



Senate Fiscal Agency
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House Bill 4396 (S-1 as reported)
Committee: Appropriations

FY 2002-03 Year-to-Date Gross Appropriation	\$1,831,501,735
Changes from FY 2002-03 Year-to-Date:	
1. Across-the-Board Funding Reduction of 6.74%. The Governor, House, and Senate include a 6.74% reduction for University Operations, Agricultural Experiment Station, Cooperative Extension Service, and the King-Chavez-Parks Programs.	(109,661,771)
2. Rare Isotope Accelerator. The Governor, House, and Senate eliminate one-time funding.	(1,900,000)
3. Japan Center. The Governor and Senate eliminate funding; the House includes \$150,000.	(294,594)
4. Higher Education Database. The Governor and House reduce funding to a total of \$200,000; the Senate includes \$200,100.	(41,100)
5. Midwest Higher Education Compact Dues. The Governor eliminates funding, the House retains at FY 2002-03 amount of \$82,500; the Senate includes \$100.	(82,400)
6. Per-Student Floor Funding. The Senate includes a \$4,000 per-student funding floor, funded from the Merit Award Trust Fund.	21,690,826
7. Infrastructure, Technology, Equipment, and Maintenance (ITEM). The Senate appropriates \$100,000 to each of the 15 universities, and a total of \$100,000 is distributed to independent colleges through the General Degree Reimbursement Program; funding is from the Merit Award Trust Fund.	1,600,000
8. Western Michigan University. The Senate appropriates \$10 million for the creation of a Life Sciences Research and Commercialization Center.	10,000,000
9. Grants and Financial Aid. The Governor eliminates seven FY 2002-03 programs, the House eliminates three, and the Senate retains all of them. Neither the House nor the Senate include the Governor's proposed Michigan Opportunity Scholarship Program. The Senate reduces by 6.74% across-the-board all FY 2002-03 financial aid programs, except the Nursing Scholarship Program (which is retained at \$4 million) and those programs listed in items 8, 9 and 10.	(8,207,572)
10. Federal Fund Reductions. The House and Senate include the Governor's recommended reductions in available Federal funds for State Competitive Scholarships (\$700,000) and the Robert Byrd Scholarship Program (\$400,000).	(1,100,000)
11. Michigan Merit Awards. The House and Senate do not concur with the Governor's reduction of awards from \$2,500 to \$500 beginning with the class of 2004, nor do they concur with the Governor's proposed accounting change. The Senate adds \$70.7 million to the FY 2002-03 Merit Award amount of \$64.3 million, for an FY 2003-04 total of \$135 million.	70,676,150
12. Tuition Incentive Program. The Senate concurs with the Governor's funding level and adds \$4 million due to increased caseload estimates; the House does not concur and retains FY 2002-03 funding of \$5,250,000. The Senate does not phase out the program as the Governor and House propose.	4,000,000
13. Comparison to Governor's Recommendation. The Senate bill is \$102,744,274 Gross over the Governor and \$9,553,348 GF/GP over the Governor.	
Total Changes	(\$13,320,461)
FY 2003-04 Senate Appropriations Committee Gross Appropriation	\$1,818,181,274

Changes from FY 2002-03 Year to Date:

1. **Annual Report on Restricted Funds.** Governor, House, and Senate delete requirement.
2. **Capital Outlay.** Governor, House, and Senate delete legislative intent for competitive bids for State projects since the DMB Act already requires it.
3. **Tuition Grant Program.** House and Senate change application deadline from September 1 to July 15, 2003. (Sec. 302(2))
4. **General Degree Reimbursement Program.** Governor, House, and Senate delete earmarks for University of Detroit-Mercy, Marygrove, and Finlandia. (Sec. 304)
5. **Nursing Scholarship Program.** Governor, House, and Senate include reference to enabling legislation, Public Act 591 of 2002. (Sec. 312)
6. **Dental Clinics Grant.** Governor, House, and Senate earmark appropriation for the University of Detroit Mercy School of Dentistry to support services to low-income residents of southeastern Michigan. (Sec. 315)
7. **HEIDI Advisory Committee.** Governor, House, and Senate replace database conversion with maintenance and enhancement. (Sec. 405(2))
8. **Per-Student Floor Funding.** Senate deletes reference to floors of \$4,600, \$4,800, \$5,800, and \$9,100 per-student and replaces with one \$4,000 per-student funding floor. (Sec. 409)
9. **Study of Automatic Sprinklers in Dorms.** Governor, House, and Senate delete requirement because the study has been completed.
10. **Textbook Purchases.** Senate adds requirement for Presidents Council to report on potential for public universities to provide group purchasing for textbooks. (Sec. 426(2))
11. **Tuition Restraint.** Governor, House, and Senate replace 8.5% or \$425 limit on tuition increases with a directive to adopt reasonable tuition and fee increases. (Sec. 436)
12. **Enrollment Policy Workgroup.** Governor, House, and Senate delete requirement.
13. **Michigan Public School Employees Retirement System (MPSERS).** House and Senate include legislative intent to retain FY 2002-03 contribution rate for FY 2003-04. (Sec. 437)
14. **Report on Smoking Policies in Dorms.** House and Senate add requirement. (Sec. 439)
15. **Western Michigan University.** Senate includes base funding allocation of \$10 million for creation of Life Sciences Research and Commercialization Center. (Sec. 441)
16. **New Academic Programs.** Senate adds Presidents Council list of approved programs. (Sec. 701a)
17. **Report on Faculty.** Governor, House, and Senate delete requirement due to availability of information in the Higher Education database (HEIDI).
18. **Performance Audits of State Universities.** Governor and House allow three annually; Senate requires three annually. (Sec. 708)
19. **FY 2002-03 Supplemental Fund Source Shift.** Senate includes shift from Merit Award Trust Fund to Tobacco Settlement Trust Fund. (Sec. 1101)
20. **FY 2002-03 Notification Deadline.** Senate requires notification by July 1, 2003, for Michigan Competitive Scholarship and Tuition Grant applicants. (Sec. 1102)

Date Completed: 6-13-03

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