

Senate Fiscal Agency
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SFA



BILL ANALYSIS

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House Bill 4253 (S-1, as passed by the Senate)

Committee: Appropriations

FY 2000-01 Year-to-Date Gross Appropriation	\$325,011,719
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Changes from FY 2000-01 Year-to-Date:

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| <p>1. Operations. The Governor and the House provided a 2.0% increase distributed as 1.0% across the board and 1.0% by formula. The Senate Subcommittee recommends a 5.1% increase, distributed as 3.0% across the board and 2.1% by formula. The recommendation assumes savings from the repeal of the tuition tax credit (1.5% or \$4,663,298) and uses \$5,000,000 (1.6%) from the merit award trust fund originally recommended for the Postsecondary Access Student Success (PASS) program.</p> | 15,881,028 |
| <p>2. Postsecondary Access Student Success (PASS) Program. The Senate Subcommittee reduce program funds from \$10,000,000 to \$5,000,000 and uses those funds to provide additional support for college operations (see item 1.) In addition, the Senate Subcommittee eases program eligibility requirements by eliminating age restrictions, removing the PELL grant as a form of financial aid which must be subtracted from a PASS award, and allows colleges and universities, instead of the Department of Treasury, to calculate the imputed HOPE credit which must be subtracted from a PASS award.</p> | (5,000,000) |
| <p>3. Renaissance Zone Reimbursements. The Senate Subcommittee concurs in the recommendation of the Governor and House to reduce program funds to reflect anticipated program costs. The Senate Subcommittee increased the line item by \$1 to create an item of difference for Conference Committee discussions.</p> | (33,130) |
| <p>4. At Risk Student Success Program. The Senate Subcommittee concurs in the recommendation of the Governor and House to provide continuation level funding for this program. The Senate Subcommittee decreased the line item by \$1 to create an item of difference for Conference Committee discussions.</p> | (1) |
| <p>5. Comparison to Governor's Recommendation. The Substitute is at the Governor's recommendation both Gross and GF/GP.</p> | |

Total Changes	\$10,847,897
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FY 2001-02 Senate Gross Appropriation	\$335,859,616
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Changes from FY 2000-01 Year to Date:

1. **Buy American.** The Senate Subcommittee reinstates language eliminated by the Governor that requires the purchase of American goods and services if they are comparable to foreign goods. The House included "buy Michigan" preference language which the Senate Subcommittee concurred in. (Sec. 209).
2. **Deprived and Depressed Communities.** The Senate Subcommittee reinstates language eliminated by the Governor that would encourage colleges to ensure businesses in depressed areas compete for contracts. (Sec. 210).
3. **Tax Increment Finance Authorities.** The Senate Subcommittee concurs with the House to reinstate language eliminated by the Governor that requires the department of Treasury to compile and publish a report on the property tax revenue lost by colleges as a result of tax increment finance authorities and tax abatements. (Sec. 219).
4. **Auditor General Audit of Treasury Report.** The Senate Subcommittee concurs with the House and Governor to eliminate language that requires the Auditor General to audit the report compiled by the Department of Treasury.
5. **Co-Terminus College Districts.** The Senate Subcommittee concurs with the House to reinstate language eliminated by the Governor that requires continued review of the recommendations of the Co-terminus district task force. (Sec. 225).
6. **Intent to Fully-Fund Gast-Mathieu Funding Formula.** The Senate Subcommittee concurs with the House to reinstate language eliminated by the Governor that states legislative intent to fully-fund the Gast-Mathieu funding formula. (Sec. 228).
7. **College Crime Statistics.** The Senate Subcommittee modifies current-year language to require the Department of Career Development to provide electronic or hard copy access to college crime statistics collected by the United States Department of Education. (Sec. 229).
8. **Abortion Coverage in Employee Health Insurance.** The Senate Subcommittee concurs with the House to reinstate language eliminated by the Governor that prohibits the use of state funds for health insurance that includes abortion services (except in the cases of spontaneous abortions, or to protect the life of the mother) for college employees. (Sec. 230).
9. **Benefits for Unmarried Partners.** The Senate Subcommittee concurs with the House to reinstate language eliminated by the Governor that prohibits the use of State appropriations to provide benefits to unmarried partners of college employees. (Sec. 231).
10. **Preventative Contraceptives.** The Senate Subcommittee concurs with the House to reinstate language deleted by the Governor that encourages colleges to ensure that payment of preventative contraceptives is included in the employee's insurance plan. (Sec. 233)
11. **Promoting Equal Opportunities.** The Senate Subcommittee concurs with the House to reinstate language eliminated by the Governor that requires colleges to promote equal opportunities, eliminate discrimination, and foster a diverse student body. (Sec. 234).
12. **Community College Increases.** The Senate Subcommittee concurs with the House to reinstate language eliminated by the Governor that states intent to ensure community college funding increases are similar to university increases. (Sec. 402).
13. **Economic Development Job Training.** The Senate Subcommittee concurs with the House to reinstate language eliminated by the Governor that states Legislative intent that 70% of the economic development job training grant money be awarded to community colleges. (Sec. 403).
14. **Postsecondary Access Student Scholarship (PASS).** The Senate Subcommittee removes the eligibility age limit, removes the PELL grant as a grant which must be subtracted before a PASS award, and allows colleges and universities to calculate the imputed HOPE credit subtracted before a PASS award is granted. On General Orders, the Committee included language to limit eligible tuition and fees at universities and private institutions to that of the highest community college tuition and fees.(Sec. 404).
15. **Part-time Faculty.** The Senate Subcommittee removes language included by the House that requires the Department of Career development to lead discussions and issue a report on part-time faculty ratios at community colleges.

Date Completed: 5-31-01

Fiscal Analyst: M. Hansen

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