



Senate Fiscal Agency
 P. O. Box 30036
 Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-2768
 Fax: (517) 373-1986
 TDD: (517) 373-0543

Senate Bill 1151 (S-1 as passed by the Senate)
 Committee: Appropriations

FY 2009-10 Year-to-Date Gross Appropriation \$299,360,500

Changes from FY 2009-10 Year-to-Date:

- 1. **Continuation Funding.** The Governor maintained funding for community college operations and at-risk funding at the FY 2009-10 level. The Senate reduced funding for operations by 3.1%. (9,160,000)
- 2. **Renaissance Zone Tax Reimbursement Funding.** The Governor reduced funding Renaissance Zone reimbursements from \$3,480,000 to \$3,220,000 based on projected payments pursuant to Public Act 376 of 1996. The Senate concurred with the Governor. (260,000)
- 3. **Comparison to Governor's Recommendation.** The Senate Substitute is \$9,160,000, below the Governor's recommendation for both Gross and GF/GP.

Total Changes (\$9,420,000)

FY 2010-11 Senate-Passed Gross Appropriation \$289,940,500

Changes from FY 2009-10 Year to Date:

1. **Payment Distribution Schedule.** Requires At-risk categorical grant to be paid in full to colleges by November 1. The Governor changed this provision to provide for an eleven month payment schedule consistent with State aid for operations. The Senate maintained the November 1 full payment. (Sec. 211)
2. **Appropriation Limitations.** Prohibits the use of appropriations in Part 1 for the construction or maintenance of a self-liquidating project. Provides that community colleges shall comply with current Joint Capital Outlay Subcommittee (JCOS) use and finance requirements. The Governor removed the provision requiring compliance with JCOS use and finance requirements. The Senate restored current year language. (Sec. 217)
3. **Legislative Summit.** Encourages community colleges to organize and participate in a legislative summit on a strategy for meeting the employment needs of the entire state. The Governor removed this provision. The Senate concurred with the Governor. (Sec. 224(4))
4. **Nursing Education Programs.** States legislative intent that community colleges expand their current nursing education programs and increase enrollments. Subsection 2 provides that community college students are eligible to apply for financial assistance through the Michigan nursing scholarship program and Michigan nursing corps grants. Community colleges are encouraged to coordinate with the chief nurse executive in the Department of Community Health and with 4-year universities to improve access to nursing programs and to assist students to successfully enter the nursing workforce. The Governor removed provisions related to financial aid. The Senate concurred with the Governor regarding references to financial aid. (Sec. 241)
5. **Payments in Lieu of Taxes.** States legislative intent that the Michigan Community College Association, the Legislature, and other interested parties continue the discussion regarding payments in lieu of taxes, especially for community college districts that contain significant portions of nontaxable land. The Governor removed this section. The Senate restored it. (Sec. 242)
6. **Tuition Restraint.** States legislative intent to encourage each community college to make every effort possible not to raise in-district tuition and fees charged to Michigan residents by more than the annual average percentage increase in the United States Consumer Price Index, plus 0.5%. The Governor and Senate removed this section. (Sec. 248)
7. **Efficiencies.** Encourages community colleges to achieve efficiencies through joint ventures, collaborations, adjusting the size and frequency of classes, web-based instruction, consolidation of services, and coordinating and sharing proposed capital outlay improvements. Requires MCCA to prepare a written report detailing these efficiency practices. The Governor and Senate eliminated the reporting requirement. (Sec. 249)
8. **Performance Indicators Task Force.** Provides that it is the intent of the Legislature that performance measures be reviewed and more fully implemented for distribution of State funding in future years and that the performance indicators task force review and implement one or more measurable data items for the local strategic value indicator and review and implement one or more measurable data items for an administrative cost formula component. The Governor removed this section. The Senate restored it. (Sec. 304)
9. **Perkins Act.** At least 30 days before submission of a new State plan for approval under the Perkins Act, the DELEG shall provide copies of the proposed plan to the members of the Senate and House Appropriations Subcommittees on community colleges for their review and comment. In the Governor's FY 2009-10 budget signing letter, the Governor stated that the section purports to impose a duty on DELEG, but provides no funding for DELEG and therefore is not a valid condition on an appropriation. The Governor and Senate removed this section. (Sec. 511)
10. **Tax Increment Finance Authorities (TIFAs) Report.** Requires the Department of Treasury to compile and publish a report on the property tax revenue loss for each community college as a result of TIFAs and tax abatement programs. In the Governor's FY 2009-10 budget signing letter, the Governor stated that the section purports to impose a duty on the Department of Treasury, but provides no funding for that department and therefore is not a valid condition on an appropriation. The Governor and Senate removed this section. (Sec. 513)
11. **Other Changes.** The Governor and Senate removed provisions that required DELEG to submit reports and included the provisions in the DELEG budget bill. (Secs. 501, 506, 509) The Governor also altered various sections by removing references to legislative intent. The Senate restored those references. (Secs. 224, 241, 249).

Date Completed: 3-23-10

Fiscal Analyst: Bill Bowerman



FY 2010-11 Community College Appropriation Bill

College	FY 2009-10 Year-To-Date	FY 2010-11 Governor			FY 2010-11 Senate		
		Adjustments	Governor's Rec.	Percent Change	Adjustments	Senate	Percent Change
Alpena	5,126,100	0	5,126,100	0.0	(160,500)	4,965,600	(3.1)
Bay de Noc	5,178,400	0	5,178,400	0.0	(162,100)	5,016,300	(3.1)
Delta	13,751,600	0	13,751,600	0.0	(430,600)	13,321,000	(3.1)
Glen Oaks	2,304,800	0	2,304,800	0.0	(72,200)	2,232,600	(3.1)
Gogebic	4,275,200	0	4,275,200	0.0	(133,900)	4,141,300	(3.1)
Grand Rapids	17,219,800	0	17,219,800	0.0	(539,200)	16,680,600	(3.1)
Henry Ford	20,898,900	0	20,898,900	0.0	(654,300)	20,244,600	(3.1)
Jackson	11,542,300	0	11,542,300	0.0	(361,400)	11,180,900	(3.1)
Kalamazoo Valley	11,888,600	0	11,888,600	0.0	(372,200)	11,516,400	(3.1)
Kellogg	9,311,800	0	9,311,800	0.0	(291,600)	9,020,200	(3.1)
Kirtland	2,842,800	0	2,842,800	0.0	(89,000)	2,753,800	(3.1)
Lake Michigan	5,012,100	0	5,012,100	0.0	(156,900)	4,855,200	(3.1)
Lansing	29,762,500	0	29,762,500	0.0	(931,900)	28,830,600	(3.1)
Macomb	31,773,900	0	31,773,900	0.0	(994,800)	30,779,100	(3.1)
Mid Michigan	4,289,200	0	4,289,200	0.0	(134,300)	4,154,900	(3.1)
Monroe	4,142,800	0	4,142,800	0.0	(129,700)	4,013,100	(3.1)
Montcalm	2,981,600	0	2,981,600	0.0	(93,400)	2,888,200	(3.1)
Mott	15,016,400	0	15,016,400	0.0	(470,200)	14,546,200	(3.1)
Muskegon	8,518,600	0	8,518,600	0.0	(266,700)	8,251,900	(3.1)
North Central	2,893,600	0	2,893,600	0.0	(90,600)	2,803,000	(3.1)
Northwestern	8,682,000	0	8,682,000	0.0	(271,800)	8,410,200	(3.1)
Oakland	20,133,700	0	20,133,700	0.0	(630,400)	19,503,300	(3.1)
St. Clair	6,729,800	0	6,729,800	0.0	(210,700)	6,519,100	(3.1)
Schoolcraft	11,767,000	0	11,767,000	0.0	(368,400)	11,398,600	(3.1)
Southwestern	6,276,900	0	6,276,900	0.0	(196,500)	6,080,400	(3.1)
Washtenaw	12,149,000	0	12,149,000	0.0	(380,400)	11,768,600	(3.1)
Wayne County	15,889,900	0	15,889,900	0.0	(497,500)	15,392,400	(3.1)
West Shore	2,198,500	0	2,198,500	0.0	(68,800)	2,129,700	(3.1)
SUBTOTAL OPERATIONS:	\$292,557,800	\$0	\$292,557,800	0.0	(\$9,160,000)	\$283,397,800	(3.1)
At Risk	3,322,700	0	3,322,700	0.0	0	3,322,700	0.0
Renaissance Zone	3,480,000	(260,000)	3,220,000	(7.5)	(260,000)	3,220,000	(7.5)
TOTAL APPROPRIATION:	\$299,360,500	(\$260,000)	\$299,100,500	(0.1)	(\$9,420,000)	\$289,940,500	(3.1)
GF/GP	\$299,360,500	(\$260,000)	\$299,100,500	(0.1)	(\$9,420,000)	\$289,940,500	(3.1)