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House Bill 4435 (as passed by the House)
Committee: Appropriations

FY 2008-09 Year-to-Date Gross Appropriation	\$299,360,500
Changes from FY 2008-09 Year-to-Date:	
1. Continuation Budget. The Governor maintained funding for the Community College Budget at the FY 2008-09 level.	0
2. North American Indian Tuition Waiver. Public Act 174 of 1976 requires a Michigan public community college or public university to waive tuition for any North American Indian who meets certain qualification requirements. The Act also requires the State to annually reimburse each institution for the total amount of tuition waived during the prior fiscal year. Until FY 1996-97, reimbursement was funded in the Higher Education Appropriation Budget Bill. In FY 1996-97, funding (\$936,500) for the tuition waiver reimbursement was rolled into the line item appropriation of each university and community college based on a three-year payment average with 6% added for inflation. However, since that point in time, no specific appropriation adjustment has been made to the community college budget to fund the actual cost of the North American Indian Tuition Waiver. While additional funding is needed to fully fund the actual cost of waivers in FY 2009-10, no additional funds were added by the House. However, funds were redistributed to colleges based on a recent three-year average of tuition waivers granted. This redistribution resulted in increases for 12 colleges and decreases for 16 colleges. See attached table for details.	0
3. Federal Stimulus Funds. The House added \$97 million in State Fiscal Stabilization funding to be distributed pursuant to the Performance Indicators Task Force Formula and used for workforce development, job creation, and worker retraining.	97,000,000
Comparison to Governor's Recommendation. The House is \$97.0 million Gross and \$0 GF/GP over the Governor.	
Total Changes.....	\$97,000,000
FY 2009-10 House-Passed Gross Appropriation	\$396,360,500

Changes from FY 2008-09 Year to Date:

1. **Payment Distribution of Schedule.** The Governor removed the provision that requires the At-risk categorical grant to be paid in full to colleges by November 1. The House restored the provision. (Sec. 211)
2. **Appropriation Limitations.** Prohibits the use of appropriations in Part 1 for the construction or maintenance of a self-liquidating project. The Governor removed a provision that requires community colleges to comply with current Joint Capital Outlay Subcommittee (JCOS) use and finance requirements. The House restored it. (Sec. 217)
3. **Collaboration with Four-Year Universities.** The Governor eliminated a subsection that states: Community colleges are encouraged to organize and participate in a legislative summit on a strategy for meeting the employment needs of the entire state. The House restored the subsection. (Sec. 224)
4. **Parity to Higher Education Budget.** The Governor eliminated a section stating legislative intent that increases to state-supported 4-year universities will be accompanied by similar increases for state-supported community colleges. The House restored this section. (Sec. 239)
5. **Nursing Education Programs.** The Governor modified current year language to reflect her proposal to financial aid for higher education (Michigan College Access Grants). The House did not concur with the Governor, restored current year language and added language encouraging programs that assist in placing students at all levels of nursing, recruiting and hiring more individuals with masters degrees in nursing as instructors. (Sec. 241)
6. **Purchase of Foreign Automobiles Prohibition.** Funds appropriated in part 1 shall not be used for the purchase of foreign automobiles if competitively priced and of comparable quality automobiles made in the state of Michigan or elsewhere in the United States of America are available. The Governor modified the language by including leases along with purchases and replacing "foreign automobiles" with "vehicle assembled or manufactured outside of the United States." The House concurred with the Governor. (Sec. 247)
7. **Tuition Restraint.** The Governor included new language stating: "It is expected that a public university or community college receiving federal stimulus funds will not raise tuition and fees charged to Michigan residents for the remainder of 2008-2009 and for 2009-2010." The House changed that language by stating that it is legislative intent that in-district tuition and fees for FY 2009-2010 will not be raised by more than the annual average percentage increase in the US CPI plus 0.5 percent as a condition of receiving stimulus funds appropriated in this bill. (Sec. 248)
8. **District Consolidation.** The House added new language stating that it was the intent of the legislature to study the feasibility of legislation that would provide rules and guidelines for a path to consolidation of community college districts and the creation of inter-college agreements pursuant to section 28 of article VII of the State Constitution of 1963. The legislature also intends to study the feasibility of appropriating additional funds to districts that have a local property tax to provide incentives to enter into those agreements. (Sec. 249)
9. **Part-time Faculty.** The House added language stating that it was the intent of the legislature that the Michigan Community College Association, the Legislature, and other interested parties begin a discussion regarding part-time faculty pay, benefits, and job security. Specific attention should be paid to part-time faculty instructing at multiple institutions having the equivalent of a full-time academic workload. (Sec. 251)
10. **Federal Stimulus Funds.** The House added language stating that the \$97 million in state fiscal stabilization funding appropriated in Part 1 shall be distributed pursuant to the Performance Indicators Task Force Formula and used for workforce development, job creation, and worker retraining. Sets criteria and provides for report. (Sec. 405)
11. **Indian Tuition Waivers.** The House added a subsection encouraging colleges to consider whether the use of the term "Indian" as a descriptive term for Michigan tribal issues involving community colleges is appropriate. (Sec. 506)
12. **Community College Unrestricted Assets.** The House added new language that requires community colleges with unrestricted assets equal to or more than 25.7% of overall annual operating revenue to prepare a report outlining the college's intended purpose for carrying the unrestricted assets. (Sec. 514)
13. **Other Changes.** The Governor eliminated sections one-time sections related to the Michigan New Jobs Training Program, and a nursing workgroup study that has been completed. The House concurred with the Governor. The Governor removed language included in previous years including; intent language on payments in lieu of taxes (Sec. 242), performance task force indicators formula (Sec. 304), Perkins Act (Sec. 511), and a report on the impact of TIFAs and tax abatement programs (Sec. 513). The House restored all of those sections.



House Bill 4435: FY 2009-10 Community College Appropriation Bill

College	FY 2008-09 Year-To-Date	FY 2009-10 Governor			FY 2009-10 House			
		Total Increase	Governor's Rec.	Percent Change	NAITW*/ Stimulus	Total Change	House Passed	Percent Change
Alpena	5,126,100	0	5,126,100	0.0%	(7,900)	(7,900)	5,118,200	-0.2%
Bay de Noc	5,178,400	0	5,178,400	0.0%	500	500	5,178,900	0.0%
Delta	13,751,600	0	13,751,600	0.0%	(49,400)	(49,400)	13,702,200	-0.4%
Glen Oaks	2,304,800	0	2,304,800	0.0%	(8,700)	(8,700)	2,296,100	-0.4%
Gogebic	4,275,200	0	4,275,200	0.0%	5,300	5,300	4,280,500	0.1%
Grand Rapids	17,219,800	0	17,219,800	0.0%	52,300	52,300	17,272,100	0.3%
Henry Ford	20,898,900	0	20,898,900	0.0%	(64,800)	(64,800)	20,834,100	-0.3%
Jackson	11,542,300	0	11,542,300	0.0%	(16,300)	(16,300)	11,526,000	-0.1%
Kalamazoo Valley	11,888,600	0	11,888,600	0.0%	(22,500)	(22,500)	11,866,100	-0.2%
Kellogg	9,311,800	0	9,311,800	0.0%	(10,900)	(10,900)	9,300,900	-0.1%
Kirtland	2,842,800	0	2,842,800	0.0%	1,000	1,000	2,843,800	0.0%
Lake Michigan	5,012,100	0	5,012,100	0.0%	(7,400)	(7,400)	5,004,700	-0.1%
Lansing	29,762,500	0	29,762,500	0.0%	(7,000)	(7,000)	29,755,500	-0.0%
Macomb	31,773,900	0	31,773,900	0.0%	(106,800)	(106,800)	31,667,100	-0.3%
Mid Michigan	4,289,200	0	4,289,200	0.0%	127,600	127,600	4,416,800	3.0%
Monroe	4,142,800	0	4,142,800	0.0%	800	800	4,143,600	0.0%
Montcalm	2,981,600	0	2,981,600	0.0%	700	700	2,982,300	0.0%
Mott	15,016,400	0	15,016,400	0.0%	(21,200)	(21,200)	14,995,200	-0.1%
Muskegon	8,518,600	0	8,518,600	0.0%	15,200	15,200	8,533,800	0.2%
North Central	2,893,600	0	2,893,600	0.0%	104,900	104,900	2,998,500	3.6%
Northwestern	8,682,000	0	8,682,000	0.0%	104,600	104,600	8,786,600	1.2%
Oakland	20,133,700	0	20,133,700	0.0%	(50,200)	(50,200)	20,083,500	-0.2%
St. Clair	6,729,800	0	6,729,800	0.0%	(2,600)	(2,600)	6,727,200	-0.0%
Schoolcraft	11,767,000	0	11,767,000	0.0%	600	600	11,767,600	0.0%
Southwestern	6,276,900	0	6,276,900	0.0%	(15,600)	(15,600)	6,261,300	-0.2%
Washtenaw	12,149,000	0	12,149,000	0.0%	(3,000)	(3,000)	12,146,000	-0.0%
Wayne County	15,889,900	0	15,889,900	0.0%	(41,200)	(41,200)	15,848,700	-0.3%
West Shore	2,198,500	0	2,198,500	0.0%	22,000	22,000	2,220,500	1.0%
SUBTOTAL OPERATIONS:	\$292,557,800	\$0	\$292,557,800	0.0%	\$0	\$0	\$292,557,800	0.0%
At Risk	3,322,700	0	3,322,700	0.0%	0	0	3,322,700	0.0%
Renaissance Zone	3,480,000	0	3,480,000	0.0%	0	0	3,480,000	0.0%
Workforce Development Grants (ARRA)	0	0	0	0.0%	97,000,000	97,000,000	97,000,000	--
TOTAL APPROPRIATION:	\$299,360,500	\$0	\$299,360,500	0.0%	\$97,000,000	\$97,000,000	\$396,360,500	32.4%
Federal Stimulus Funds (ARRA)	0	0	0	0.0%	97,000,000	97,000,000	97,000,000	--
GF/GP	\$299,360,500	\$0	\$299,360,500	0.0%	0	\$0	\$299,360,500	0.0%

*NAITW: North American Indian Tuition Waiver