



Senate Fiscal Agency
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Senate Bill 94 (S-1 as reported)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2020-21 YEAR-TO-DATE*	FY 2021-22 SEN. FULL COMM.	CHANGES FROM FY 2020-21 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions	0.0	0.0	N/A	N/A
GROSS	425,667,600	428,180,500	2,512,900	0.6
Less:				
Interdepartmental Grants Received	0	0	0	0.0
ADJUSTED GROSS	425,667,600	428,180,500	2,512,900	0.6
Less:				
Federal Funds	0	0	0	0.0
Local and Private	0	0	0	0.0
TOTAL STATE SPENDING	425,667,600	428,180,500	2,512,900	0.6
Less:				
Other State Restricted Funds	425,667,600	428,180,500	2,512,900	0.6
GENERAL FUND/GENERAL PURPOSE	0	0	0	0.0
PAYMENTS TO LOCALS	425,667,600	428,180,500	2,512,900	0.6

*As of February 8, 2021.

	Gross	GF/GP
FY 2020-21 Year-to-Date Appropriation	\$425,667,600	\$0
Changes from FY 2020-21 Year-to-Date:		
1. Community College Operational Support Payments. The Governor included a one-time increase of 2.0% as operational support payments outside of base State operations payments. The increase would be distributed using the current statutory funding formula for community colleges. The Senate did not include this increase.	0	0
2. MPSERS UAAL Stabilization Payments. The Governor and Senate included an increase for this item to reflect an increase in the State's share of costs above the statutory cap. The increase is largely due to updated payroll growth assumptions. This change would bring total MPSERS UAAL stabilization payments for community colleges to \$87.2 million.	3,300,000	0
3. MPSERS Normal Cost Offset. The Governor and Senate reduced this item to a total of \$11.7 million. The change reflects the amount necessary to make required payments at the current assumed rate of return for MPSERS of 6.8%.	(694,000)	0
4. North American Indian Tuition Waiver Reimbursement Adjustment. The Governor and Senate reduced ITW reimbursements to \$1.7 million to reflect the most recent waiver cost data provided by community colleges.	(93,100)	0
5. Comparison to Governor's Recommendation. The Senate is \$6,473,100 Gross and \$0 GF/GP under the Governor.		
Total Changes	\$2,512,900	\$0
FY 2021-22 Senate Appropriations Committee Recommendation	\$428,180,500	\$0

Boilerplate Changes from FY 2020-21 Year-to-Date:

1. **Schedule of Payments to Community Colleges.** The Governor removed language requiring the State Budget Director to notify the House and Senate Subcommittees before funds are withheld because of a failure to report certain information as required by statute, and changed the schedule for MPSERS payments to quarterly rather than monthly. The Senate did not concur with the removal of the funds withholding language, but did concur with moving MPSERS payments to a quarterly basis. (Sec. 206)
2. **MPSERS Payment Schedule.** The Governor and Senate included additional language that would allocate MPSERS payments based on quarterly payroll reports. (Sec. 207a)
3. **Use and Finance Noncompliance Penalty.** The Governor removed a section that imposes a 1.0% reduction in State funding to a community college for each violation of certain requirements of the Management and Budget Act. The Senate retained this section. (Sec. 208)
4. **Transparency Reporting - Noncompliance Penalty.** The Governor removed language that allows the State Budget Director to withhold monthly payments to community colleges if the colleges do not comply with statutory transparency reporting requirements. The Governor also removed various reporting requirements from this section. The Senate retained current-year language. (Sec. 209)
5. **Campus Safety Information.** The Governor removed a requirement that colleges certify compliance with the requirements of this section, as well as the ability for the State Budget Director to withhold payments to colleges that fail to do so. The Senate retained current-year language. (Sec. 209a)
6. **Block Transfer Report.** The Senate made several changes to the reporting requirements of this section. (Sec. 210b)
7. **Bachelor of Science in Nursing Degree Report.** The Senate included a new reporting section requiring a summary of efforts made by community colleges to establish articulation agreements with public and private universities for a Bachelor of Science in Nursing program. (Sec. 210g)
8. **Cost Containment.** The Governor and Senate removed a section requiring community colleges to pursue various efficiencies in their operations. (Sec. 212)
9. **Performance Audits.** The Governor removed a section allowing the Auditor General to conduct performance audits on community colleges. The Senate retained this section. (Sec. 220)
10. **COVID-19 Report.** The Governor and Senate removed a section containing two reports that require colleges to report various information relative to their responses to COVID-19. (Sec. 226b)
11. **Campus Free Speech Report.** The Governor removed a report on activities related to free speech issues on college campuses. The Senate modified this section to state the intent of the Legislature that community colleges establish advocacy policies on campus. (Sec. 226d)
12. **Pregnant and Parenting Services.** The Senate included a new section allowing community colleges to establish a pregnant and parenting student services office. (Sec. 226f)
13. **Communication with the Legislature.** The Governor removed a section prohibiting a community college from taking disciplinary action against an employee who communicates with members of the Legislature or their staff. The Senate retained this section. (Sec. 228)
14. **Tuition Restraint.** The Governor and Senate included a new section that would make the receipt of performance funding contingent upon keeping increases in tuition and fee rates for the 2021-22 academic year less than 4.2%. (Sec. 230[5])

Date Completed: 5-5-21

Fiscal Analyst: Josh Sefton

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

Table 1: FY 2021-22 Community College Appropriations: Senate Appropriations Recommendation

College	FY 2020-21 Operations	FY 2020-21 ITW Reimburse.	FY 2020-21 Year-To-Date					
				Total Formula Distribution	ITW/Other Adjustments	Total Adjustments	FY 2020-21 Appropriation	Percent Change
Alpena	\$5,753,300	\$14,200	\$5,767,500	\$0	\$9,700	\$9,700	\$5,777,200	0.2%
Bay de Noc	5,602,800	116,700	5,719,500	0	(5,100)	(5,100)	5,714,400	(0.1%)
Delta	15,160,500	47,700	15,208,200	0	12,400	12,400	15,220,600	0.1%
Glen Oaks	2,651,200	0	2,651,200	0	0	0	2,651,200	0.0%
Gogebic	4,873,700	49,600	4,923,300	0	2,400	2,400	4,925,700	0.0%
Grand Rapids	18,773,100	233,900	19,007,000	0	(35,300)	(35,300)	18,971,700	(0.2%)
Henry Ford	22,533,100	24,500	22,557,600	0	(9,500)	(9,500)	22,548,100	(0.0%)
Jackson	12,756,200	58,000	12,814,200	0	(11,800)	(11,800)	12,802,400	(0.1%)
Kalamazoo Valley	13,099,900	63,800	13,163,700	0	22,300	22,300	13,186,000	0.2%
Kellogg	10,267,100	61,600	10,328,700	0	(10,300)	(10,300)	10,318,400	(0.1%)
Kirtland	3,358,400	36,400	3,394,800	0	(29,900)	(29,900)	3,364,900	(0.9%)
Lake Michigan	5,702,700	8,600	5,711,300	0	4,500	4,500	5,715,800	0.1%
Lansing	32,852,000	158,000	33,010,000	0	(35,300)	(35,300)	32,974,700	(0.1%)
Macomb	34,276,100	43,400	34,319,500	0	(20,100)	(20,100)	34,299,400	(0.1%)
Mid Michigan	5,184,400	124,800	5,309,200	0	29,100	29,100	5,338,300	0.5%
Monroe	4,746,200	500	4,746,700	0	200	200	4,746,900	0.0%
Montcalm	3,570,600	7,100	3,577,700	0	(2,300)	(2,300)	3,575,400	(0.1%)
Mott	16,440,000	24,000	16,464,000	0	17,000	17,000	16,481,000	0.1%
Muskegon	9,289,100	73,900	9,363,000	0	(16,400)	(16,400)	9,346,600	(0.2%)
North Central	3,389,300	173,400	3,562,700	0	7,800	7,800	3,570,500	0.2%
Northwestern	9,567,100	276,000	9,843,100	0	(24,800)	(24,800)	9,818,300	(0.3%)
Oakland	22,211,700	35,100	22,246,800	0	(1,600)	(1,600)	22,245,200	(0.0%)
Schoolcraft	13,196,200	40,300	13,236,500	0	(1,500)	(1,500)	13,235,000	(0.0%)
Southwestern	6,979,400	37,200	7,016,600	0	(3,100)	(3,100)	7,013,500	(0.0%)
St. Clair	7,385,200	3,400	7,388,600	0	11,700	11,700	7,400,300	0.2%
Washtenaw	13,855,900	32,300	13,888,200	0	3,000	3,000	13,891,200	0.0%
Wayne County	17,593,400	14,900	17,608,300	0	100	100	17,608,400	0.0%
West Shore	2,585,600	26,500	2,612,100	0	(6,300)	(6,300)	2,605,800	(0.2%)
Subtotal Operations:	\$323,654,200	\$1,785,800	\$325,440,000	\$0	(\$93,100)	(\$93,100)	\$325,346,900	(0.0%)
MPSERS Normal Cost Offset			\$12,394,000		(\$694,000)	(\$694,000)	\$11,700,000	(5.6%)
MPSERS Retiree Health Care			1,733,600		0	0	1,733,600	0.0%
MPSERS Reform Costs			83,900,000		3,300,000	3,300,000	87,200,000	3.9%
Renaissance Zone Reimbursements			2,200,000		0	0	2,200,000	0.0%
Total Appropriations:			\$425,667,600	\$0	\$2,512,900	\$2,512,900	\$428,180,500	0.6%
State School Aid Fund			425,667,600	0	2,512,900	2,512,900	\$428,180,500	0.6%
GF/GP			\$0	\$0	\$0	\$0	\$0	N/A

Table 2: FY 2021-22 Community College Appropriations

College	FY 2020-21 Year-To-Date	FY 2021-22 Governor's Recommendation			FY 2021-22 Senate		
		Adjustments	Appropriation	Percent Change	Adjustments	Appropriation	Percent Change
Alpena	\$5,767,500	\$116,500	\$5,884,000	2.0%	\$9,700	\$5,777,200	0.2%
Bay de Noc	5,719,500	110,900	5,830,400	1.9	(5,100)	5,714,400	(0.1)
Delta	15,208,200	299,200	15,507,400	2.0	12,400	15,220,600	0.1
Glen Oaks	2,651,200	66,700	2,717,900	2.5	0	2,651,200	0.0
Gogebic	4,923,300	87,100	5,010,400	1.8	2,400	4,925,700	0.0
Grand Rapids	19,007,000	407,700	19,414,700	2.1	(35,300)	18,971,700	(0.2)
Henry Ford	22,557,600	402,100	22,959,700	1.8	(9,500)	22,548,100	(0.0)
Jackson	12,814,200	208,000	13,022,200	1.6	(11,800)	12,802,400	(0.1)
Kalamazoo Valley	13,163,700	291,000	13,454,700	2.2	22,300	13,186,000	0.2
Kellogg	10,328,700	191,200	10,519,900	1.9	(10,300)	10,318,400	(0.1)
Kirtland	3,394,800	48,400	3,443,200	1.4	(29,900)	3,364,900	(0.9)
Lake Michigan	5,711,300	109,300	5,820,600	1.9	4,500	5,715,800	0.1
Lansing	33,010,000	525,800	33,535,800	1.6	(35,300)	32,974,700	(0.1)
Macomb	34,319,500	640,400	34,959,900	1.9	(20,100)	34,299,400	(0.1)
Mid Michigan	5,309,200	145,500	5,454,700	2.7	29,100	5,338,300	0.5
Monroe	4,746,700	102,600	4,849,300	2.2	200	4,746,900	0.0
Montcalm	3,577,700	72,300	3,650,000	2.0	(2,300)	3,575,400	(0.1)
Mott	16,464,000	302,000	16,766,000	1.8	17,000	16,481,000	0.1
Muskegon	9,363,000	153,700	9,516,700	1.6	(16,400)	9,346,600	(0.2)
North Central	3,562,700	92,200	3,654,900	2.6	7,800	3,570,500	0.2
Northwestern	9,843,100	152,300	9,995,400	1.5	(24,800)	9,818,300	(0.3)
Oakland	22,246,800	478,500	22,725,300	2.2	(1,600)	22,245,200	(0.0)
Schoolcraft	13,236,500	302,000	13,538,500	2.3	(1,500)	13,235,000	(0.0)
Southwestern	7,016,600	133,700	7,150,300	1.9	(3,100)	7,013,500	(0.0)
St. Clair	7,388,600	168,400	7,557,000	2.3	11,700	7,400,300	0.2
Washtenaw	13,888,200	381,700	14,269,900	2.7	3,000	13,891,200	0.0
Wayne County	17,608,300	347,500	17,955,800	2.0	100	17,608,400	0.0
West Shore	2,612,100	43,300	2,655,400	1.7	(6,300)	2,605,800	(0.2)
Subtotal Operations:	\$325,440,000	\$6,380,000	\$331,820,000	2.0%	(\$93,100)	\$325,346,900	(0.0%)
MPERS Normal Cost Offset	\$12,394,000	(\$694,000)	\$11,700,000	(5.6%)	(\$694,000)	\$11,700,000	(5.6%)
MPERS Retiree Health Care	1,733,600	0	1,733,600	0.0	0	1,733,600	0.0
MPERS Reform Costs	83,900,000	3,300,000	87,200,000	3.9	3,300,000	87,200,000	3.9
Renaissance Zone Reimbursements	2,200,000	0	2,200,000	0.0	0	2,200,000	0.0
Total Appropriations:	\$425,667,600	\$8,986,000	\$434,653,600	2.1%	\$2,512,900	\$428,180,500	0.6%
State School Aid Fund	425,667,600	8,986,000	434,653,600	2.1	2,512,900	428,180,500	0.6
GF/GP	\$0	\$0	\$0	0.0%	\$0	\$0	0.0%