



Senate Fiscal Agency  
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Senate Bill 1067 (S-1 as reported)  
Committee: Appropriations

<b>FY 2003-04 Year-to-Date Gross Appropriation .....</b>	<b>\$1,653,663,200</b>
<b>Changes from FY 2003-04 Year-to-Date:</b>	
1. <b>FY 2003-04 Tuition Restraint Supplemental.</b> Public Act 237 of 2003 restores 3.0% of the 5.0% Executive Order 2003-23 reduction to the base appropriation of each university, if two criteria are met: a) the school did not adopt a resident undergraduate tuition and fee rate increase after December 1, 2003, for academic year 2003-04; and b) the school certifies that it will not adopt a resident undergraduate tuition and fee rate increase for academic year 2004-05 that exceeds the increase in the fiscal year 2004-05 Detroit Consumer Price Index, as estimated at the January 2004 Consensus Revenue Estimating Conference. The Governor and the Senate assume that all 15 universities will comply.	43,903,000
2. <b>Agricultural Experiment Station (AES) and Cooperative Extension Service (CES).</b> The Governor proposes a 3.0% reduction for each of these programs, for total FY 2004-05 funding of \$32,168,900 for AES and \$27,746,200 for CES. The Senate retains the FY 2003-04 funding levels.	0
3. <b>Midwest Compact Dues.</b> The Senate inserts \$100 as a placeholder for discussion of this issue.	100
4. <b>State Competitive Scholarships.</b> A small amount of additional Federal funds are available for FY 2004-05, resulting in total funding of \$35,630,500; \$3,000,000 Federal and \$32,630,500 State GF/GP.	19,300
5. <b>Tuition Grants.</b> The Governor proposes to eliminate these need-based grants for students at independent colleges and universities; the Senate retains the current year funding of \$64,768,100.	0
6. <b>Tuition Incentive Program (TIP).</b> Due to an increase in TIP students attending college, an additional \$1,000,000 in Merit Award Trust Fund revenue is required for TIP.	1,000,000
7. <b>Comparison to Governor's Recommendation.</b> The Senate bill is \$66,621,200 Gross and GF/GP over the Governor.	
Total Changes.....	\$44,922,400
<b>FY 2004-05 Senate Appropriations Committee Gross Recommendation .....</b>	<b>\$1,698,585,600</b>

**Changes from FY 2003-04 Year to Date:**

1. **Buy American.** Governor and Senate add preference for Michigan businesses. (Sec. 209)
2. **Appropriations Report from Fiscal Agencies.** Governor deletes; Senate retains. (Sec. 212(3))
3. **Tuition Grants.** Governor deletes language due to proposed elimination of program; Senate retains. (Sec. 302)
4. **Quarterly Payment System for Financial Aid.** Governor revises to reflect 25%/25%/25%/25% schedule for all programs except Work Study and Byrd Scholarships; Senate retains current year schedule of 40%/40%/10%/10%. (Sec. 308)
5. **Tuition Incentive Program.** Governor and Senate remove prohibition for payments for theology and divinity courses. (Sec. 310)
6. **Joseph F. Young Psychiatric Research.** Governor reduces earmarking by 8.0%; Senate by 2.0%. (Sec. 401 (1))
7. **Douglas Lake.** Governor deletes Legislative intent to preserve long-term research value; Senate retains. (Sec. 402)
8. **Undergraduate Instruction.** Governor and Senate delete Legislative intent to recognize primacy and encourage an increase in tenured faculty for this purpose.
9. **Law Degree Students.** Governor and Senate delete prohibition on a university's use of State funds to collaborate with another university to increase first-time enrollment.
10. **Lists of Required Textbooks.** Governor deletes Legislative intent for accurate and timely access by private bookstores and the ability of students to decide where to purchase textbooks; Senate retains. (Sec. 426)
11. **Project GREEN.** Governor reduces earmarkings for AES and CES by 3.1%; Senate does not. (Sec. 433)
12. **MEDC/Universities Quarterly Reports.** Governor and Senate delete requirement.
13. **Tuition Restraint.** Governor and Senate allocate incentive amounts based on no tuition increase after December 1, 2003 for 2003-04, and tuition increase not to exceed Detroit CPI for 2004-05; allows retroactive compliance for 2003-04; Senate guarantees no reductions during FY 2004-05. (Sec. 436)
14. **Michigan Public School Employees Retirement System (MPERS).** Governor deletes Legislative intent to retain FY 2002-03 contribution rate for FY 2003-04; Senate refers to subsidy of \$4.9 million. (Sec. 437)
15. **Report on Smoking Policies in Dorms.** Governor and Senate delete requirement.
16. **Tuition and Fee Data.** Governor and Senate require submission to HEIDI by August 31, 2004, with any revisions submitted within 15 days of board adoption. (Sec. 440)
17. **Per-Student Floor Funding.** Senate adds legislative intent for per-student floor funding of \$3,800, based on FY 2002-03 fiscal-year-equated students. (Sec. 450)
18. **Student and Presidential Housing.** Senate adds report requirement. (Sec. 460)
19. **HEIDI Audits.** Governor and Senate revise definitions. (Sec. 701. (2) (a) and (3))
20. **New Academic Programs.** Governor and Senate delete FY 2003-04 list.
21. **Report on Need and Merit-Based Aid.** Governor and Senate delete requirement.
22. **Underutilized Degree Programs.** Governor requires universities to participate in a study to determine extent of such programs; Senate does not include. (Sec. 711)
23. **Tuition Restraint Policy.** Governor and Senate revise FY 2003-04 language. (Sec. 1201)
24. **Competitive Scholarships and Tuition Grants.** Senate retains requirement to notify recipients by June 30, 2004. (Sec. 1302)
25. **Repeal of Sec. 452 of 2003 PA 237.** Senate repeals previous tuition restraint language and replaces with Sec. 436 above. (Enacting Section 1)

Date Completed: 3-30-04

Fiscal Analyst: Ellen Jeffries

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

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