



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



# BILL ANALYSIS

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| <b>FY 2008-09 Year-to-Date Gross Appropriation .....</b> | <b>\$1,759,105,200</b> |
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## Changes from FY 2008-09 Year-to-Date:

### Items Included by the House and Senate

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|--|-------------|
| 1. <b>Indian Tuition Waivers.</b> House and Senate added \$29,700 to Central as a pass-through to the Saginaw Chippewa Tribal College.                               | 29,700      |
| 2. <b>King-Chavez-Parks Competitive Grants.</b> Governor eliminated; House/Senate retained.  | 0           |
| 3. <b>Tuition Incentive Program (TIP).</b> House and Senate agreed with Governor on caseload adjustment from \$25.2 million to \$31.2 million for total TIP funding. | 6,000,000   |
| 4. <b>Merit Awards.</b> House/Senate retained \$100 line-item as program continues to phase out.   | (5,199,900) |

### Conference Agreement on Items of Difference

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|---|--------------|
| 5. <b>University Operations.</b> Governor reduced each university by 3.0%; House restored the 3.0% with Federal stimulus revenue; Senate pro-rated the Federal amount for each university, resulting in a 0.4% reduction from FY 2008-09 for each university's operations. Conference concurred with Senate.  | (6,101,700)  |
| 6. <b>Agricultural Experiment Station (AES) and Cooperative Extension Service (CES).</b> Governor reduced funding by \$32.0 million (50.0%) and combined AES and CES into one line-item; House/Senate retained separate line-items. House replaced 3.0% of Gov's reduction with Federal stimulus funds; Senate replaced \$27.8 million with Federal stimulus funds (in conformance with the plan submitted by the Governor to the Federal government) but added \$3.96 million to equalize the reduction at 0.4%, consistent with university operations. House also added \$3.5 million GF/GP for bioeconomy research at MSU. Conference concurred with Senate. | (255,800)    |
| 7. <b>Statewide Programs.</b> Senate eliminated funds for HEIDI administration and Midwest Compact dues. Conference provided \$105,000 for HEIDI and restored dues funding to \$95,000.   | (95,000)     |
| 8. <b>Indian Tuition Waivers.</b> House added \$3,149,700 from Federal stimulus revenue for unfunded costs; Senate included a \$100 placeholder; Conference eliminated the funding.   | 0            |
| 9. <b>Need-Based Financial Aid.</b> Governor created new program and reduced aid by \$18.8 million; House restored all current year programs but funded 3.0% from Federal stimulus revenue; Senate retained three programs at reduced funding levels: State Competitive Scholarships - \$16.3 million, Tuition Grants - \$31.7 million, and Nursing Scholarships - \$200,000. Conference funded only two programs: Competitive Scholarships at \$17.6 million and Tuition Grants at \$31.7 million.   | (59,239,200) |
| 10. <b>Michigan Promise Grants.</b> Governor and House added \$59.5 million to reflect the FY 2009-10 estimated cost of \$140.0 million; Senate and Conference eliminated this merit-based program.   | (80,500,000) |
| 11. <b>Gear-Up.</b> Conference reduced this Federal program that provides early intervention services in middle/high school and college scholarships for low-income students, to \$1.5 million to reflect expected expenditures.  | (1,500,000)  |

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| Total Changes..... | (\$146,861,900) |
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| <b>FY 2009-10 Enacted Gross Appropriation.....</b> | <b>\$1,612,243,300</b> |
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**Changes from FY 2008-09 Year to Date:**Items Included by the House and Senate

1. **Postsecondary Student Data System.** Governor/House/Senate deleted requirement for progress report. (Sec. 216)
2. **American Recovery/Reinvestment Act (ARRA).** House/Senate required universities to comply. (New Sec. 216)
3. **Student Wages.** Gov. deleted consideration in determining financial aid awards; House/Senate retained. (Sec. 309)
4. **Financial Aid Report.** Governor changed due date from January 15 to March 31; House to February 15; Senate to February 14. (Sec. 315)
5. **Financial Aid Workgroup.** House/Senate added intent for workgroup to examine State programs. (Sec. 316)
6. **Douglas Lake.** Governor deleted intent to preserve research value; House/Senate retained. (Sec. 402)
7. **Tuition Restraint.** House/Senate required tuition mitigation or renovation of student facilities (classrooms, research, housing) with ARRA funds. (Sec. 436)
8. **Suicide Prevention.** Governor/House/Senate deleted intent for universities to develop education programs. (Sec. 462)
9. **Research Commercialization Report.** Governor/House/Senate deleted penalty for late submission. (Sec. 464)
10. **Performance Standards.** Governor/House/Senate deleted intent to establish for public universities. (Sec. 467)
11. **Pell Grant Report.** Governor/House/Senate restricted report to undergraduate students. (Sec. 469)
12. **Nursing Education/Shortage.** Governor/House/Senate moved status report requirement to DELEG bill. (Sec. 715)

Conference Agreement on Items of Difference

13. **Conflicts of Interest.** Governor/Senate deleted intent for each university governing board to examine its operations for potential conflicts of interest; House/Conference retained. (Sec. 217)
14. **State Competitive Scholarships.** Governor deleted; House/Senate and Conference retained. (Sec. 301)
15. **Tuition Grants.** Governor deleted; House/Senate retained; Senate/Conference capped each school at \$3.0 million, restricted to undergraduates (Sec. 302), and added intent to increase funds when revenue is available. (Sec. 317)
16. **Work Study.** Governor/Senate deleted; House retained; Conference added intent to fund. (Sec. 319)
17. **Michigan Nursing Scholarships.** Governor deleted; House/Senate/Conf. deleted but added intent to fund. (Sec. 319)
18. **Promise Grants.** Senate/Conference included intent to add funds when revenue is available. (Sec. 318)
19. **Intent to Fund.** Conference added for all financial aid programs. (Sec. 319)
20. **Required Textbooks.** Governor/Senate deleted intent for timely access by private bookstores of lists/accounts; House retained and added option of fixed fee for access; Senate added intent for universities to establish process to review new textbook requests; Conference included House and Senate language. (Sec. 426)
21. **AES and CES.** Governor increased GREEN earmark to \$8.0 million, added \$8.0 million earmark for animal agriculture initiative, and expanded reporting requirements; House/Senate/Conference did not concur with AES/CES combination or with new earmarks; House added \$3.5 million for bioeconomy research at MSU, Senate/Conference added intent. (Sec. 433)
22. **Future Farmers of America.** Governor/House deleted \$80,000 earmark; Senate/Conference retained (Sec. 434)
23. **Per Student Floor Funding.** Governor/House deleted intent to provide \$3,775 per student; Senate/Conference retained. (Sec. 450)
24. **Indian Tuition.** Gov./Senate/Conf. deleted intent to pay for unfunded costs; House retained (Sec. 451); House/Senate/Conf. added \$29,700 pass-through from Central to Saginaw Chippewa Tribal College (Sec. 460); Gov. deleted \$100,000 pass-through from Lake Superior to Bay Mills College, House/Senate/Conf. retained (Sec. 461).
25. **Macomb County.** Governor/Senate deleted enrollment report requirement; House/Conference retained. (Sec. 463)
26. **Student Veterans.** Senate/Conference added intent to assist on each campus with tuition, liaison, and flexible application deadlines. (Sec. 480)
27. **HEIDI Enrollment Audits.** Governor/House replaced fiscal agencies with HEIDI Advisory Committee as an advisor; Senate/Conference retained fiscal agencies and added HEIDI Advisory Committee. (Sec. 701)
28. **New Academic Programs.** Senate/Conf. added FY 2009-10 programs approved by Presidents Council. (Sec. 701a)

Date Completed: 11-2-09

Fiscal Analyst: Ellen Jeffries



**FY 2009-10 HIGHER EDUCATION ENACTED: PUBLIC ACT 132 OF 2009**

|                                   | (1)   | (2)                                  | (3)   | (4)   | (5)  | (6)                    | (7)                                 | (8)                                  | (9)                                  |
|-----------------------------------|---|--------------------------------------|---|---|--|------------------------|-------------------------------------|--------------------------------------|--------------------------------------|
|                                   | FY 2008-09<br>Year-To-Date<br>Appropriation | 2008-09<br>Approp<br>Per<br>Student* | Governor's<br>Operations<br>Reductions<br>0.4% - 6.6% | Fund Shift<br>GF to ARRA;<br>Equalize Net<br>Reductions<br>@ 0.4% | Saginaw<br>Chip.Tribal;<br>Financial Aid<br>and Other<br>Adjustments | FY 2009-10<br>Enacted  | Dollar<br>Change<br>From<br>2008-09 | Percent<br>Change<br>From<br>2008-09 | 2009-10<br>Approp<br>Per<br>Student* |
| <b>Universities</b>               |   |                                      |   |   |  |                        |                                     |                                      |                                      |
| Central                           | \$82,760,500                                | \$3,915                              | (\$354,200)   |   | \$29,700   | \$82,436,000           | (\$324,500)                         | -0.4%                                | \$3,899                              |
| Eastern                           | 78,551,800                                  | 4,365                                | (339,700)   |   |  | 78,212,100             | (339,700)                           | -0.4%                                | 4,346                                |
| Ferris                            | 50,228,100                                  | 4,409                                | (211,000)   |   |  | 50,017,100             | (211,000)                           | -0.4%                                | 4,390                                |
| Grand Valley                      | 64,021,400                                  | 3,056                                | (263,100)   |   |  | 63,758,300             | (263,100)                           | -0.4%                                | 3,043                                |
| Lake Superior                     | 13,111,700                                  | 5,594                                | (72,200)  | 19,700  |  | 13,059,200             | (52,500)                            | -0.4%                                | 5,571                                |
| Michigan State                    | 293,041,200                                 | 6,769                                | (1,199,500)   |   |  | 291,841,700            | (1,199,500)                         | -0.4%                                | 6,742                                |
| Michigan Tech                     | 49,518,500                                  | 7,916                                | (216,400)   |   |  | 49,302,100             | (216,400)                           | -0.4%                                | 7,882                                |
| Northern                          | 46,633,200                                  | 5,533                                | (195,000)   |   |  | 46,438,200             | (195,000)                           | -0.4%                                | 5,510                                |
| Oakland                           | 52,452,200                                  | 3,527                                | (231,400)   |   |  | 52,220,800             | (231,400)                           | -0.4%                                | 3,512                                |
| Saginaw Valley                    | 28,639,800                                  | 3,578                                | (122,100)   |   |  | 28,517,700             | (122,100)                           | -0.4%                                | 3,563                                |
| UM-Ann Arbor                      | 326,674,300                                 | 7,950                                | (1,326,900)   |   |  | 325,347,400            | (1,326,900)                         | -0.4%                                | 7,918                                |
| UM-Dearborn                       | 25,548,000                                  | 4,201                                | (110,900)   |   |  | 25,437,100             | (110,900)                           | -0.4%                                | 4,182                                |
| UM-Flint                          | 21,593,700                                  | 3,924                                | (94,800)  |   |  | 21,498,900             | (94,800)                            | -0.4%                                | 3,906                                |
| Wayne State                       | 221,237,000                                 | 8,963                                | (907,800)   |   |  | 220,329,200            | (907,800)                           | -0.4%                                | 8,927                                |
| Western                           | 113,243,200                                 | 5,149                                | (476,400)   |   |  | 112,766,800            | (476,400)                           | -0.4%                                | 5,127                                |
| Ag Experiment Station(AES)        | 34,336,200                                  |                                      | (2,253,300)   | 2,116,000   |  | 34,198,900             | (137,300)                           | -0.4%                                |                                      |
| Cooperative Extension(CES)        | 29,615,500                                  |                                      | (1,943,500)   | 1,825,000   |  | 29,497,000             | (118,500)                           | -0.4%                                |                                      |
| Higher Education Database         | 200,000                                     |                                      |   |   | (95,000)   | 105,000                | (95,000)                            | -47.5%                               |                                      |
| Midwest Higher Ed Compact         | 95,000                                      |                                      |   |   | 0  | 95,000                 | 0                                   | 0.0%                                 |                                      |
| King-Chavez-Parks                 | 2,691,500                                   |                                      |   |   |  | 2,691,500              | 0                                   | 0.0%                                 |                                      |
| <b>Total Universities</b>         | <b>\$1,534,192,800</b>                      | <b>\$5,776</b>                       | <b>(\$10,318,200)</b>                                 | <b>\$3,960,700</b>  | <b>(\$65,300)</b>  | <b>\$1,527,770,000</b> | <b>(\$6,422,800)</b>                | <b>-0.4%</b>                         | <b>\$5,752</b>                       |
| <b>Federal Stimulus</b>           | <b>\$0</b>                                  |                                      | <b>\$0</b>  | <b>\$68,238,000</b>   | <b>\$0</b>   | <b>68,238,000</b>      | <b>68,238,000</b>                   | <b>na</b>                            |                                      |
| <b>State GF/GP</b>                | <b>\$1,534,192,800</b>                      |                                      | <b>(\$10,318,200)</b>                                 | <b>(\$64,277,300)</b>   | <b>(\$65,300)</b>  | <b>\$1,459,532,000</b> | <b>(\$74,660,800)</b>               | <b>-4.9%</b>                         |                                      |
| <b>GRANTS &amp; FINANCIAL AID</b> |   |                                      |   |   |  |                        |                                     |                                      |                                      |
| Competitive Scholarships          | \$35,530,500                                |                                      |   |   | (\$17,922,000)   | \$17,608,500           | (\$17,922,000)                      | -50.4%                               |                                      |
| Tuition Grants                    | 56,668,100                                  |                                      |   |   | (25,003,400)   | 31,664,700             | (25,003,400)                        | -44.1%                               |                                      |
| Work Study                        | 7,326,300                                   |                                      |   |   | (7,326,300)  | 0                      | (7,326,300)                         | -100.0%                              |                                      |
| Part-time Independent             | 2,653,300                                   |                                      |   |   | (2,653,300)  | 0                      | (2,653,300)                         | -100.0%                              |                                      |
| Ed.Opportunity Grants(MEOG)       | 2,084,200                                   |                                      |   |   | (2,084,200)  | 0                      | (2,084,200)                         | -100.0%                              |                                      |
| Byrd Scholarship Program          | 1,500,000                                   |                                      |   |   |  | 1,500,000              | 0                                   | 0.0%                                 |                                      |
| Nursing Scholarship Program       | 4,250,000                                   |                                      |   |   | (4,250,000)  | 0                      | (4,250,000)                         | -100.0%                              |                                      |
| Michigan Merit Award Program      | 5,200,000                                   |                                      |   |   | (5,199,900)  | 100                    | (5,199,900)                         | -100.0%                              |                                      |
| Michigan Promise Grant Program    | 80,500,000                                  |                                      |   |   | (80,500,000)   | 0                      | (80,500,000)                        | -100.0%                              |                                      |
| Tuition Incentive Program(TIP)    | 25,200,000                                  |                                      |   |   | 6,000,000  | 31,200,000             | 6,000,000                           | 23.8%                                |                                      |
| Children of Veterans Tuition      | 1,000,000                                   |                                      |   |   |  | 1,000,000              | 0                                   | 0.0%                                 |                                      |
| Project Gear-Up                   | 3,000,000                                   |                                      |   |   | (1,500,000)  | 1,500,000              | (1,500,000)                         | -50.0%                               |                                      |
| <b>TOTAL FINANCIAL AID</b>        | <b>\$224,912,400</b>                        |                                      | <b>\$0</b>  | <b>\$0</b>  | <b>(\$140,439,100)</b>   | <b>\$84,473,300</b>    | <b>(\$140,439,100)</b>              | <b>-62.4%</b>                        |                                      |
| <b>Federal</b>                    | <b>7,400,000</b>                            |                                      | <b>0</b>  | <b>0</b>  | <b>(1,500,000)</b>   | <b>5,900,000</b>       | <b>(1,500,000)</b>                  | <b>-20.3%</b>                        |                                      |
| <b>Merit Award Trust Fund</b>     | <b>105,800,000</b>                          |                                      | <b>0</b>  | <b>0</b>  | <b>(75,699,900)</b>  | <b>30,100,100</b>      | <b>(75,699,900)</b>                 | <b>-71.6%</b>                        |                                      |
| <b>Veterans Tax Checkoff</b>      | <b>300,000</b>                              |                                      | <b>0</b>  | <b>0</b>  | <b>0</b>   | <b>300,000</b>         | <b>0</b>                            | <b>0.0%</b>                          |                                      |
| <b>State GF/GP</b>                | <b>\$111,412,400</b>                        |                                      | <b>\$0</b>  | <b>\$0</b>  | <b>(\$63,239,200)</b>  | <b>\$48,173,200</b>    | <b>(\$63,239,200)</b>               | <b>-56.8%</b>                        |                                      |
| <b>TOTAL HIGHER ED</b>            | <b>\$1,759,105,200</b>                      |                                      | <b>(\$10,318,200)</b>                                 | <b>\$3,960,700</b>  | <b>(\$140,504,400)</b>   | <b>\$1,612,243,300</b> | <b>(\$146,861,900)</b>              | <b>-8.3%</b>                         |                                      |
| <b>TOTAL FEDERAL</b>              | <b>7,400,000</b>                            |                                      | <b>0</b>  | <b>68,238,000</b>   | <b>(1,500,000)</b>   | <b>74,138,000</b>      | <b>66,738,000</b>                   | <b>901.9%</b>                        |                                      |
| <b>TOTAL STATE RESTRICTED</b>     | <b>106,100,000</b>                          |                                      | <b>0</b>  | <b>0</b>  | <b>(75,699,900)</b>  | <b>30,400,100</b>      | <b>(75,699,900)</b>                 | <b>-71.3%</b>                        |                                      |
| <b>TOTAL STATE GF/GP</b>          | <b>\$1,645,605,200</b>                      |                                      | <b>(\$10,318,200)</b>                                 | <b>(\$64,277,300)</b>   | <b>(\$63,304,500)</b>  | <b>\$1,507,705,200</b> | <b>(\$137,900,000)</b>              | <b>-8.4%</b>                         |                                      |