



Senate Fiscal Agency  
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House Bill 4441 (S-1 as passed by the Senate)  
Committee: Appropriations

<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:**

1. **University Operations.** Governor reduced each university by 3.0%; House restored the 3.0% (\$43.9 million) but funded it from Federal stimulus revenue. Due to a prorated reduction in Federal stimulus funds, the Senate was required to reduce the Federal amount for each university, resulting in a 0.4% reduction from FY 2008-09 for each university's operations. (6,101,700)
2. **King-Chavez-Parks Initiative.** Governor eliminated 6 programs that try to increase the number of academically/economically disadvantaged students at Michigan's colleges and universities: College Day (\$1,191,235), Future Faculty (\$1,206,611), Visiting Profs (\$168,870), and grants to increase student retention, transfers, and completion of K-12 teacher education (\$2,691,500). House/Senate restored KCP; House funded 3.0% (\$80,700) from Federal stimulus funds; Senate funded the \$2.7 million competitive grants from Federal Gear-Up dollars, and reduced the Gear-Up Program to \$308,500. (2,691,500)
3. **Pass-through from Lake Superior to Bay Mills for Indian Tuition.** Governor eliminated; House/Senate retained, and added a pass-through from Central to Saginaw Chippewa Tribal College. 29,700
4. **Indian Tuition.** House added Federal stimulus dollars for unfunded waiver costs; Senate added \$100 placeholder. 100
5. **Agricultural Experiment Station (AES) and Cooperative Extension Service (CES).** Governor eliminated the AES (\$34.3 million) and CES (\$29.6 million) line items, reduced funding by 50.0%, and created a new \$32.0 million line item for "Cooperative State Agricultural Research and Extension Service". House retained current year funding but financed 3.0% from Federal stimulus revenue; House added \$3.5 million GF/GP for bioeconomy research at MSU; Senate reduced \$4,196,800 from the \$32.0 million in Federal stimulus funds and added \$3,941,000 GF/GP to reduce AES and CES by 0.4% each, in alignment with the universities' operations reductions. (255,800)
6. **State and Regional Programs.** Sen. eliminated funds for Higher Ed database & Midwest Compact dues. (295,000)
7. **Need-Based Financial Aid.** Governor eliminated \$108.5 million for six need-based financial aid programs and replaced them with the new \$89.8 million Michigan College Access Grants, resulting in a net reduction in State need-based financial aid of \$18.8 million. House retained current year programs but funded 3.0% (\$3.0 million) from Federal stimulus dollars. Senate retained Competitive Scholarships at \$16.3 million, Tuition Grants at \$31.7 million, and \$200,000 for Nursing Grants. (60,347,700)
8. **Michigan Merit Awards.** \$100 is retained as a placeholder as the program phases out. (5,199,900)
9. **Michigan Promise Grants.** These merit-based grants of up to \$4,000 are for students who score well on the high school Merit Exam and/or complete two years of postsecondary education with at least a 2.5 grade point average. Costs for the portion of the grants paid after completion of two years of postsecondary education are scheduled to begin in FY 2009-10. Governor/House added \$59.5 million to reflect the FY 2009-10 cost of \$140.0 million; Senate eliminated the program, but retained a \$100 placeholder. (80,499,900)
10. **Tuition Incentive Program (TIP).** Due to caseload growth, Governor/House/Senate increased TIP from \$25.2 million in FY 2008-09 to \$31.2 million in FY 2009-10. TIP promises to pay two years of community college tuition 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 10,462 TIP students in FY 2006-07 and 12,041 in FY 2007-08, an increase of 15.1%. 6,000,000
11. **Comparison to Governor's Recommendation.** The Senate is \$109.7 million Gross and \$37.9 million GF/GP under the Governor.

Total Changes.....	(\$149,361,700)
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<b>FY 2009-10 Senate-Passed Gross Appropriation .....</b>	<b>\$1,609,743,500</b>
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**Changes from FY 2008-09 Year to Date:**

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. **Conflicts of Interest.** Governor/Senate deleted intent for each university governing board to examine its operations for potential conflicts of interest; House retained. (Sec. 217)
4. **State Competitive Scholarships.** Governor deleted due to program elimination; House/Senate retained. (Sec. 301)
5. **Tuition Grants.** Governor deleted due to program elimination; House/Senate retained; Senate capped each school at \$3.0 million, restricted to undergraduates (Sec. 302) and added intent to add funds when revenue is available. (Sec. 317)
6. **Work Study.** Governor/Senate deleted due to program elimination; House retained. (Sec. 303)
7. **Michigan College Access Grants.** Governor established new needs-based financial aid program with annual grant estimated to be \$1,000 per student for no more than 10 semesters; House/Senate did not include. (Sec. 304)
8. **Student Wages.** Gov. deleted consideration in determining financial aid awards; House/Senate retained. (Sec. 309)
9. **Michigan Nursing Scholarships.** Gov. deleted due to program elimination; House/Senate retained. (Sec. 312)
10. **Children of Veterans Tuition Grants.** Governor/House/Senate deleted; replaced by Sec. 315. (Sec. 314)
11. **Financial Aid Report.** Gov. changed due date from January 15 to March 31; House to February 15; Senate to February 14. (Sec. 315)
12. **Financial Aid Workgroup.** House/Senate added intent for workgroup to examine State programs. (Sec. 316)
13. **Promise Grants.** Senate added intent to add funds when revenue is available. (Sec. 318)
14. **Douglas Lake.** Governor deleted intent to preserve research value; House/Senate retained. (Sec. 402)
15. **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. (Sec. 426)
16. **Combined 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 did not concur with combination or with new earmarks; House added \$3.5 million for bioeconomy research at MSU, Senate added intent. (Sec. 433)
17. **Future Farmers of America.** Governor/House deleted \$80,000 earmark; Senate retained (Sec. 434)
18. **Tuition Restraint.** Gov. added expectation that any university receiving Federal stimulus funds not raise tuition and fees in 2008-09 or 2009-10; House/Senate required tuition mitigation and facility renovation with ARRA funds. (Sec. 436)
19. **Per Student Floor Funding.** Gov./House deleted intent to provide \$3,775 per student; Senate retained. (Sec. 450)
20. **Indian Tuition.** Gov./Senate deleted intent to pay for unfunded costs; House retained (Sec. 451); House/Senate 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 Tribal College, House/Senate retained (Sec.461).
21. **Suicide Prevention.** Gov./House/Senate deleted intent for universities to develop education programs. (Sec. 462)
22. **Macomb County.** Governor/Senate deleted enrollment report requirement; House retained. (Sec. 463)
23. **Research Commercialization Report.** Gov./House/Senate deleted penalty for late submission. (Sec. 464)
24. **Performance Standards.** Gov./House/Senate deleted intent to establish for public universities. (Sec. 467)
25. **Pell Grant Report.** Governor/House/Senate restricted report to undergraduate students. (Sec. 469)
26. **Timely Graduation.** Governor deleted intent for universities to facilitate; House/Senate retained. (Sec. 471)
27. **Student Veterans.** Senate added intent to assist on each campus with tuition, fees, credit transfers, and application deadlines. (Sec. 480)
28. **King-Chavez-Parks Programs.** Gov. deleted due to program elimination; House/Senate retained. (Secs. 501-507)
29. **Enrollment Audit Consultants.** Gov./House added HEIDI Advisory Committee, deleted fiscal agencies; Senate retained fiscal agencies. (Sec. 701)
30. **New Academic Programs.** Senate added FY 2009-10 approved programs. (Sec. 701a)
31. **Nursing Education/Shortage.** Governor/House/Senate moved status report requirement to DELEG bill. (Sec. 715)

Date Completed: 6-25-09

Fiscal Analyst: Ellen Jeffries

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations.

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**FY 2009-10 HIGHER EDUCATION APPROPRIATIONS: HB 4441 (S-1) - SENATE PASSED**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<b>FY 2008-09 Year-To-Date Appropriation</b>	<b>FY 2009-10 Governor's Recommend.</b>	<b>ARRA Prorated Restoration</b>	<b>Financial Aid and Other Adjustments</b>	<b>FY 2009-10 Senate Passed</b>	<b>Dollar Change From 2008-09</b>	<b>Percent Change From 2008-09</b>	<b>Senate Change To Governor</b>	<b>Senate Change To House</b>
<b>Universities</b>									
Central	\$82,760,500	\$80,064,200	\$2,342,100	\$29,700	\$82,436,000	(\$324,500)	-0.4%	\$2,371,800	(\$808,000)
Eastern	78,551,800	75,965,600	2,246,500		78,212,100	(339,700)	-0.4%	2,246,500	(538,000)
Ferris	50,228,100	48,621,800	1,395,300		50,017,100	(211,000)	-0.4%	1,395,300	(396,800)
Grand Valley	64,021,400	62,018,400	1,739,900		63,758,300	(263,100)	-0.4%	1,739,900	(613,400)
Lake Superior	13,111,700	12,561,900	477,600	19,700	13,059,200	(52,500)	-0.4%	497,300	(252,100)
Michigan State	293,041,200	283,909,000	7,932,700		291,841,700	(1,199,500)	-0.4%	7,932,700	(1,434,700)
Michigan Tech	49,518,500	47,870,800	1,431,300		49,302,100	(216,400)	-0.4%	1,431,300	(377,000)
Northern	46,633,200	45,148,900	1,289,300		46,438,200	(195,000)	-0.4%	1,289,300	(426,500)
Oakland	52,452,200	50,690,700	1,530,100		52,220,800	(231,400)	-0.4%	1,530,100	(449,300)
Saginaw Valley	28,639,800	27,710,100	807,600		28,517,700	(122,100)	-0.4%	807,600	(147,900)
UM-Ann Arbor	326,674,300	316,572,000	8,775,400		325,347,400	(1,326,900)	-0.4%	8,775,400	(1,663,200)
UM-Dearborn	25,548,000	24,703,600	733,500		25,437,100	(110,900)	-0.4%	733,500	(177,300)
UM-Flint	21,593,700	20,871,700	627,200		21,498,900	(94,800)	-0.4%	627,200	(136,200)
Wayne State	221,237,000	214,325,400	6,003,800		220,329,200	(907,800)	-0.4%	6,003,800	(1,150,200)
Western	113,243,200	109,616,000	3,150,800		112,766,800	(476,400)	-0.4%	3,150,800	(680,800)
Ag Experiment Station (AES)	34,336,200	0	32,082,900	2,116,000	34,198,900	(137,300)	-0.4%	34,198,900	(2,487,300)
Cooperative Extension (CES)	29,615,500	0	27,672,000	1,825,000	29,497,000	(118,500)	-0.4%	29,497,000	(1,268,500)
Coop Ag Research/Extension	0	32,000,000	(32,000,000)		0	0	na	(32,000,000)	0
Higher Education Database	200,000	200,000		(200,000)	0	(200,000)	-100.0%	(200,000)	(200,000)
Midwest Higher Ed Compact	95,000	95,000		(95,000)	0	(95,000)	-100.0%	(95,000)	(95,000)
King-Chavez-Parks Grants	2,691,500	0		2,691,500	2,691,500	0	0.0%	2,691,500	0
<b>Total Universities</b>	<b>\$1,534,192,800</b>	<b>\$1,452,945,100</b>	<b>\$68,238,000</b>	<b>\$6,386,900</b>	<b>\$1,527,570,000</b>	<b>(\$6,622,800)</b>	<b>-0.4%</b>	<b>\$74,624,900</b>	<b>(\$13,302,200)</b>
<b>Federal/Federal Stimulus</b>	<b>\$0</b>	<b>\$0</b>	<b>\$68,238,000</b>	<b>\$2,691,500</b>	<b>70,929,500</b>	<b>70,929,500</b>	<b>na</b>	<b>70,929,500</b>	<b>21,762,900</b>
<b>State GF/GP</b>	<b>\$1,534,192,800</b>	<b>\$1,452,945,100</b>	<b>\$0</b>	<b>\$3,695,400</b>	<b>\$1,456,640,500</b>	<b>(\$77,552,300)</b>	<b>-5.1%</b>	<b>\$3,695,400</b>	<b>(\$35,065,100)</b>
<b>Grants and Financial Aid</b>									
Competitive Scholarships	\$35,530,500	\$0		\$16,300,000	\$16,300,000	(19,230,500)	-54.1%	\$16,300,000	(\$19,230,500)
Tuition Grants	56,668,100	0		31,664,700	31,664,700	(25,003,400)	-44.1%	31,664,700	(25,003,400)
Indian Tuition Waiver Costs	0	0		100	100	100	na	100	(7,326,200)
Work Study	7,326,300	0			0	(7,326,300)	-100.0%	0	(7,326,300)
Part-time Independent	2,653,300	0			0	(2,653,300)	-100.0%	0	(2,653,300)
Ed. Opportunity Grants(MEOG)	2,084,200	0			0	(2,084,200)	-100.0%	0	(2,084,200)
Michigan College Access Grants	0	89,760,100		(89,760,100)	0	0	na	(89,760,100)	0
Byrd Scholarship Program	1,500,000	1,500,000			1,500,000	0	0.0%	0	0
Nursing Scholarship Program	4,250,000	0		200,000	200,000	(4,050,000)	-95.3%	200,000	(4,050,000)
Michigan Merit Award Program	5,200,000	100			100	(5,199,900)	-100.0%	0	0
Michigan Promise Grant Program	80,500,000	140,000,000		(139,999,900)	100	(80,499,900)	-100.0%	(139,999,900)	(139,999,900)
Tuition Incentive Program(TIP)	25,200,000	31,200,000			31,200,000	6,000,000	23.8%	0	0
Children of Veterans Tuition	1,000,000	1,000,000			1,000,000	0	0.0%	0	0
Project Gear-Up	3,000,000	3,000,000		(2,691,500)	308,500	(2,691,500)	-89.7%	(2,691,500)	(2,691,500)
<b>Total Grants/Financial Aid</b>	<b>\$224,912,400</b>	<b>\$266,460,200</b>	<b>\$0</b>	<b>(\$184,286,700)</b>	<b>\$82,173,500</b>	<b>(\$142,738,900)</b>	<b>-63.5%</b>	<b>(\$184,286,700)</b>	<b>(\$210,365,300)</b>
<b>Federal</b>	<b>7,400,000</b>	<b>7,400,000</b>	<b>0</b>	<b>(2,691,500)</b>	<b>4,708,500</b>	<b>(2,691,500)</b>	<b>-36.4%</b>	<b>(2,691,500)</b>	<b>(2,691,500)</b>
<b>Federal Stimulus</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>na</b>	<b>0</b>	<b>(3,040,800)</b>
<b>Merit Award Trust Fund</b>	<b>105,800,000</b>	<b>166,100,100</b>	<b>0</b>	<b>(139,999,900)</b>	<b>26,100,200</b>	<b>(79,699,800)</b>	<b>-75.3%</b>	<b>(139,999,900)</b>	<b>(139,999,900)</b>
<b>Veterans Tax Checkoff</b>	<b>300,000</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>0</b>
<b>State GF/GP</b>	<b>\$111,412,400</b>	<b>\$92,660,100</b>	<b>\$0</b>	<b>(\$41,595,300)</b>	<b>\$51,064,800</b>	<b>(\$60,347,600)</b>	<b>-54.2%</b>	<b>(\$41,595,300)</b>	<b>(\$64,633,100)</b>
<b>TOTAL HIGHER ED</b>	<b>\$1,759,105,200</b>	<b>\$1,719,405,300</b>	<b>\$68,238,000</b>	<b>(\$177,899,800)</b>	<b>\$1,609,743,500</b>	<b>(\$149,361,700)</b>	<b>-8.5%</b>	<b>(\$109,661,800)</b>	<b>(\$223,667,500)</b>
<b>TOTAL FEDERAL</b>	<b>7,400,000</b>	<b>7,400,000</b>	<b>68,238,000</b>	<b>0</b>	<b>75,638,000</b>	<b>68,238,000</b>	<b>922.1%</b>	<b>68,238,000</b>	<b>16,030,600</b>
<b>TOTAL STATE RESTRICTED</b>	<b>106,100,000</b>	<b>166,400,100</b>	<b>0</b>	<b>(139,999,900)</b>	<b>26,400,200</b>	<b>(79,699,800)</b>	<b>-75.1%</b>	<b>(139,999,900)</b>	<b>(139,999,900)</b>
<b>TOTAL STATE GF/GP</b>	<b>\$1,645,605,200</b>	<b>\$1,545,605,200</b>	<b>\$0</b>	<b>(\$37,899,900)</b>	<b>\$1,507,705,300</b>	<b>(\$137,899,900)</b>	<b>-8.4%</b>	<b>(\$37,899,900)</b>	<b>(\$99,698,200)</b>