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House Bill 4360 (as introduced) Committee: Appropriations

FY 2006-07 Year-to-Date Gross Appropriation	\$289,879,400
Changes from FY 2006-07 Year-to-Date:	
 Inflationary Adjustment. The Governor included a 2.5% General Fund across-the-board increase for community college operations. 	7,089,600
 Wayne County Community College. The Governor's budget included a \$225,000 General Fund special adjustment for Wayne County Community College to fully restore \$450,000 that was reduced in FY 2003-04. Public Act 153 of 2006 (FY 2005-06 Supplemental Appropriation Bill) restored \$225,000. 	225,000
3. Renaissance Zones Tax Reimbursements. The Governor's recommendation increased funding from \$3,200,000 to \$3,375,000 based on projected payments pursuant to Public Act 376 of 1996.	175,000
Total Changes	\$7,489,600
FY 2007-08 Governor's Recommendation	\$297,369,000

Changes from FY 2006-07 Year to Date:

- 1. **Payment Distribution of Appropriation.** The Governor modified this section by eliminating the provision requiring At-risk funding to be paid in full by November 1 and that distributions shall not exceed the net State allocation authorized in the bill. (Sec. 211)
- 2. **Infrastructure, Technology, Equipment, and Maintenance (ITEM).** States legislative intent that ITEM funding provided in previous years will be restored. The Governor eliminated this section.
- 3. **Abortion Services.** Prohibits colleges from using funds appropriated in this Act to provide health insurance coverage for abortion services. Provides for certain exceptions and penalties. The Governor eliminated this section.
- 4. **Employee Benefits to Unmarried Partners.** States legislative intent that funds appropriated in Part 1 shall not be used to extend to extend employee benefits to unmarried partners of community college employees, except for pre and post natal costs. The Governor eliminated this section.
- 5. University Admissions Workgroup. Legislative intent that the Michigan Community College Association may create and administer a workgroup that includes members representing universities and K-12 school organizations to evaluate, discuss, and make recommendations for future action regarding university admission and enrollment policies that specifically address the acceptance and application of college credits earned by students through the Postsecondary Enrollment Options Act. This section was first included in FY 2002-03 to address concerns that certain universities are not accepting college credits earned by high school students. To date, no workgroup has been formed. The Governor eliminated this section.
- 6. **Expansion of Nursing Programs.** States legislative intent that a workgroup be formed to evaluate, discuss, and make recommendations concerning the expansion of nursing programs at community colleges. Provides that the chairs of the house and senate community college appropriations subcommittees shall create and administer the workgroup. Requires workgroup to submit a report by March 1, 2007. Expresses legislative intent that future appropriations fund the recommendations of the workgroup. The Governor eliminated this section.
- 7. **Parity to Higher Education Budget.** States legislative intent that any executive or legislative proposal or action, subsequent to the adoption of a recommendation for appropriations for community colleges for the fiscal year ending September 30, 2007, to increase appropriations to state-supported 4-year universities in excess of the governor's original recommendation for the fiscal year ending September 30, 2007, will be accompanied by a similar action or proposal for state-supported community colleges. The Governor eliminated this section.
- 8. **Economic Job Development Training Grants.** This section, with minor modifications, has been in the bill for several years. A "set-aside" provision for community colleges is also included in the Michigan Strategic Fund Appropriation Bill, which includes the actual appropriation and controls the allocation of these funds. The "set-aside" in that bill has ranged from 70% to 90%. The FY 2006-07 percentage listed in the Michigan Strategic Fund Appropriation Bill is 75%. The Governor eliminated this section.
- 9. Payments in Lieu of Taxes. States legislative intent that the Michigan community college association, the legislature, and other interested parties continue the discussion regarding payments in lieu of taxes, especially for those community college districts that contain significant portions of nontaxable land. The Governor eliminated this section.
- 10. **At Risk Student Success Program.** The Governor modified this section by requiring that equipment or information technology hardware or software purchased under this section must be associated with the operation of a program designed to address the needs of at-risk students.
- 11. Duplication of Audit and Reporting Requirements. Provides that it is the intent of the legislature that the frequency and scope of on-site visits, evaluations, audits, and similar activities be limited to that which is reasonably necessary to monitor the performance of community colleges and confirm the accuracy of reported data. Requires auditors to coordinate activities and minimize duplication of audit and reporting requirements imposed on community colleges. States intent that the Perkins grant application process and content shall be streamlined to the extent possible. The Governor eliminated this section.
- 12. **Tax Increment Finance Authorities (TIFAs) Report.** Requires the Department of Treasury to compile and publish a report on the property tax revenue loss for each community college as a result of TIFAs and tax abatement programs. The Governor eliminated this section.

Date Completed: 2-8-07 Fiscal Analyst: Bill Bowerman