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FY 2003-04 Year-to-Date Gross Appropriation	**$1,653,663,200**

Changes from FY 2003-04 Year-to-Date:

Items Included by the Senate and House

1. **Agricultural Experiment Station and Cooperative Extension Service.** House and Senate retain current year funding levels of $33,163,800 and $28,604,300, respectively; Governor reduced each line item by 3%.	0
2. **State Competitive Scholarships.** Additional Federal funds are available for FY 2004-05.	19,300

Conference Items of Difference

3. **Tuition Restraint**. Per the Conference agreement, Lake Superior and Northern receive a 50% reduction in their 3% funding for FY 2003-04 only. For FY 2004-05, there are 3 separate criteria to qualify for tuition restraint funding: 1) 2.4% increase on the highest rate authorized for 2003-04 (Grand Valley, Michigan State, and Saginaw Valley); 2) 2.4% increase on the average of the 2003-04 fall and winter rates and a rebate of at least $200 of a $500 records fee (Western); and 3) 2.8% increase on the average of the 2003-04 fall and winter rates (the 11 other universities). Schools that meet their criteria would receive their full 6% tuition restraint funding.	43,903,000
4. **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 Conference Report concurs with this transfer.	0
5. **Midwest Higher Education Compact Dues.** The Governor vetoed the payment in FY 2003-04, the Senate added $100 as a placeholder, and the House and the Conference Report provide payment of $82,500 for two years.	165,000
6. **Tuition Grants.** The Governor eliminated this $64,768,100 program; the House and Senate retain it. The Conference Report reduces the program by $3 million.	(3,000,000)
7. **Tuition Incentive Program (TIP).** Due to an increase in TIP students attending college, an additional $1 million in Merit Award Trust Fund revenue is required.	1,000,000
8. **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. The Conference Report includes expenditure savings of $5.6 million from FY 2003-04, but no other policy changes for FY 2004-05.	(5,600,000)
9. **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. The Conference Report does not include this program.	
Total Changes..	36,487,300
FY 2004-05 Conference Report Gross Appropriation	**$1,690,150,500**

Amount Over/(Under) GF/GP Target: $165,000

Items Included by the Senate and House

1. **Buy American.** Governor, Senate, and House add preference for Michigan businesses. (Sec. 209)
2. **Appropriations Report from Fiscal Agencies.** Governor deletes; Senate and House retain. (Sec. 212(3))
3. **Tuition Grants.** Governor deletes due to proposed elimination of program; Senate and House retain. (Sec. 302)
4. **Douglas Lake.** Governor deletes Legislative intent to preserve research value; Senate and House retain. (Sec. 402)
5. **Undergraduate Instruction.** Governor, Senate, and House delete Legislative intent to recognize primacy.
6. **Law Degree Students.** Governor, Senate, and House delete prohibition on a university's use of State funds to collaborate with another university to increase first-time enrollment.
7. **Project GREEEN**. Governor reduces earmarkings for AES and CES by 3.1%; Senate and House do not. (Sec. 433)
8. **MEDC/Universities Quarterly Reports.** Governor, Senate, and House delete requirement.
9. **Michigan Public School Employees Retirement System (MPSERS).** Governor deletes Legislative intent to retain FY 2002-03 contribution rate for FY 2003-04; Senate and House refer to subsidy of $4.9 million. (Sec. 437)
10. **Report on Smoking Policies in Dorms.** Governor, Senate, and House delete requirement.
11. **Tuition and Fee Data.** Governor, Senate, and House require submission to HEIDI by August 31, 2004, with any revisions submitted within 15 days of board adoption. (Sec. 440)
12. **Report on Need and Merit-Based Aid.** Governor, Senate, and House delete requirement.
13. **Repeal of Sec. 452 of 2003 PA 237.** Senate & House repeal previous tuition restraint language. (Enacting Section 1)

Conference Items of Difference

14. **Report on Resident/Non-Resident Students.** House requires; Governor, Senate, Conference do not. (Sec. 212a)
15. **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 and Conference retain current schedule except for Dental Clinics at 25% per quarter. (Sec. 308)
16. **Tuition Incentive Program.** Governor, Senate, House, and Conference allow payments for theology and divinity courses; House adds 2.0 undergrad grade point average eligibility requirement, Conference does not. (Sec. 310)
17. **Joseph F. Young Psychiatric Research.** Governor reduces earmarking by 8.0%; Senate/House/Conference by 2.0%. (Sec. 401)
18. **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, Conference does not. (Sec. 426)
19. **Tuition Restraint.** Language revised per conference agreement; see item #3 on front page. (Sec. 436)
20. **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 and Conference refer to $4,000 floor. (Sec. 450)
21. **Student and Presidential Housing.** Senate and Conf. add report requirement; House does not include. (Sec. 460)
22. **Bay Mills Indian Tuition Waivers.** House and Conference transfer pass-through funds from Northern to Lake Superior. (Sec. 461)
23. **HEIDI Audits.** Governor, Senate, House and Conference revise definitions. (Sec. 701. (2) (a) and (3))
24. **New Academic Programs.** Governor/Senate delete FY 2003-04 list; House/Conf. add FY 2004-05 list. (Sec. 701a).
25. **Underutilized Degree Programs.** Governor and House require universities to participate in a study to determine extent of such programs; Senate and Conference do not include. (Sec. 711)
26. **FY 2003-04 Tuition Restraint.** 50% reduction in Lake Superior and Northern's 3% funding. (Sec. 1201)
27. **Competitive Scholarships/Tuition Grants.** Senate requires notification by 6/30/04; House by 7/31/04, Conference deletes. (Sec. 1302)
28. **University Admissions.** House prohibits State funding if there is preferential treatment, Conference does not. (Sec. 1303)

Date Completed: 9-9-04 Fiscal Analyst: Ellen Jeffries