



Senate Fiscal Agency
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BILL ANALYSIS

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FY 2005-06 Year-to-Date Gross Appropriation	\$281,552,400
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Changes from FY 2005-06 Year-to-Date:

Items Included by the Senate and House

- | | |
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| 1. Renaissance Zone Reimbursements. The budget increased funding from \$2,900,000 to \$3,200,000 to reflect projected reimbursements pursuant to 1996 PA 376. | 300,000 |
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Conference Agreement on Items of Difference

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| 2. Operations. | 8,027,000 |
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a) Governor

- Recommended an across-the-board 2.0% increase for college operations.

b) Senate

- Restored one-half (\$225,000) of the \$450,000 reduction made to Wayne County Community College's (WCCC) appropriation in FY 2003-04.
- Allocated \$443,000 to three colleges, Bay de Noc, Kalamazoo Valley, and Mid Michigan in an effort to move toward a funding floor of \$6,500. These schools did not receive other adjustments in the Senate version (Task Force model distribution).
- Distributed the balance of the 2.0% increase through the Task Force model.
- Replaced \$43.9 million in General Fund support with School Aid Fund.

c) House

- Restored one-half (\$225,000) of the \$450,000 reduction made to WCCC.
- Provided \$200,000 each for Bay de Noc and Mid Michigan Community College.
- Distributed the balance of the 2.5% increase through the Task Force model.
- Created a new line-item for Economic Development Grants of \$251,100.
- Created a new line-item for Accelerated Licensing Certification grants of \$100.
- Created a new line-item for Nursing Expansion grants of \$100.
- Included FY 2005-06 supplemental of \$200,000 each for Bay de Noc and Mid Michigan Community College.

d) Conference Committee on Items of Difference

- Maintained the \$225,000 FY 2005-06 supplemental in WCCC's base.
- Provided a \$200,000 separate adjustment for Bay de Noc.
- Distributed the balance of available funding through the Task Force model.
- Funded all adjustments entirely from the General Fund.
- Did not include new line items created by the House.
- Did not include House proposed supplemental appropriations for FY 2005-06.

The above Conference adjustments reflect funding based on the Leadership Target which increased funding for the Community College Appropriation Bill by \$8,327,000 over the FY 2005-06 Year-to-Date appropriation. After adjusting for funding required for Renaissance Zone Reimbursements (Item #1 above), a 2.9% overall increase was available for community college operations.

Total Changes	\$8,327,000
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FY 2006-07 Conference Report Gross Appropriation	\$289,879,400
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Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2005-06 Year to Date:Items Included by the Senate and House

1. **Entrepreneurship Curriculum.** The Governor removed language requiring the Department of Labor and Economic Growth to work collaboratively with community colleges to develop an accelerated entrepreneurship curriculum, including an associate degree. The House and Senate restored the section and specified a due date of February 1, 2007, for the annual reporting requirement. (Sec. 208)
2. **Abortion Coverage in Employee Health Insurance.** The Senate and House restored language eliminated by the Governor that prohibits the use of State funds for health insurance that includes abortion services for college employees. (Sec. 230)
3. **Benefits for Unmarried Partners.** The Senate and House restored language eliminated by the Governor that prohibits the use of State appropriations to provide benefits to unmarried partners of college employees. (Sec. 231)
4. **Payments in Lieu of Taxes.** The Senate and House modified language that previously required a workgroup and report concerning Payments in Lieu of Taxes to community colleges with districts that contain nontaxable land. The new language requires continued discussions regarding payments in lieu of taxes. (Sec. 242)

Conference Agreement on Items of Difference

5. **University Acceptance of College Credits.** The Senate and the Governor removed language that creates a workgroup to make recommendations regarding university acceptance of college credits by students enrolled through the postsecondary enrollment options act. The House included the language. The Conference Committee concurred with the House. (Sec. 235)
6. **Nursing Program Expansion.** The Conference Committee included new language that creates a workgroup to evaluate and make recommendations concerning the expansion of nursing programs at community colleges. This section also requires a report on findings and recommendations (including funding) by March 1, 2007, and states legislative intent to fund approved recommendations of the workgroup. (Sec. 236)
7. **Performance Indicator Task Force/Full Funding of Gast-Mathieu Formula.** The Conference Committee modified current year language and a new section included by the House to state legislative intent that the task force formula developed by the Performance Indicators Task Force be used for funding distributions in future years. Data collected for the Gast-Mathieu Formula will also continue to be collected and maintained. The section states legislative intent that Task Force performance measures and recommendations will be reviewed and more fully implemented for future distributions of State funding. (Sec. 304).
8. **Tax Increment Finance Authorities.** The Senate and the Governor removed language that required the Department of Treasury to report on the property tax revenue lost by colleges as a result of tax increment finance authorities and tax abatements. The House included the language. The Conference Committee concurred with the House. (Sec. 513)
9. **Construction Contracts.** The House included new language that prohibits a community college from entering into a contract for construction that discriminates against a person based upon legally prohibited characteristics, or membership in a labor organization, or requires any bidders or contractors to adhere to agreements with one or more labor organization. The Conference Committee removed this section.

Date Completed: 7-13-06

Fiscal Analyst: Bill Bowerman



FY 2006-2007 Community College Appropriation Bill

College	FY 2005-06 Year-To-Date	FY 2006-07 GOV REC		FY 2006-07 Senate Passed				FY 2006-07 House Passed				FY 2006-07 Conference			
		Increase	Percent Change	Toward \$6,500/CHES	Task Force Formula	Total Increase	Percent Change	Base Adjustment	Task Force Formula	Total Increase	Percent Change	Adjustment	Task Force Formula	Total Increase	Percent Change
Alpena	4,777,100	95,500	2.0%	113,000	85,200	85,200	1.8%	200,000	102,300	102,300	2.1%	200,000	127,700	127,700	2.7%
Bay de Noc	4,618,500	92,400	2.0%		0	113,000	2.4%		108,300	308,300	6.7%		131,400	331,400	7.2%
Delta	12,917,100	258,300	2.0%		261,600	261,600	2.0%		314,400	314,400	2.4%		392,100	392,100	3.0%
Glen Oaks	2,167,100	43,300	2.0%		45,600	45,600	2.1%		54,900	54,900	2.5%		68,400	68,400	3.2%
Gogebic	3,951,500	79,000	2.0%		62,000	62,000	1.6%		74,400	74,400	1.9%		92,900	92,900	2.4%
Grand Rapids	16,247,500	325,000	2.0%		306,800	306,800	1.9%		368,600	368,600	2.3%		459,800	459,800	2.8%
Henry Ford	19,800,700	396,000	2.0%		353,100	353,100	1.8%		424,300	424,300	2.1%		529,300	529,300	2.7%
Jackson	10,960,800	219,200	2.0%		183,000	183,000	1.7%		219,800	219,800	2.0%		274,300	274,300	2.5%
Kalamazoo Valley	11,183,600	223,700	2.0%	230,000	0	230,000	2.1%		268,600	268,600	2.4%		335,000	335,000	3.0%
Kellogg	8,786,700	175,700	2.0%		167,400	167,400	1.9%		201,100	201,100	2.3%		250,800	250,800	2.9%
Kirtland	2,666,800	53,300	2.0%		54,900	54,900	2.1%		66,000	66,000	2.5%		82,300	82,300	3.1%
Lake Michigan	4,728,900	94,600	2.0%		95,900	95,900	2.0%		115,200	115,200	2.4%		143,700	143,700	3.0%
Lansing	28,097,100	561,900	2.0%	100,000	529,600	529,600	1.9%	200,000	636,200	636,200	2.3%		793,700	793,700	2.8%
Macomb	29,978,600	599,600	2.0%		579,600	579,600	1.9%		696,400	696,400	2.3%		868,700	868,700	2.9%
Mid Michigan	3,999,100	80,000	2.0%		0	100,000	2.5%		92,200	292,200	7.3%		111,300	111,300	2.8%
Monroe	3,890,800	77,800	2.0%		79,400	79,400	2.0%		95,400	95,400	2.5%		119,000	119,000	3.1%
Montcalm	2,814,300	56,300	2.0%		50,500	50,500	1.8%		60,700	60,700	2.2%		75,700	75,700	2.7%
Mott	14,205,400	284,100	2.0%		254,900	254,900	1.8%		306,300	306,300	2.2%		382,100	382,100	2.7%
Muskegon	8,083,900	161,700	2.0%		139,100	139,100	1.7%		167,100	167,100	2.1%		208,500	208,500	2.6%
North Central	2,738,100	54,800	2.0%		48,200	48,200	1.8%		58,000	58,000	2.1%		72,300	72,300	2.6%
Northwestern	8,248,900	165,000	2.0%		138,000	138,000	1.7%		165,800	165,800	2.0%		206,800	206,800	2.5%
Oakland	18,910,900	378,200	2.0%		383,000	383,000	2.0%		460,200	460,200	2.4%		574,100	574,100	3.0%
St. Clair	6,334,300	126,700	2.0%		133,700	133,700	2.1%		160,700	160,700	2.5%		200,400	200,400	3.2%
Schoolcraft	11,098,900	222,000	2.0%		196,500	196,500	1.8%		236,100	236,100	2.1%		294,500	294,500	2.7%
Southwestern	5,958,000	119,200	2.0%		108,800	108,800	1.8%		130,700	130,700	2.2%		163,100	163,100	2.7%
Washtenaw	11,280,600	225,600	2.0%		272,800	272,800	2.4%		327,700	327,700	2.9%		408,800	408,800	3.6%
Wayne County	14,807,200	66,600	0.4%		265,400	265,400	1.8%		318,800	318,800	2.2%		401,900	401,900	2.7%
West Shore	2,077,300	41,500	2.0%		39,000	39,000	1.9%		46,800	46,800	2.3%		58,400	58,400	2.8%
SUBTOTAL OPERATIONS:	\$275,329,700	\$5,277,000	1.9%	\$443,000	\$4,834,000	\$5,277,000	1.9%	\$400,000	\$6,277,000	\$6,677,000	2.4%	\$200,000	\$7,827,000	\$8,027,000	2.9%
At Risk	3,322,700	0	0.0%		0	0	0.0%		0	0	0.0%		0	0	0.0%
Renaissance Zone	2,900,000	300,000	10.3%		300,000	300,000	10.3%		300,000	300,000	10.3%		300,000	300,000	10.3%
Econ. Dev. Grants	0	0	0.0%		0	0	0.0%		251,100	251,100	----		0	0	0.0%
Accel. lic./cert. grant	0	0	0.0%		0	0	0.0%		100	100	----		0	0	0.0%
Nursing expan. grant	0	0	0.0%		0	0	0.0%		100	100	----		0	0	0.0%
TOTAL APPROPRIATION:	\$281,552,400	\$5,577,000	2.0%	\$443,000	\$4,834,000	\$5,577,000	2.0%	\$400,000	\$6,277,000	\$7,228,300	2.6%	\$200,000	\$8,127,000	\$8,327,000	3.0%
School Aid Fund	0					43,900,000	-----	0	0	0	0.0%	0	0	0	0.0%
GF/GP	\$281,552,400	\$5,577,000	2.0%	\$443,000	\$4,834,000	(\$38,323,000)	-13.6%	\$400,000	\$6,277,000	\$7,228,300	2.6%	\$200,000	\$8,127,000	\$8,327,000	3.0%

Notes:

FY 2005-06 YTD Appropriation includes \$225,000 supplemental for WCC (2006 PA 153 immediate effect, 5/30/06).