



Senate Fiscal Agency  
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# BILL ANALYSIS

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Senate Bill 1157 (S-1, Draft 1 as reported)  
Committee: Appropriations

*Throughout this document Senate means Subcommittee.*

<b>FY 2009-10 Year-to-Date Gross Appropriation .....</b>	<b>\$1,612,243,300</b>
<b>Changes from FY 2009-10 Year-to-Date:</b>	
1. <b>University Operations, Agricultural Experiment Station (AES), Cooperative Extension Service (CES).</b> Governor and Senate replaced \$68.2 million in Federal American Recovery and Reinvestment Act (ARRA) funds with State GF/GP. Senate then reduced by 3.1% across-the-board which is the amount allowed under the State Budget Office's maintenance of effort calculations for ARRA funds.	(47,804,700)
2. <b>State Competitive Scholarship Program.</b> Governor and Senate removed unavailable Federal funds which would result in total funding for this need-and-merit-based program of \$16.2 million.	(1,400,000)
3. <b>Tuition Grant Program.</b> Governor eliminated \$31.7 million for these need-based grants for students at independent colleges and universities. Senate restored.	0
4. <b>Michigan Merit Awards.</b> Governor and Senate eliminated the \$100 placeholder due to final phase-out of the awards.	(100)
5. <b>Tuition Incentive Program (TIP).</b> Governor eliminated Phase II of TIP which provides up to \$2,000 per student for bachelor's degree programs, and capped reimbursement for public universities at the average in-district community college tuition rate. Under current law, TIP promises to pay two years of associate's degree tuition (Phase I) and up to \$2,000 at a four-year institution, for Medicaid-eligible middle school and high school students who graduate from high school. There were nearly 14,000 TIP students in FY 2008-09 with approximately 12,800 in Phase I and 1,200 in Phase II. Senate restored TIP policy to its current status, adjusted for caseload/cost increases, and funded the FY 2010-11 \$37.4 million program from \$30.1 million in Merit Award Trust Fund revenue and \$7.3 million in Federal Temporary Assistance for Needy Families revenue.	6,200,000
6. <b>Children of Veterans Tuition Grant Program.</b> Governor and Senate added funds to address estimated caseload spending increases; total funding for the program would be \$1,151,500, financed from \$851,500 GF/GP and \$300,000 from an existing income tax check-off.	151,500
7. <b>Police Officer/Fire Fighter Survivor Tuition Program.</b> Governor and Senate transferred this GF/GP program from the Department of State Police.	48,500
8. <b>Comparison to Governor's Recommendation.</b> The Senate is \$8,840,000 Gross and \$16,140,000 GF/GP under the Governor.	
Total Changes.....	(\$42,804,800)
<b>FY 2010-11 Senate Appropriations Subcommittee Gross Recommendation.....</b>	<b>\$1,569,438,500</b>

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

1. **Buy American.** Governor and Senate changed from intent to requirement. (Sec. 209)
2. **Preference for Michigan Vehicles.** Governor changed from intent to requirement, if vehicle is competitively priced and of comparable value; Senate retained intent. (Sec. 210)
3. **Deprived and Depressed.** Governor added requirement for universities to ensure businesses in deprived and distressed communities can compete for contracts, services, and supplies; Senate did not include. (Sec. 211)
4. **Late HEIDI Data Submission.** Governor changed penalty from required to permissive; Senate required. (Sec. 212(2))
5. **Appropriations Report from Fiscal Agencies.** Governor deleted; Senate restored. (Sec. 212(3))
6. **Tuition Tax Credit Report.** Governor deleted notification to fiscal agencies; Senate restored. (Sec. 214)
7. **ARRA Compliance.** Governor and Senate changed establishment of P-16 longitudinal data system to a P-20 system. (Sec. 216)
8. **Conflicts of Interest.** Governor and Senate deleted intent for university governing boards to examine operations for potential conflicts of interest. (Sec. 217)
9. **Tuition Grants.** Governor deleted due to program elimination; Senate restored. (Sec. 302)
10. **Tuition Incentive Program (TIP).** Governor eliminated Phase II which provides up to \$2,000 per student for bachelor's degree programs, and capped reimbursement for public universities at the average in-district community college tuition rate; Senate restored. (Sec. 310)
11. **Financial Aid Report.** Governor changed due date from February 15 to March 31; Senate retained Feb. 15. (Sec. 315)
12. **Financial Aid Workgroup.** Governor and Senate deleted legislative intent. (Sec. 316)
13. **Intent to Fund.** Governor deleted legislative intent to fund various financial aid programs (Secs. 317, 318, 319); Senate retained Tuition Grants (Sec. 317) and Comp Scholarships (Sec. 319).
14. **Douglas Lake.** Governor deleted intent to preserve research value; Senate restored. (Sec. 402)
15. **Required Textbooks.** Governor and Senate deleted intent for timely access to lists/accounts by private bookstores and intent for universities to establish review process for new textbooks; Senate added new policy requirements. (Sec. 426)
16. **AES and CES.** Governor and Senate deleted intent to add \$3.5 million for bioeconomy research. (Sec. 433(3))
17. **Future Farmers of America.** Governor deleted \$80,000 earmark; Senate restored. (Sec. 434)
18. **ARRA Report.** Governor and Senate deleted requirement. (Sec. 436)
19. **Per Student Floor Funding.** Governor deleted intent to provide \$3,775 per student; Senate restored. (Sec. 450)
20. **Indian Tuition.** Governor and Senate deleted intent to pay for unfunded costs. (Sec. 451)
21. **Macomb County.** Governor and Senate deleted enrollment report requirement. (Sec. 463)
22. **Timely Graduation.** Governor and Senate deleted intent for universities to facilitate. (Sec. 471)
23. **Student Veterans.** Governor deleted university report requirement; Senate restored. (Sec. 480)
24. **Competitive Bidding.** Senate added intent for universities to use bid process for custodial and food services. (Sec. 482)
25. **Human Embryonic Research.** Senate added intent for universities to report. (Sec. 484)
26. **HEIDI Enrollment Audits.** Governor deleted fiscal agencies as advisors; Senate restored. (Sec. 701(1))
27. **New Academic Programs.** Governor and Senate deleted FY 2009-10 list of approved programs. (Sec. 701a)

Date Completed: 3-11-10

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**FY 2010-11 HIGHER EDUCATION APPROPRIATIONS: SB 1157 (S-1) Draft 1 - SENATE SUBCOMMITTEE RECOMMENDATION**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	FY 2009-10	Replace ARRA	Increase TIP,	FY 2010-11	Dollar	Percent	2010-11	\$
	Year-To-Date	With GF; Reduce	Children of Vets;	Senate	Change	Change	Approp	Change
	Appropriation	Univs by 3.1%:	Adjust Fed Funds;	Subcommittee	From	From	Per	From
		MOE Level	Police Survivors		2009-10	2009-10	Student*	Gov. Rec.
<b>Universities</b>								
Central	\$82,436,000	(\$2,584,400)		\$79,851,600	(\$2,584,400)	-3.1%	\$3,709	(2,584,400)
Eastern	78,212,100	(2,451,900)		75,760,200	(2,451,900)	-3.1%	4,307	(2,451,900)
Ferris	50,017,100	(1,568,000)		48,449,100	(1,568,000)	-3.1%	4,153	(1,568,000)
Grand Valley	63,758,300	(1,998,800)		61,759,500	(1,998,800)	-3.1%	2,857	(1,998,800)
Lake Superior	13,059,200	(409,400)		12,649,800	(409,400)	-3.1%	5,297	(409,400)
Michigan State	291,841,700	(9,149,200)		282,692,500	(9,149,200)	-3.1%	6,402	(9,149,200)
Michigan Tech	49,302,100	(1,545,600)		47,756,500	(1,545,600)	-3.1%	7,252	(1,545,600)
Northern	46,438,200	(1,455,800)		44,982,400	(1,455,800)	-3.1%	5,344	(1,455,800)
Oakland	52,220,800	(1,637,100)		50,583,700	(1,637,100)	-3.1%	3,356	(1,637,100)
Saginaw Valley	28,517,700	(894,000)		27,623,700	(894,000)	-3.1%	3,354	(894,000)
UM-Ann Arbor	325,347,400	(10,199,600)		315,147,800	(10,199,600)	-3.1%	7,627	(10,199,600)
UM-Dearborn	25,437,100	(797,400)		24,639,700	(797,400)	-3.1%	3,910	(797,400)
UM-Flint	21,498,900	(674,000)		20,824,900	(674,000)	-3.1%	3,530	(674,000)
Wayne State	220,329,200	(6,907,300)		213,421,900	(6,907,300)	-3.1%	8,819	(6,907,300)
Western	112,766,800	(3,535,200)		109,231,600	(3,535,200)	-3.1%	4,910	(3,535,200)
Ag Experiment Station (AES)	34,198,900	(1,072,200)		33,126,700	(1,072,200)	-3.1%		(1,072,200)
Cooperative Extension (CES)	29,497,000	(924,800)		28,572,200	(924,800)	-3.1%		(924,800)
Higher Education Database	105,000			105,000	0	0.0%		0
Midwest Higher Ed Compact	95,000			95,000	0	0.0%		0
King-Chavez-Parks	2,691,500			2,691,500	0	0.0%		0
<b>Total Universities</b>	<b>\$1,527,770,000</b>	<b>(\$47,804,700)</b>	<b>\$0</b>	<b>\$1,479,965,300</b>	<b>(\$47,804,700)</b>	<b>-3.1%</b>	<b>\$5,502</b>	<b>(\$47,804,700)</b>
<b>Federal Stimulus</b>	<b>\$68,238,000</b>	<b>(\$68,238,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$68,238,000)</b>	<b>-100.0%</b>		<b>\$0</b>
<b>State GF/GP</b>	<b>\$1,459,532,000</b>	<b>\$20,433,300</b>	<b>\$0</b>	<b>\$1,479,965,300</b>	<b>\$20,433,300</b>	<b>1.4%</b>		<b>(\$47,804,700)</b>
<b>Grants and Financial Aid</b>								
Competitive Scholarships	\$17,608,500		(\$1,400,000)	\$16,208,500	(\$1,400,000)	-8.0%		\$0
Tuition Grants	31,664,700			31,664,700	0	0.0%		31,664,700
Byrd Scholarship Program	1,500,000			1,500,000	0	0.0%		0
Michigan Merit Award Program	100		(100)	0	(100)	-100.0%		0
Tuition Incentive Program(TIP)	31,200,000		6,200,000	37,400,000	6,200,000	19.9%		7,300,000
Children of Vets/St. Police Tuition	1,000,000		200,000	1,200,000	200,000	20.0%		0
Project Gear-Up	1,500,000			1,500,000	0	0.0%		0
<b>Total Grants/Financial Aid</b>	<b>\$84,473,300</b>	<b>\$0</b>	<b>\$4,999,900</b>	<b>\$89,473,200</b>	<b>\$4,999,900</b>	<b>5.9%</b>		<b>\$38,964,700</b>
<b>Federal</b>	<b>5,900,000</b>	<b>0</b>	<b>(1,400,000)</b>	<b>4,500,000</b>	<b>(1,400,000)</b>	<b>-23.7%</b>		<b>0</b>
<b>Federal TANF</b>	<b>0</b>	<b>0</b>	<b>7,300,000</b>	<b>7,300,000</b>	<b>7,300,000</b>	<b>na</b>		<b>7,300,000</b>
<b>Merit Award Trust Fund</b>	<b>30,100,100</b>	<b>0</b>	<b>(100)</b>	<b>30,100,000</b>	<b>(100)</b>	<b>-0.0%</b>		<b>0</b>
<b>Veterans Tax Checkoff</b>	<b>300,000</b>	<b>0</b>	<b>0</b>	<b>300,000</b>	<b>0</b>	<b>0.0%</b>		<b>0</b>
<b>State GF/GP</b>	<b>\$48,173,200</b>	<b>\$0</b>	<b>(\$900,000)</b>	<b>\$47,273,200</b>	<b>(\$900,000)</b>	<b>-1.9%</b>		<b>\$31,664,700</b>
<b>TOTAL HIGHER ED</b>	<b>\$1,612,243,300</b>	<b>(\$47,804,700)</b>	<b>\$4,999,900</b>	<b>\$1,569,438,500</b>	<b>(\$42,804,800)</b>	<b>-2.7%</b>		<b>(\$8,840,000)</b>
<b>TOTAL FEDERAL</b>	<b>74,138,000</b>	<b>(68,238,000)</b>	<b>5,900,000</b>	<b>11,800,000</b>	<b>(62,338,000)</b>	<b>-84.1%</b>		<b>7,300,000</b>
<b>TOTAL STATE RESTRICTED</b>	<b>30,400,100</b>	<b>0</b>	<b>(100)</b>	<b>30,400,000</b>	<b>(100)</b>	<b>-0.0%</b>		<b>0</b>
<b>TOTAL STATE GF/GP</b>	<b>\$1,507,705,200</b>	<b>\$20,433,300</b>	<b>(\$900,000)</b>	<b>\$1,527,238,500</b>	<b>\$19,533,300</b>	<b>1.3%</b>		<b>(\$16,140,000)</b>