **Tuition Incentive Program.** Governor/Senate/Conference deleted funding carry-forward provision. (Sec. 310(11))
18. **Nursing Scholarship and Grant Programs.** Senate/Conference allowed for both to be funded. (Sec. 312)
19. **Collegiate Employment Research Institute.** Senate added data collection and reporting requirements for job placement and first destination information for students graduating from college; Conference deleted. (Sec. 406)
20. **Funding Model Calculations.** House/Conference added description of enrollment, degree, and research components (Sec. 418) and modified payment schedule to conform with model. (Sec. 212)
21. **CMU's National Charter Schools Institute.** Governor/House/Senate/Conference deleted language.
22. **Per-Student Floor Funding.** Governor/House deleted legislative intent to fund a \$4,000 per-student floor; Senate added per-student funding floor of \$3,750 for FY 2005-06, Conference used floor of \$3,650. (Sec. 450)
23. **University Revenue.** Any State payments to universities pursuant to the FY 2004-05 State bookclosing process are recognized as FY 2005-06 university revenue. (Sec. 462)
24. **King-Chavez-Parks.** Governor consolidated current programs into one competitive grant program, eliminated specific allocations for universities, added eligibility for community colleges, and deleted eligibility for independent colleges; House eliminated all programs; Senate/Conference retained current year programs. (Secs. 501-507)

Date Completed: 9-15-05

Fiscal Analyst: Ellen Jeffries

HB 4831: Higher Education**FY 2005-06: Conference Report**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	FY 2004-05 Post EO 2005-7 Year-to-Date	2004-05 Approp Per Student*	Across the Board Funding of \$2,500,000	Senate Funding Floor of \$3,650	House Funding Model	Midwest Compact; Finan. Aid Adjustments	FY 2005-06 Conference Report	\$ Change From 2004-05	% Change From 2004-05	2005-06 Approp Per Student*	\$ Change From Gov. Rec.
UNIVERSITIES											
Central	78,507,600	3,661	139,800	0	1,414,500		80,061,900	1,554,300	2.0%	3,733	2,264,900
Eastern	75,938,400	3,878	135,300	0	66,900		76,140,600	202,200	0.3%	3,889	428,600
Ferris	48,108,900	4,653	85,700	0	440,100		48,634,700	525,800	1.1%	4,704	623,800
Grand Valley	56,887,300	3,072	101,300	3,108,500	1,032,800		61,129,900	4,242,600	7.5%	3,302	4,323,800
Lake Superior	12,462,100	4,447	22,200	0	22,000		12,506,300	44,200	0.4%	4,463	102,900
Michigan State	282,466,900	8,289	503,200	0	760,200		283,730,300	1,263,400	0.4%	8,320	1,599,600
Michigan Tech	47,867,400	7,918	85,300	0	66,100		48,018,800	151,400	0.3%	7,943	311,300
Northern	44,971,500	5,415	80,100	0	0		45,051,600	80,100	0.2%	5,425	164,200
Oakland	47,261,300	3,462	84,200	2,484,300	855,900		50,685,700	3,424,400	7.2%	3,713	3,609,700
Saginaw Valley	25,681,200	3,467	45,700	1,307,200	465,700		27,499,800	1,818,600	7.1%	3,713	1,888,200
UM-Ann Arbor	315,030,900	8,104	561,200	0	776,400		316,368,500	1,337,600	0.4%	8,139	1,635,500
UM-Dearborn	24,256,400	3,754	43,200	0	439,600		24,739,200	482,800	2.0%	3,828	559,700
UM-Flint	20,855,200	4,263	37,100	0	10,800		20,903,100	47,900	0.2%	4,273	121,100
Wayne State	214,284,600	8,665	381,700	0	0		214,666,300	381,700	0.2%	8,681	652,400
Western	108,900,500	4,349	194,000	0	600,700		109,695,200	794,700	0.7%	4,381	1,021,400
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
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	2,500,000	6,900,000	6,951,700	(75,000)	1,484,581,500	16,276,700	1.1%	5,936	26,941,700
Merit Award Trust Fund	9,500,000		0	0	0	0	9,500,000	0	0.0%		0
State GF/GP	1,458,804,800		2,500,000	6,900,000	6,951,700	(75,000)	1,475,081,500	16,276,700	1.1%		26,941,700
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					65,000,000	126,400,000	65,000,000	105.9%		5,400,000
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	62,750,000	249,362,400	62,750,000	33.6%		64,168,100
Federal	4,500,000		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	61,350,000	137,000,000	61,350,000	81.1%		0
MHEAA/Carry-Forward	0		0	0	0	7,000,000	7,000,000	7,000,000	na		7,000,000
State GF/GP	106,462,400		0	0	0	(4,600,000)	101,862,400	(4,600,000)	-4.3%		64,168,100
TOTAL HIGHER ED	1,654,917,200		2,500,000	6,900,000	6,951,700	62,675,000	1,733,943,900	79,026,700	4.8%		91,109,800
TOTAL FEDERAL	4,500,000		0	0	0	(1,000,000)	3,500,000	(1,000,000)	-22.2%		0
TOTAL STATE RESTRICTED	85,150,000		0	0	0	68,350,000	153,500,000	68,350,000	80.3%		7,000,000
TOTAL STATE GF/GP	1,565,267,200		2,500,000	6,900,000	6,951,700	(4,675,000)	1,576,943,900	11,676,700	0.7%		84,109,800