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SFA



BILL ANALYSIS

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House Bill 4302 (S-1 as reported)

Committee: Appropriations

FY 1998-99 Year-to-Date Gross Appropriation	\$1,604,100,000
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Changes from FY 1998-99 Year-to-Date:

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| 1. Per-Student Funding Floor. The Governor and House place universities into four tiers and use floors of \$4,500, \$4,600, \$4,700, and \$8,500 per resident student. The Senate uses a \$4,500 floor for all fiscal-year-equated students, which provides funds for Central, Eastern, Grand Valley, Oakland, Saginaw Valley, UM-Dearborn, and UM-Flint. | 18,961,230 |
| 2. Across-the-Board Increase. The Governor and House add 1.5% across-the-board for public universities, state and regional programs, the King-Chavez-Parks programs, and grants and financial aid; the Senate adds 3.3%. | 53,377,114 |
| 3. Graduate, Research, and Engineering Grants. The Senate includes grants for 8 universities with strong graduate, research, and/or engineering programs. Those universities are: Eastern-\$250,000; Michigan State-\$3,650,000; Michigan Tech-\$1,200,000; Oakland-\$500,000; UM-Ann Arbor-\$3,650,000; UM-Dearborn-\$450,000; Wayne State-\$800,000; and Western-\$500,000. | 11,000,000 |
| 4. Cap of 8.6%. The Senate limits the percent increase over FY 1998-99 for any university to 8.6%, which results in reductions for Central, Grand Valley, and Oakland. | (7,750,000) |
| 5. Program Revisions. The Senate fulfills program revision requests for Ferris' Collegiate Skills Program-\$500,000; Lake State's Teacher Education Program-\$135,000; and Western's School of Aviation Sciences-\$1,340,000. | 1,975,000 |
| 6. State and Regional Programs. In addition to the across-the-board increase, the Senate provides funds for the Agricultural Experiment Station and Cooperative Extension Service to allow a 4.1% increase; \$150,000 for the Michigan Molecular Institute; \$26,000 for a new vehicle for the Japan Center; a \$110,000 expansion for the Higher Education database to allow integration of national data; and a \$17,000 Midwest Higher Education Compact dues increase. | 733,000 |
| 7. Life Sciences Consortium. The Senate includes tobacco settlement revenue to fund this consortium of Michigan State, UM-Ann Arbor, Wayne State, and the Van Andel Institute. The funds would be allocated \$25 million each for: a) basic research and b) peer-reviewed research projects. | 50,000,000 |
| 8. Michigan Merit Awards. The Senate includes an appropriation from the Michigan Merit Award Trust Fund to fund this scholarship program proposed by the Governor; legislation is pending. | 102,000,000 |
| 9. Grants and Financial Aid. In addition to the across-the-board increase, the Senate adds \$1,600,000 to General Degree Reimbursement; \$300,000 in Federal funds to the Robert Byrd Scholarship; increases the grant to Focus:HOPE's Center for Advanced Technologies to a total of \$5,000,000; and increases the Tuition Incentive Program to \$5,250,000, funded from the Michigan Merit Award Trust Fund. | 6,172,964 |
| 10. Comparison to Governor's Recommendation. The Senate bill is \$168,290,100 Gross and \$15,990,100 GF/GP over the Governor. | |

Total Changes	\$236,469,308
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FY 1999-2000 Senate Appropriations Subcommittee Gross Appropriation	\$1,840,569,308
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FY 1999-2000 HIGHER EDUCATION BUDGET

BOILERPLATE HIGHLIGHTS

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



May 11, 1999

Changes from FY 1998-99 Year to Date:

1. **Buy American.** Governor deletes; House and Senate retain. (Sec.206)
2. **Tuition Restraint Incentive Grants.** Governor and House provide grants contingent on tuition and fee increases of 3% or less; Senate does not include this concept.
3. **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)
4. **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)
5. **Tuition Incentive Program.** Senate adds eligibility for Focus:HOPE. (Sec.310(5)(d))
6. **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))
7. **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)
8. **Douglas Lake.** House and Senate reinstate Legislative intent. (Sec.402)
9. **MSU-DCL Law Alliance.** House and Senate reinstate audit requirement.(Sec.404)
10. **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 deletes.
11. **Enrollment of First-Time Law Students.** House and Senate reinstate prohibition against use of State funds to increase law student enrollment. (Sec.418)
12. **Charter School Center.** House and Senate reinstate requirement for CMU to report on the activities of its Center. (Sec.421)
13. **Charter School Authorizing.** House and Senate retain requirement for universities to provide all information Auditor General may request during an audit. (Sec.422)
14. **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)
15. **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)
16. **Life Sciences Consortium.** Senate includes parameters for the consortium. (Sec.428)
17. **King-Chavez-Parks.** House and Senate retain reference to King-Chavez-Parks Initiative Unit within the Department of Education (Secs. 501-507); Senate deletes Future Faculty Program reference to "full-time" and "in this state". (Sec. 501)
18. **Teaching Faculty.** House and Senate reinstate report requirement regarding English language oral proficiency. (Sec.704)
19. **Resident Students.** House retains and Senate deletes, responsibility for UM-Ann Arbor to achieve a resident undergraduate enrollment level of 70%.
20. **Campus Security Act.** House and Senate add report requirement. (Sec.709)
21. **Higher Education Reports.** Senate requires availability to public on the Internet (Sec. 710)

Date Completed: 5-17-99

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