



Senate Fiscal Agency
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Senate Bill 1099 (S-1 as reported)
Committee: Appropriations

Throughout this document Senate means Appropriations Committee.

FY 2007-08 Year-to-Date Gross Appropriation	\$1,896,375,700
Changes from FY 2007-08 Year-to-Date:	
1. Restoration of August 2007 Payment Delay. This one-time payment is eliminated.	(138,736,000)
2. University Operations. The Governor provided a total increase of 3.0%, with individual university increases ranging from 2.3% to 6.2%. The increases were distributed based on three factors: a) number of undergraduate Pell Grant awards; b) amount of research and commercial licensing activity; and c) number of academic degrees conferred, with a higher weight given to math, science, engineering, and health degrees. The Senate provided an increase of 3.0% for each university, to rebuild base appropriations.	43,581,700
3. Agricultural Experiment Station (AES) and Cooperative Extension Service (CES). The Governor and Senate added 3.0% increases for AES (\$1,019,900) and CES (\$879,700) resulting in FY 2008-09 total appropriations of \$35,016,100 and \$30,202,000, respectively.	1,899,600
4. Midwest Higher Education Compact. The Governor and Senate included funding for an increase in annual dues from \$90,000 to \$95,000.	5,000
5. Michigan Merit Awards. The Governor and Senate recommended a reduction in the program from \$60.0 million in FY 2007-08 to \$5.2 million in FY 2008-09, due to the phase out of Merit Awards which have been replaced with Promise Grants.	(54,800,000)
6. Michigan Promise Grants. The Governor and Senate increased funding from \$43.5 million to \$90.5 million for this program that provides \$4,000 merit-based grants to students who complete two years of postsecondary education with a GPA of at least 2.5. High school students who do well on the Merit Exam can receive half of their funding during their first two years of postsecondary study.	47,000,000
7. Tuition Incentive Program (TIP). Due to caseload growth, the Governor and Senate increased this program from \$21.1 million in FY 2007-08 to \$25.2 million in FY 2008-09. 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 9,046 TIP students in FY 2005-06 and 10,462 in FY 2006-07, an increase of 15.7%.	4,100,000
8. Grants and Financial Aid. The Governor and Senate recommended \$3.3 million in fund shifts from State restricted revenue to State GF/GP. Except for the adjustments for Merit Awards, Promise Grants, and TIP, there were no other changes from the FY 2007-08 total funding levels.	0
9. Comparison to Governor's Recommendation. The Senate is \$0 Gross and \$0 GF/GP over/under the Governor.	
Total Changes	(\$96,949,700)
FY 2008-09 Senate Appropriations Committee Recommendation	\$1,799,426,000

Changes from FY 2007-08 Year to Date:

1. **Payments to Local Units of Government.** Governor eliminated the recording of these; Senate retained. (Sec. 201)
2. **Definition of Research University.** Governor retained; Senate deleted. (Sec. 203)
3. **Preference for Michigan Vehicles.** Governor and Senate deleted intent for universities to lease and/or purchase only vehicles assembled or manufactured in Michigan. (Sec. 210)
4. **Late HEIDI Data Submission.** Gov. changed penalty from required to permissive; Sen. did not change. (Sec. 212(3))
5. **Appropriations Report from Fiscal Agencies.** Governor deleted; Senate retained. (Sec. 212(3))
6. **Tuition Tax Credit Report.** Governor deleted notification to fiscal agencies; Senate retained. (Sec. 214)
7. **Tuition Grants.** Gov. changed application deadline from July 1 to June 1, deleted reference to a grant amount and carry-forward provisions; Sen. retained FY 2007-08 language and added intent to secure a 3.0% increase. (Sec. 302)
8. **Douglas Lake.** Governor deleted intent to preserve research value; Senate retained. (Sec. 402)
9. **Required Textbooks.** Governor deleted intent for timely access to lists and student accounts by private bookstores; Senate retained. (Sec 426)
10. **Project GREEN.** Governor and Senate increased each of the AES and CES earmarks by 3.0%. (Sec. 433)
11. **Future Farmers of America.** Governor deleted \$80,000 earmark; Senate retained. (Sec. 434)
12. **Tuition Restraint.** Governor added expectation that universities will limit resident undergraduate tuition increases to 2.3%; Senate retained FY 2007-08 language linking increases for tuition and financial aid. (Sec. 436)
13. **Per Student Floor Funding.** Governor deleted intent to provide \$3,775 per student; Senate retained. (Sec. 450)
14. **Suicide Prevention.** Governor and Senate deleted intent for universities to develop education programs. (Sec. 462)
15. **Macomb County.** Governor and Senate deleted requirement for report on county residents enrolled at public universities. (Sec. 463)
16. **Research/Technology Commercialization Report.** Governor deleted requirement; Senate retained and added penalty for late submission. (Sec. 464)
17. **Coordination of Purchases/Services Among Universities.** Governor and Senate changed from intent to requirement. (Sec. 466)
18. **Performance Standards.** Governor and Senate deleted intent to establish for the public universities. (Sec. 467)
19. **University Operations.** Governor added description for three-part funding formula; Senate did not include. (Sec. 468)
20. **Pell Grant Report.** Governor added requirement; Senate did not include. (Sec. 469)
21. **Presidential Salaries.** Senate added intent for universities to limit increases to Detroit CPI. (Sec. 470)
22. **Timely Student Graduation.** Senate added intent for universities to provide counseling and not change general graduation requirements. (Sec. 471)
23. **2007 Delayed Payment.** Sen. added intent to penalize universities that did not provide promised tuition rebates. (Sec. 472)
24. **Community College Transfer Students.** Governor and Senate changed from intent to requirement that universities work with community colleges to facilitate transfer of credits. (Sec. 603)
25. **Audit of HEIDI Enrollment Data.** Governor added HEIDI Advisory Committee (Sec. 701(1)) and State Budget Director (Sec. 701(3)) as consultants and deleted fiscal agencies; Senate did not make these changes. (Sec. 701(1) and (3))
26. **New Academic Programs.** Governor and Senate deleted FY 2007-08 list of approved programs. (Sec. 701a)
27. **Federal Privacy Act.** Governor and Senate changed from intent to requirement that universities comply with disclosure provisions of the act. (Sec. 714)
28. **Nursing Education/Shortage.** Senate required report on status. (Sec. 715)

Date Completed: 3-20-08

Fiscal Analyst: Ellen Jeffries

FY 2008-09 HIGHER EDUCATION APPROPRIATIONS: SB 1099 - SENATE APPROPRIATIONS COMMITTEE RECOMMENDATION



	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	FY 2007-08 Adjusted Appropriation	2007-08 Approp Per Student*	Rebuild Base: Increase of 3.0%	Midwest Compact Dues	Financial Aid Adjustments	FY 2008-09 Senate Approps Rec.	Dollar Change From 2007-08	Percent Change From 2007-08	2008-09 Approp Per Student*
UNIVERSITIES									
Central	\$81,941,100	\$3,837	\$2,458,200			\$84,399,300	\$2,458,200	3.0%	\$3,952
Eastern	77,774,100	4,222	2,333,200			80,107,300	2,333,200	3.0%	4,348
Ferris	49,730,800	4,484	1,491,900			51,222,700	1,491,900	3.0%	4,619
Grand Valley	63,387,500	3,057	1,901,600			65,289,100	1,901,600	3.0%	3,149
Lake Superior	12,981,900	5,541	389,500			13,371,400	389,500	3.0%	5,707
Michigan State	290,139,800	6,753	8,704,200			298,844,000	8,704,200	3.0%	6,956
Michigan Tech	49,028,200	8,160	1,470,800			50,499,000	1,470,800	3.0%	8,405
Northern	46,171,500	5,408	1,385,100			47,556,600	1,385,100	3.0%	5,570
Oakland	51,932,900	3,549	1,558,000			53,490,900	1,558,000	3.0%	3,655
Saginaw Valley	28,356,200	3,603	850,700			29,206,900	850,700	3.0%	3,711
UM-Ann Arbor	323,439,900	8,020	9,703,200			333,143,100	9,703,200	3.0%	8,260
UM-Dearborn	25,295,000	4,196	758,900			26,053,900	758,900	3.0%	4,321
UM-Flint	21,379,900	4,065	641,400			22,021,300	641,400	3.0%	4,187
Wayne State	219,046,500	8,597	6,571,400			225,617,900	6,571,400	3.0%	8,855
Western	112,122,000	5,030	3,363,600			115,485,600	3,363,600	3.0%	5,181
Ag Experiment Station (AES)	33,996,200		1,019,900			35,016,100	1,019,900	3.0%	
Cooperative Extension (CES)	29,322,300		879,700			30,202,000	879,700	3.0%	
Payment Delay Restoration	0					0	0	na	
Higher Education Database	200,000					200,000	0	0.0%	
Midwest Higher Ed Compact	90,000			5,000		95,000	5,000	5.6%	
King-Chavez-Parks	2,691,500					2,691,500	0	0.0%	
Total Universities	\$1,519,027,300	\$5,734	\$45,481,300	\$5,000	\$0	\$1,564,513,600	\$45,486,300	3.0%	\$5,906
State GF/GP	\$1,519,027,300		\$45,481,300	\$5,000	\$0	\$1,564,513,600	\$45,486,300	3.0%	
GRANTS & FINANCIAL AID									
Competitive Scholarships	\$35,530,500					\$35,530,500	\$0	0.0%	
Tuition Grants	56,668,100					56,668,100	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	4,250,000					4,250,000	0	0.0%	
Michigan Merit Award Program	60,000,000				(54,800,000)	5,200,000	(54,800,000)	-91.3%	
Michigan Promise Grant Program	43,500,000				47,000,000	90,500,000	47,000,000	108.0%	
Tuition Incentive Program(TIP)	21,100,000				4,100,000	25,200,000	4,100,000	19.4%	
Children of Veterans Tuition	1,000,000					1,000,000	0	0.0%	
Project Gear-Up	3,000,000					3,000,000	0	0.0%	
Total Financial Aid	\$238,612,400		\$0	\$0	(\$3,700,000)	\$234,912,400	(\$3,700,000)	-1.6%	
Federal	7,400,000		0	0	0	7,400,000	0	0.0%	
Merit Award Trust Fund	123,600,000		0	0	(7,800,000)	115,800,000	(7,800,000)	-6.3%	
MHEAA Revenue	1,200,000		0	0	(1,200,000)	0	(1,200,000)	-100.0%	
Carry-Forward Funds	1,400,000		0	0	(1,400,000)	0	(1,400,000)	-100.0%	
Veterans Tax Checkoff	1,000,000		0	0	(700,000)	300,000	(700,000)	-70.0%	
State GF/GP	\$104,012,400		\$0	\$0	\$7,400,000	\$111,412,400	\$7,400,000	7.1%	
TOTAL HIGHER ED	\$1,757,639,700		\$45,481,300	\$5,000	(\$3,700,000)	\$1,799,426,000	\$41,786,300	2.4%	
TOTAL FEDERAL	7,400,000		0	0	0	7,400,000	0	0.0%	
TOTAL STATE RESTRICTED	127,200,000		0	0	(11,100,000)	116,100,000	(11,100,000)	-8.7%	
TOTAL STATE GF/GP	\$1,623,039,700		\$45,481,300	\$5,000	\$7,400,000	\$1,675,926,000	\$52,886,300	3.3%	