

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

FY 1998-99 Year-to-Date Gross Appropriations	\$1,604,100,000
---	------------------------

Changes from FY 1998-99 Year-to-Date:

Items Included by the House and Senate

- | | |
|---|-----------|
| 1. Tuition Incentive Program (TIP). An increase of \$3,500,000 is provided for TIP to bring total funding to \$5,250,000. In addition, the fund source for TIP is shifted from State GF/GP to the Michigan Merit Award Trust Fund. | 3,500,000 |
|---|-----------|

Conference Agreement on Items of Difference

- | | |
|---|-------------|
| 2. University Operations. The Conference Report includes a 5.4% average increase for the 15 public universities, with increases ranging from 3.3% to 8.6%. The 5.9% increase for Michigan State University includes a separate \$250,000 line-item for the Kinship Care Program. | 76,827,341 |
| 3. State and Regional Programs. An increase of 4.6% is provided for the Agricultural Experiment Station, with an earmarking of \$150,000 for the Michigan-Latvian Economic Development Project; a 4.1% increase for the Cooperative Extension Service; an increase of \$152,310 for the Michigan Molecular Institute for a total of \$222,310; a 10.5% increase for the Japan Center; new funds of \$110,000 for the Higher Education database; and a \$17,000 dues increase for the Midwest Higher Education Compact. | 2,755,127 |
| 4. King-Chavez-Parks Initiative. A 3.3% increase is provided for all six King-Chavez-Parks Programs but the funds for the Visiting Professors Program (\$171,916) are then transferred to the Universities' Operations line-items, \$11,461 for each university. | (76,756) |
| 5. Grants and Financial Aid. The Conference Report includes 3.3% increases for all of the State-funded financial aid programs, with an additional \$1,600,000 for the General Degree Reimbursement Program. The Federal Robert Byrd Scholarship Program receives an additional \$300,000 for a FY 1999-2000 total of \$1,600,000. | 5,595,596 |
| 6. Michigan Merit Awards. An appropriation of \$86,300,000 from the Michigan Merit Award Trust Fund, which is proposed to be financed from national tobacco settlement revenues, is made to fund this new merit-based scholarship program. | 86,300,000 |
| 7. Center for Advanced Technology. This grant to Focus:HOPE for manufacturing-based education is transferred to the Department of Career Development. | (4,092,000) |
| 8. Life Sciences Consortium. This consortium funded from \$50,000,000 in tobacco settlement revenue is transferred to the Strategic Fund Agency. | 0 |

Total Changes	170,809,308
----------------------------	--------------------

FY 1999-2000 Conference Report Gross Appropriation	\$1,774,909,308
---	------------------------

Amount Over/(Under) GF/GP Target: \$0

Changes from FY 1998-99 Year-to-Date:Items Included by the House and Senate

1. **Buy American.** Governor deletes; House and Senate retain. (Sec. 206)
2. **Need-Based Financial Aid.** House and Senate add legislative intent that universities increase need-based undergraduate resident student aid by at least the percent increase in tuition and fees. (Sec. 210)
3. **Independent College Audits.** House and Senate require Auditor General to accept the Free Application for Federal Student Aid (FAFSA) form as the standard for residency. (Sec. 307)
4. **Tuition Incentive Program.** House and Senate appropriate a "sum sufficient" from the State General Fund if Merit Award Trust Fund dollars are not available. (Sec. 310(14))
5. **Michigan Merit Award Program.** House and Senate require progress report, and prohibit consideration of merit award when determining eligibility for other State financial aid. (Sec. 313)
6. **Douglas Lake.** House and Senate reinstate Legislative intent. (Sec. 402)
7. **MSU-DCL Law Alliance.** House and Senate reinstate audit requirement. (Sec. 404)
8. **Enrollment of First-Time Law Students.** House and Senate reinstate prohibition against use of State funds to increase law student enrollment. (Sec. 418)
9. **Charter School Center.** House/Senate reinstate requirement for CMU to report on its activities. (Sec. 421)
10. **Textbooks.** House and Senate reinstate Legislative intent for timely access to required book lists by private bookstores, and for students' discretion on textbook purchase. (Sec. 426)
11. **Geographic Areas.** House and Senate require Presidents Council to report on appropriate guidelines for expansion of academic programs into areas outside a university's immediate region. (Sec. 427)
12. **Teaching Faculty.** House/Senate reinstate report requirement regarding English language oral proficiency. (Sec. 704)
13. **Campus Security Act.** House and Senate add report requirement. (Sec. 709)

Conference Agreement on Items of Difference

14. **Tuition Restraint Incentive Grants.** Governor/House provide grants contingent on tuition and fee increases of 3% or less; Senate/Conferees do not include this concept but do apply sanctions for FY 2000-2001. (Secs. 304 & 403)
15. **University Groupings.** The Conference Report includes five per-student funding floors. (Sec. 409)
16. **Tuition Incentive Program.** Senate and Conferees add eligibility for Focus:HOPE. (Sec. 310(5)(d))
17. **Athletic Personnel Contracts.** House reinstates Legislative intent to reduce university appropriations by any amount spent to fulfill a contract before the end of its term; Senate and Conferees delete.
18. **Charter School Authorizing.** House/Senate retain requirement for universities to provide information requested by Auditor General; Senate adds intent to request Attorney General Opinion; Conferees delete entire section.
19. **Life Sciences Consortium.** Senate includes parameters for the consortium; Conferees transfer to DCD.
20. **King-Chavez-Parks.** House/Senate retain reference to King-Chavez-Parks Initiative Unit within the Dept. of Education (Secs. 501-507); Senate/Conferees delete Future Faculty Program reference to "full-time" & "in this state". (Sec. 501)
21. **Resident Students.** House retains, Senate and Conferees delete, responsibility for UM-Ann Arbor to achieve a resident undergraduate enrollment level of 70%.
22. **Higher Education Reports.** Senate and Conferees require availability on the Internet in a pilot program. (Sec. 710)
23. **FY 1998-99 Supplemental.** Senate and Conferees add \$300,000 for Northern for infrastructure, technology, equipment, and maintenance. (Parts 1A & 2A)

Date Completed: 6-9-99

Fiscal Analyst: E. Jeffries