



Senate Fiscal Agency
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FY 2002-03 Year-to-Date Gross Appropriation \$1,831,501,735

Changes from FY 2002-03 Year-to-Date:

Items included by the House and Senate

1. **Across-the-Board Funding Reduction of 6.74%.** The Governor, House, and Senate included a 6.74% reduction for University Operations, Agricultural Experiment Station, Cooperative Extension Service, and the King-Chavez-Parks Programs. (109,662,071)
2. **Rare Isotope Accelerator.** The Governor, House, and Senate eliminated one-time funding. (1,900,000)
3. **Federal Fund Reductions.** The House and Senate included 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)

Conference Agreement on Items of Difference

4. **Per-Student Floor Funding.** The Senate included a \$4,000 per-student funding floor, funded from the Merit Award Trust Fund; the Conferees include a \$3,890 funding floor. 9,500,000
5. **Infrastructure, Technology, Equipment, and Maintenance (ITEM).** The Senate appropriated \$100,000 to each of the 15 universities, and a total of \$100,000 was distributed to independent colleges through the General Degree Reimbursement Program; funding was from the Merit Award Trust Fund. The Conferees did not include ITEM funding. 0
6. **Western Michigan University.** The Senate appropriated \$10 million for the creation of a Life Sciences Research and Commercialization Center. The Conference Report does not include this item but funding is recommended in the Strategic Fund budget. 0
7. **Japan Center.** The Governor and Senate eliminated funding; the House included \$150,000; Conferees concur with Senate. (294,594)
8. **Higher Education Database.** The Governor and House reduced funding to a total of \$200,000; the Senate included \$200,100; Conferees concur with House. (41,200)
9. **Midwest Higher Education Compact Dues.** The Governor eliminated funding, the House retained at FY 2002-03 amount of \$82,500; the Senate included \$100; Conferees concur with House. 0
10. **Grants and Financial Aid.** The Governor eliminated seven FY 2002-03 programs, the House eliminated three, and the Senate retained all of them. The Senate reduced these programs by 6.74% across-the-board. Neither the House nor the Senate included the Governor's proposed Michigan Opportunity Scholarship Program. The Conferees concur with the Senate's 6.74% reduction but eliminate funding for degree reimbursement and add these dollars proportionately to Competitive Scholarships and Tuition Grants. (7,843,020)
11. **Michigan Merit Awards.** The House and Senate did not concur with the Governor's reduction of awards from \$2,500 to \$500 beginning with the class of 2004, nor did they concur with the Governor's proposed accounting change. The Senate added \$70.7 million to the FY 2002-03 Merit Award amount of \$64.3 million, for an FY 2003-04 total of \$135 million. The Conferees include a total of \$130 million. 65,676,150
12. **Tuition Incentive Program.** The Senate concurred with the Governor's funding level which included an increase of \$4 million due to increased caseload estimates; the House did not concur and retained FY 2002-03 funding of \$5,250,000. The Senate did not phase out the program as the Governor and House proposed. The Conferees concur with the Senate. 4,000,000
13. **FY 2002-03 Supplemental Funding.** \$1.5 million for Central, \$2,750,000 for 11 schools based on their proportionate share of the budget, and \$2,750,000 distributed to 11 schools in equal amounts of \$250,000.

Total Changes (\$41,664,735)

FY 2003-04 Conference Report Gross Appropriation \$1,789,837,000

Amount Over/(Under) GF/GP Target: \$0

Changes from FY 2002-03 Year to Date:Items Included by House and Senate

1. **Annual Report on Restricted Funds.** Governor, House, and Senate deleted requirement.
2. **Capital Outlay.** Governor, House, and Senate deleted legislative intent for competitive bids for State projects since the DMB Act already requires it.
3. **Tuition Grant Program.** House and Senate changed application deadline from September 1 to July 15, 2003. (Sec. 302(2))
4. **General Degree Reimbursement Program.** Governor, House, and Senate deleted earmarks for University of Detroit-Mercy, Marygrove, and Finlandia. (Sec. 304)
5. **Nursing Scholarship Program.** Governor, House, and Senate included reference to enabling legislation, Public Act 591 of 2002. (Sec. 312)
6. **Dental Clinics Grant.** Governor, House, and Senate earmarked 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 replaced database conversion with maintenance and enhancement. (Sec. 405(2))
8. **Study of Automatic Sprinklers in Dorms.** Governor, House, and Senate deleted requirement because the study has been completed.
9. **Tuition Restraint.** Governor, House, and Senate replaced 8.5% or \$425 limit on tuition increases with a directive to adopt reasonable tuition and fee increases. (Sec. 436)
10. **Enrollment Policy Workgroup.** Governor, House, and Senate deleted requirement.
11. **Michigan Public School Employees Retirement System (MPSERS).** House and Senate included legislative intent to retain FY 2002-03 contribution rate for FY 2003-04. (Sec. 437)
12. **Report on Smoking Policies in Dorms.** House and Senate added requirement. (Sec. 439)
13. **Report on Faculty.** Governor, House, and Senate deleted requirement due to availability of information in the Higher Education database (HEIDI).

Conference Agreement on Items of Difference

14. **General/Allied Health Degree Reimbursement.** Conferees delete all references to these programs.
15. **Per-Student Floor Funding.** Senate deleted reference to floors of \$4,600, \$4,800, \$5,800, and \$9,100 per-student and replaced with one \$4,000 per-student funding floor. Conference Report includes no floor funding language.
16. **Textbook Purchases.** Senate added requirement for Presidents Council to report on potential for public universities to provide group purchasing for textbooks. Conferees do not include.
17. **Western Michigan University.** Senate included base funding allocation of \$10 million for creation of Life Sciences Research and Commercialization Center. Conferees do not include.
18. **New Academic Programs.** Senate added Presidents Council list of approved programs. Conferees concur with Senate and require list of eliminated programs. (Sec. 701a)
19. **Performance Audits of State Universities.** Governor and House allow three annually; Senate requires three annually. Conferees concur with House. (Sec. 708)
20. **FY 2002-03 Supplemental Fund Source Shift.** Senate included shift from Merit Award Trust Fund to Tobacco Settlement Trust Fund. Conferees concur with Senate. (Sec. 1101)
21. **FY 2002-03 Notification Deadline.** Senate required notification by July 1, 2003, for Michigan Competitive Scholarship and Tuition Grant applicants. Conferees change date to July 31. (Sec. 1102)

Date Completed: 7-16-03

Fiscal Analyst: Ellen Jeffries

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