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SFA



BILL ANALYSIS

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House Bill 4258 (S-1 as passed by the Senate)

Committee: Appropriations

FY 2000-01 Year-to-Date Gross Appropriation	\$1,905,000,608
Changes from FY 2000-01 Year-to-Date:	
1. Per Student Funding Floors. The House consolidates the floor groupings from 5 to 4, and adds \$100 to each, for floors of: \$4,600, \$4,800, \$5,800, and \$9,100. The Senate uses only one \$4,700 floor to provide funds for Central, Eastern, Grand Valley, Oakland, Saginaw Valley, and UM-Flint.	17,044,965
2. University Operations. The Governor applies a 1.5% across-the-board increase prior to the addition of floor funding; the House and Senate add 1.5% and 3.5%, respectively, after the floor dollars are added.	56,296,603
3. Need-Based Financial Aid. The Senate adds \$20 million from the Merit Award Trust Fund for need-based aid at the 15 universities, distributed based on their share of the FY 2000-01 Operations appropriations.	20,000,000
4. Indian Tuition Waivers. The Senate transfers \$100,000 from Northern to Lake Superior to allow Lake Superior to serve as the fiscal agent for Bay Mills Tribal College.	0
5. King-Chavez-Parks Programs. The Governor and House provide 2.0% increases for Select Student Support Services, College-University Partnerships, and Morris Hood, Jr. Educator Development; the Senate provides 3.5% increases.	103,153
6. State and Regional Programs. The Governor and House recommend 2.0% increases, and the Senate recommends 3.5% increases, for the Agricultural Experiment Station (AES), Cooperative Extension Service (CES), Michigan Molecular Institute, and the Japan Center. The House and Senate do not move Project GREEN funding into a separate line-item as the Governor recommends, but the Senate does move the AES and CES line-items to the Michigan State appropriation unit. All fund a \$7,500 dues increase for the Midwest Higher Education Compact.	2,396,939
7. Grants and Financial Aid. The Governor and House provide 2.0% increases, and the Senate provides 3.5% increases, for each of the State-funded programs, and all recommend \$1 million in new Federal funds for Competitive Scholarships. The House and Senate appropriate an additional \$28.7 and \$20.0 million, respectively, from the Michigan Merit Award Trust Fund for Competitive Scholarships, to replace State GF/GP that is shifted to fund other increases.	5,299,902
8. Michigan Merit Award. The Governor, House, and Senate increase funding for the awards based on Department of Treasury projections.	15,023,845
9. Comparison to Governor's Recommendation. The Senate bill is \$39,393,153 Gross over the Governor and \$606,847 GF/GP under the Governor.	
Total Changes	\$116,165,407
FY 2001-02 Senate Gross Appropriation	\$2,021,166,015

Changes from FY 2000-01 Year to Date:

1. **Reports on the Internet.** Governor, House, and Senate change from pilot program to required reporting mode. (Sec. 208)
2. **Buy American.** House adds preference for Michigan businesses; Senate retains FY 2000-01 language. (Sec. 209)
3. **Tuition Tax Credit Notification.** House retains; Governor and Senate delete. (Sec. 214)
4. **Restricted Fund Revenue.** House and Senate require Department of Treasury to provide an annual report on restricted fund revenues, expenditures, and balances. (Sec. 216)
5. **Luxury Vehicles.** House prohibits expenditure of State dollars for luxury vehicles or chauffeurs for university officials; Senate deletes. (Sec. 217)
6. **Tuition Grants.** Senate sets parameters for prior Kendall College students to receive grants. (Sec. 302(7))
7. **Tuition Incentive Program.** House allows appropriation of State GF/GP if Merit Award Trust Fund dollars are not sufficient; Governor and Senate delete. (Sec. 310)
8. **Tuition Restraint.** House retains 4.0% tuition limit; Governor and Senate delete.
9. **Per-Student Floor Funding.** House consolidates floor groupings from 5 to 4, and adds \$100 to each, for new floors of: \$4,600, \$4,800, \$5,800, and \$9,100; Senate deletes. (Sec. 409)
10. **Per-Student Floor Funding.** House adds Legislative intent to progressively and consistently make appropriations to achieve the funding floors specified in Sec. 409; Senate deletes. (Sec. 410)
11. **2/3 / 1/3.** Governor, House, and Senate delete Legislative intent to increase toward a 2-to-1 ratio for State appropriations versus tuition revenue.
12. **Tier Funding Work Group.** House creates a bipartisan work group comprised of House and Senate Higher Education Subcommittee members to review tier funding criteria and make recommendations by February 1, 2002; Senate deletes. (Sec. 411)
13. **Project GREEN.** Governor, House, and Senate require Michigan State University to submit a report by September 30, 2002. (Sec. 433)
14. **Oakland University.** Governor, House, and Senate delete recognition of Auburn Hills location.
15. **Economic Development.** House and Senate require a quarterly report from the Presidents Council summarizing the universities' work with the Michigan Economic Development Corporation. (Sec. 434)
16. **Fire Safety Systems.** House and Senate require a report by January 1, 2003 on automatic sprinkler and other fire safety systems in university dormitories. (Sec. 435)
17. **King-Chavez-Parks Fellowships.** Senate requires a good faith effort standard regarding defaults. (Sec. 501)
18. **King-Chavez-Parks College Day.** Senate requires an equal dollar match from participating education units. (Sec. 502)
19. **King-Chavez-Parks Partnerships.** Senate characterizes targeted students as "academically and economically disadvantaged". (Sec. 504)
20. **Student Performance Reporting.** House removes report due date; Senate retains FY 2000-01 language. (Sec. 601)
21. **Community College Transfer Students.** House and Senate require universities to inform community colleges regarding the academic status of transfer students. (Sec. 602)
22. **New Academic Programs.** Senate adds Presidents Council list. (Sec. 710a)
23. **English Proficiency of Faculty.** House retains report; Governor and Senate delete. (Sec. 704)
24. **Financial Aid.** House and Senate modify existing requirement for universities to report on need and merit-based aid, to focus on undergraduate students. (Sec. 710)

Date Completed: 6-1-01

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