



Senate Fiscal Agency
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Senate Bill 1088 (S-1 as reported)
Committee: Appropriations

FY 2005-06 Year-to-Date Gross Appropriation	\$1,734,443,900
Changes from FY 2005-06 Year-to-Date:	
1. Per-Student Floor Funding. The Senate included a \$3,750 per-student floor that provides funds to four universities: Central (\$304,400), Grand Valley (\$3,159,900), Oakland (\$1,191,800), and Saginaw Valley (\$1,184,000).	5,840,100
2. Across-the-Board Increases for University Operations. The Governor recommended a 2.0% increase for Michigan State, University of Michigan-Ann Arbor, and Wayne State, and a 1.0% increase for the other 12 State universities. The Senate provided a 1.8% inflation increase (based on the January 2006 Consensus Revenue Estimating Conference) for all 15 universities	25,556,700
3. Formula Funding. At 12 of the State universities, the Governor allocated \$1.5 million to each of four categories based on tuition revenue, financial aid expenditures, Pell Grant awards, and degree completions; Senate did not include.	0
4. State Competitive Scholarships. The Governor reflected a loss of \$500,000 in Federal revenue, added \$3.0 million GF/GP to replace MHEAA revenue, and transferred \$29.5 million GF/GP from the Tuition Grant Program. The Governor recommended that current Tuition Grant recipients continue to receive their grants as sophomores, juniors, and seniors (but not as graduate students), and at the State Competitive Scholarship Grant maximum of \$1,300 instead of the \$2,000 Tuition Grant maximum. The Senate retained the FY 2005-06 scholarship programs but did reduce \$500,000 in Federal funds.	(500,000)
5. Tuition Grants. The Governor eliminated this line-item but \$29.5 million GF/GP is transferred to State Competitive Scholarships to allow for a phase-out of Tuition Grants. The Senate retained the FY 2005-06 program.	0
6. Michigan Merit Awards. The Governor projected total FY 2006-07 expenditures of \$127.7 million, with \$55.9 million for the second payment for the class of 2005 and \$55.4 million for the first payment for the class of 2006; no payments are included for class of 2006 out-of-State students. The FY 2005-06 appropriation is \$126.4 million.	1,300,000
7. Tuition Incentive Program (TIP). The Governor recommended a \$2.0 million GF/GP increase for TIP due to an increase in caseload; an FY 2006-07 appropriation of \$14.0 million would fund more than 7,600 students, with \$7.4 million GF/GP and \$6.6 million from the Merit Award Trust Fund.	2,000,000
8. Children of Veterans Tuition Grants. The Governor replaced \$500,000 in State GF/GP with State Restricted revenue and provided an additional \$500,000 in State Restricted revenue from an income tax check-off for full-year funding of the tuition grants at \$1.0 million.	500,000
9. Michigan Leadership, Education and Development (MiLEAD). The Governor added a new program, funded from the Civilian Conservation Corps Fund in DNR, that would link academic learning at postsecondary institutions with conservation-based community service needs.	5,000,000
10. Comparison to Governor's Recommendation. The Senate is \$32.3 million Gross and \$29.3 million GF/GP over the Governor.	
Total Changes.....	\$39,696,800
FY 2006-07 Senate Appropriations Committee Gross Appropriation	\$1,774,140,700

Changes from FY 2005-06 Year to Date:

1. **University Payment Schedule.** Governor and Senate deleted reference to FY 2005-06 House formula, AES, and CES. (Sec. 212(1))
2. **Appropriations Report from Fiscal Agencies.** Governor deleted, Senate retained. (Sec. 212(3))
3. **Tuition Grants.** Governor eliminated program but allows current freshmen grant recipients to continue to receive their grants as undergraduates, at the same grant maximum as State Competitive Scholarships (Sec. 301(6)); Senate retained current-year program with an application deadline of July 1, 2006. (Sec. 302)
4. **State Financial Aid Payment Schedule.** Governor replaced 40%/40%/10%/10% quarterly payments with equal quarterly payments; Senate retained current schedule. (Sec. 308)
5. **Tuition Incentive Program (TIP).** Governor added FAFSA filing as a criterion for Phase I eligibility, and achievement of junior-level status at a four-year institution as a criterion for Phase II eligibility; Senate added only a requirement for students to request FAFSA filing information. (Sec. 310(3))
6. **Michigan Leadership, Education and Development (MiLEAD) Initiative.** Governor added a new program to provide \$1.0 million grants to higher education institutions for residential programs for at-risk youth to earn college credits while they perform conservation-based community service; Senate added eligibility for independent colleges and universities. (Sec. 313)
7. **Douglas Lake.** Governor deleted legislative intent to preserve research value, Senate retained. (Sec. 402)
8. **FY 2005-06 House Formula/Senate Per-Student Floor Funding.** Governor replaced with new four-part formula for all State universities (except MSU, UM-Ann Arbor, and Wayne State) based on tuition revenue, financial aid expenditures, Pell Grant awards, and weighted degree completions; Senate did not include either the Governor's or the House's formulas. (Sec. 418)
9. **Lists of Required Textbooks.** Governor deleted legislative intent for timely access to lists by private bookstores/student groups, and intent to allow students to decide where to purchase textbooks, Senate retained. (Sec. 426)
10. **Michigan Public School Employees Retirement System (MPERS).** Governor and Senate deleted legislative intent that stabilization subaccount funds be used to subsidize payroll contributions of the seven MPERS universities due to depletion of the subaccount. (Sec. 437)
11. **Per-Student Floor Funding.** Senate added \$3,750 per-student funding floor. (Sec. 450)
12. **New Academic Programs.** Governor and Senate deleted FY 2005-06 list. (Sec. 701a)
13. **Education Degrees.** Senate added requirement for report on efforts to increase education degrees conferred for teaching of middle and high school math, physics, chemistry, biology, and certain foreign languages. (Sec. 711)

Date Completed: 3-23-06

Fiscal Analyst: Ellen Jeffries

SB 1088(S-1): Higher Education**FY 2006-07: Senate Approps**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		2005-06	Foundation				\$	%	2006-07
	FY 2005-06	Approp	Funding	Inflation	Financial	FY 2006-07	Change	Change	Senate
	Year-to-Date	Per	Floor of	Increase of	Aid	Senate	From	From	Approp.
	Appropriation	Student*	\$3,750	1.8%	Changes	Approps Rec.	2005-06	2005-06	Per
UNIVERSITIES									Student*
Central	80,061,900	3,736	304,400	1,441,100		81,807,400	1,745,500	2.2%	3,817
Eastern	76,140,600	4,019	0	1,370,500		77,511,100	1,370,500	1.8%	4,091
Ferris	48,634,700	4,611	0	875,400		49,510,100	875,400	1.8%	4,694
Grand Valley	61,129,900	3,151	3,159,900	1,100,300		65,390,100	4,260,200	7.0%	3,371
Lake Superior	12,506,300	4,827	0	225,100		12,731,400	225,100	1.8%	4,914
Michigan State	283,730,300	6,782	0	5,107,100		288,837,400	5,107,100	1.8%	6,904
Michigan Tech	48,018,800	8,095	0	864,300		48,883,100	864,300	1.8%	8,241
Northern	45,051,600	5,348	0	810,900		45,862,500	810,900	1.8%	5,444
Oakland	50,685,700	3,664	1,191,800	912,300		52,789,800	2,104,100	4.2%	3,816
Saginaw Valley	27,499,800	3,595	1,184,000	495,000		29,178,800	1,679,000	6.1%	3,815
UM-Ann Arbor	316,368,500	8,048	0	5,694,600		322,063,100	5,694,600	1.8%	8,193
UM-Dearborn	24,739,200	3,973	0	445,300		25,184,500	445,300	1.8%	4,044
UM-Flint	20,903,100	4,231	0	376,300		21,279,400	376,300	1.8%	4,307
Wayne State	214,666,300	8,603	0	3,864,000		218,530,300	3,864,000	1.8%	8,758
Western	109,695,200	4,569	0	1,974,500		111,669,700	1,974,500	1.8%	4,652
Ag Experiment Station(AES)	33,163,800					33,163,800	0	0.0%	
Cooperative Extension(CES)	28,604,300					28,604,300	0	0.0%	
Higher Education Database	200,000					200,000	0	0.0%	
Midwest Higher Ed Compact	90,000					90,000	0	0.0%	
King-Chavez-Parks	2,691,500					2,691,500	0	0.0%	
TOTAL UNIVERSITIES	1,484,581,500	5,679	5,840,100	25,556,700	0	1,515,978,300	31,396,800	2.1%	5,804
Merit Award Trust Fund	9,500,000		0	0	0	9,500,000	0	0.0%	
State GF/GP	1,475,081,500		5,840,100	25,556,700	0	1,506,478,300	31,396,800	2.1%	
GRANTS & FINANCIAL AID									
Competitive Scholarships	34,630,500				(500,000)	34,130,500	(500,000)	-1.4%	
Tuition Grants	58,768,100					58,768,100	0	0.0%	
Work Study	7,326,300					7,326,300	0	0.0%	
Part-time Independent	2,653,300					2,653,300	0	0.0%	
Ed.Opportunity Grants(MEOG)	2,084,200					2,084,200	0	0.0%	
Byrd Scholarship Program	1,500,000					1,500,000	0	0.0%	
Nursing Scholarship Program	4,000,000					4,000,000	0	0.0%	
Michigan Merit Award Program	126,400,000				1,300,000	127,700,000	1,300,000	1.0%	
Tuition Incentive Program(TIP)	12,000,000				2,000,000	14,000,000	2,000,000	16.7%	
Children of Veterans Tuition	500,000				500,000	1,000,000	500,000	100.0%	
Mi. Leadership, Ed, Development	0				5,000,000	5,000,000	5,000,000	na	
TOTAL FINANCIAL AID	249,862,400		0	0	8,300,000	258,162,400	8,300,000	3.3%	
Federal	3,500,000		0	0	(500,000)	3,000,000	(500,000)	-14.3%	
Merit Award Trust Fund	137,000,000		0	0	1,300,000	138,300,000	1,300,000	0.9%	
MHEAA Operating Fund	7,000,000		0	0	(4,000,000)	3,000,000	(4,000,000)	-57.1%	
Veterans Tax Checkoff	0		0	0	1,000,000	1,000,000	1,000,000	na	
Civilian Conservation Corp	0		0	0	5,000,000	5,000,000	5,000,000	na	
State GF/GP	102,362,400		0	0	5,500,000	107,862,400	5,500,000	5.4%	
TOTAL HIGHER ED	1,734,443,900		5,840,100	25,556,700	8,300,000	1,774,140,700	39,696,800	2.3%	
TOTAL FEDERAL	3,500,000		0	0	(500,000)	3,000,000	(500,000)	-14.3%	
TOTAL STATE RESTRICTED	153,500,000		0	0	3,300,000	156,800,000	3,300,000	2.1%	
TOTAL STATE GF/GP	1,577,443,900		5,840,100	25,556,700	5,500,000	1,614,340,700	36,896,800	2.3%	