



Senate Fiscal Agency
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FY 2004-05 Senate-Passed Gross Appropriation \$1,698,585,600

House Changes to Senate-Passed:

- 1. **University Operations.** The House reduces this line item by \$100 for each university to create points of difference with the Senate, except that Central, Grand Valley, Oakland, and Saginaw Valley each receive an additional \$100 financed from Merit Award Trust Fund revenue, and the line items for Lake Superior and Northern are points of difference due to the transfer of Bay Mills funding (see Item 3). (500)

- 2. **Tuition Restraint.** The House reduces this line item by \$100 for each university to create points of difference with the Senate. (1,500)

- 3. **Bay Mills Indian Tuition Waiver Funding.** Northern has been the fiscal agent for the \$100,000 pass-through to Bay Mills Tribal College since FY 1996-97; the House transfers these dollars from Northern to Lake Superior who will serve as the new fiscal agent. The House also provides \$2,000 to Lake Superior for administrative costs. 2,000

- 4. **Midwest Higher Education Compact Dues.** The Governor eliminated the payment, the Senate added \$100 as a placeholder, and the House provides payment of \$82,500 for two years, financed from Merit Award Trust Fund revenue. 164,900

- 5. **Points of Difference.** The House reduces the line items for the Higher Education database, the King-Chavez-Parks competitive grants, and State-funded grants and financial aid programs by \$100 to create points of difference with the Senate. (1,200)

- 6. **Michigan Merit Awards.** The Senate appropriated \$67 million which includes funding for the graduating class of 2004 (the first half of the \$2,500 awards for in-State students, and full payment of \$1,000 for out-of-State students), as well as payments due to qualified students from previous graduating classes. There was a Governor's revised recommendation on May 27, 2004, that assumed savings of \$24 million due to new expenditure estimates for FY 2004-05 (\$4 million) and a House proposal to pay awards at the end of an academic year following confirmation that a student has a minimum of a 2.0 grade point average (\$20 million). The House includes the \$4 million reduction but lowers to \$10 million the estimated savings from the 2.0 grade point proposal, for a total reduction of \$14 million in Merit Award Trust Fund revenue. (14,000,000)

- 7. **Veterans Survivor Tuition Waiver.** The House adds \$1,000,000 in Merit Award Trust Fund revenue to fund this program which is currently funded from the Veterans Trust Fund in the Military and Veterans Affairs budget. 1,000,000

- 8. **No Points of Difference.** There are no differences between the House and the Senate on three line items: Agriculture Experiment Station, Cooperative Extension Service, and the Federal Robert Byrd Honors Scholarship.

Total Changes (\$12,836,300)

FY 2004-05 House-Passed Gross Appropriation \$1,685,749,300

Changes from FY 2004-05 Senate-Passed:

1. **Report on Resident/Non-Resident Students.** House requires; Governor and Senate do not. (Sec. 212a)
2. **Quarterly Payment System for Financial Aid.** Governor revises to reflect 25% per quarter schedule for all programs except Work Study and Byrd Scholarships; Senate retains current year schedule of 40%/40%/10%/10%; House retains current schedule except for Dental Clinics at 25% per quarter. (Sec. 308)
3. **Tuition Incentive Program.** Governor, Senate, and House remove prohibition for payments for theology and divinity courses; House adds minimum 2.0 undergraduate grade point average eligibility requirement. (Sec. 310)
4. **Joseph F. Young Psychiatric Research.** Gov. reduces earmarking by 8.0%; Senate & House by 2.0%. (Sec. 401)
5. **Lists of Required Textbooks.** Governor deletes Legislative intent for accurate and timely access by private bookstores and the ability of students to decide where to purchase textbooks; Senate and House retain; House requires study of textbook prices. (Sec. 426)
6. **Tuition Restraint.** Governor and Senate allocate incentive amounts based on no tuition increase after December 1, 2003 for 2003-04, and tuition increase not to exceed Detroit CPI for 2004-05; Governor, Senate, and House allow retroactive compliance for 2003-04; Senate and House guarantee no reductions during FY 2004-05; House uses 3% or \$250 cap for 2004-05 tuition and revises definitions. (Sec. 436)
7. **Per-Student Floor Funding.** Senate adds legislative intent for per-student floor funding of \$3,800, based on FY 2002-03 fiscal-year-equated students; House refers to \$4,000 floor. (Sec. 450)
8. **Student and Presidential Housing.** Senate adds report requirement; House does not include. (Sec. 460)
9. **Bay Mills Indian Tuition Waivers.** House transfers pass-through funds from Northern to Lake Superior. (Sec. 461)
10. **HEIDI Audits.** Governor, Senate, and House revise definitions. (Sec. 701. (2) (a) and (3))
11. **New Academic Programs.** Governor and Senate delete FY 2003-04 list; House adds FY 2004-05 list. (Sec. 701a).
12. **Underutilized Degree Programs.** Governor and House require universities to participate in a study to determine extent of such programs; Senate does not include. (Sec. 711)
13. **Tuition Restraint Policy.** Governor, Senate, and House revise FY 2003-04 language. (Sec. 1201)
14. **Competitive Scholarships & Tuition Grants.** Senate requires notification by 6/30/04; House by 7/31/04.(Sec. 1302)
15. **University Admissions.** House prohibits State funding if there is preferential treatment. (Sec. 1303)

Date Completed: 6-11-04

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