

Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

SFA



BILL ANALYSIS

Telephone: (517) 373-2768
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 967 (S-1 Draft)

Committee: Appropriations

FY 1999-2000 Year-to-Date Gross Appropriation	\$1,774,759,308
Changes from FY 1999-2000 Year-to-Date:	
1. Per-Student Funding Floor. The Governor refers to five funding floors of \$4,500, \$4,600, \$4,700, \$5,700, and \$9,000. The Senate uses one \$4,700 per-student floor which provides funds for Central, Eastern, Grand Valley, Oakland, Saginaw Valley, UM-Dearborn, and UM-Flint.	30,673,751
2. Across-the-Board Increase. The Governor adds 2.5% across-the-board for public universities, and 3% for State and regional programs, the King-Chavez-Parks programs, and grants and financial aid. The Senate provides a 4% increase for all of these programs.	68,385,322
3. Graduate and Engineering Programs. The Senate includes funds for seven universities with strong graduate and engineering programs. Those universities are: Eastern-\$300,000; Michigan State-\$1,500,000; Michigan Tech-\$500,000; Oakland-\$400,000; UM-Ann Arbor-\$1,500,000; Wayne State-\$500,000; and Western-\$400,000.	5,100,000
4. Health Education Technology Grants. The Senate provides grants to each of the public universities for health education programs and their related technology needs. Funds are distributed based on each university's share of the FY 1999-2000 operations base, and the grants are financed from tobacco settlement revenues available in the Michigan Merit Award Trust Fund.	36,600,000
5. Health Education Technology Grant-Dental Degree Program. The Senate adds \$500,000 in tobacco settlement revenue from the Michigan Merit Award Trust Fund to expand the outreach of University of Detroit-Mercy's dental clinics.	500,000
6. Transfer of Project GREEN. The Senate transfers \$6.1 million from the Department of Agriculture for Project GREEN: \$3,233,000 for the Agricultural Experiment Station and \$2,867,000 for the Cooperative Extension Service.	6,100,000
7. Cap of 13%. The Senate limits the percent increase over FY 1999-2000 for any university to 13%, except for Grand Valley which is capped at 14.4% in order to allow a per-student funding floor of \$4,500 for them.	(12,800,000)
8. Michigan Merit Award Program. The Governor recommends funding the program at \$100 million; the Senate Fiscal Agency estimates FY 2000-01 expenditures of \$79.6 million which would be a \$6.7 million reduction from the FY 1999-2000 appropriation of \$86.3 million.	(6,700,000)
4. Comparison to Governor's Recommendation. The Senate bill is \$63,717,819 Gross and \$47,017,819 GF/GP over the Governor.	
Total Changes	127,859,073
FY 2000-01 Senate Appropriations Subcommittee Gross Appropriation	\$1,902,618,381

Changes from FY 1999-2000 Year-to-Date:

1. **Higher Education Reports.** Continue pilot of Internet reporting, and require written notification to Subcommittees of Internet sites. (Sec. 208)
2. **Buy American.** Retain requirement for information upon request. (Sec. 209)
3. **HEIDI Data.** Add financial penalty for untimely submission. (Sec. 210(3))
4. **Need-Based Financial Aid.** Delete legislative intent that universities increase need-based undergraduate resident student aid by at least the percent increase in tuition and fees.
5. **Tuition Grant Program.** Extend determination date for maximum award by two months. (Sec. 302(3))
6. **Tuition Grant Program.** Allow eligibility for Ferris' Kendall College students for FY 2000-01. (Sec. 302(7))
7. **Work Study.** Delete reference to "3 most recent years" for utilization rate. (Sec. 303(2))
8. **General Degree Reimbursement.** Delete provision for transfer of funds to the Tuition Grant Program.
9. **Independent College Audits.** Allow, rather than require, Auditor General to audit. (Sec. 307)
10. **Tuition Incentive Program.** Replace Family Independence Agency with Department of Treasury. (Sec. 310)
11. **Tuition Incentive Program.** Governor disallows applications after September 30, 2000; Senate does not. (Sec. 310(9))
12. **Tuition Incentive Program.** Delete appropriation of a "sum sufficient" from the State General Fund if Merit Award Trust Fund dollars are not available.
13. **Michigan Merit Award Program.** Allow statute to supercede boilerplate.
14. **Joseph F. Young, Sr. Psychiatric Research Program.** Increase earmarking. (Sec. 401)
15. **Douglas Lake.** Retain legislative intent. (Sec. 402)
16. **Tuition Restraint.** Require 1.5% base reduction for any university increasing tuition more than 2.8%. (Sec. 403)
17. **MSU-DCL Law Alliance.** Delete legislative intent and audit requirement.
18. **Undergraduate Instruction.** Legislative recognition that it is the foremost obligation of public universities. (Sec. 408)
19. **Per-Student Floor Funding.** Establish one floor of \$4,700. (Sec. 409)
20. **Textbooks.** Legislative intent for timely access to required book lists by private bookstores, and to allow students discretion on where they are required to purchase textbooks. (Sec. 426)
21. **Geographic Areas.** Delete requirement for report on appropriate guidelines for expansion of academic programs into areas outside a university's immediate region.
22. **Project GREEN.** Transfer \$6.1 million from Department of Agriculture. (Sec. 433)
23. **King-Chavez-Parks.** Replace reference to Department of Education with Department of Career Development. (Secs. 501-506)
24. **King-Chavez-Parks.** Include independent colleges in College/University Partnership Program. (Sec. 504)
25. **High School Student Achievement Information.** Require summary report by August 31, 2001. (Sec. 601(3))
26. **Approval of New Degree Programs.** New list not yet available from Presidents Council.
27. **Campus Security Act.** Require electronic availability of prepared material on institutional websites. (Sec. 709)
28. **Financial Aid.** Require report on percentage of students receiving aid. (Sec. 710)

Date Completed: 3-14-00

Fiscal Analyst: E. Jeffries

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.