



Senate Fiscal Agency  
P.O. Box 30036  
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-2768  
Fax: (517) 373-1986

**Senate Bill 924:  
FY 2022-23 Education Omnibus Appropriation Bill**

**Bill Page Nos.**

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Date Completed: 3-22-22



Telephone: (517) 373-2768  
Fax: (517) 373-1986

Article 1  
Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions .....	0.0	0.0	N/A	N/A
<b>GROSS</b> .....	<b>16,978,110,700</b>	<b>18,356,039,200</b>	<b>1,377,928,500</b>	<b>8.1</b>
Less:				
Interdepartmental Grants Received .....	0	0	0	0.0
<b>ADJUSTED GROSS</b> .....	<b>16,978,110,700</b>	<b>18,356,039,200</b>	<b>1,377,928,500</b>	<b>8.1</b>
Less:				
Federal Funds .....	2,024,478,500	2,191,243,500	166,765,000	8.2
Local and Private .....	0	0	0	0.0
<b>TOTAL STATE SPENDING</b> .....	<b>14,953,632,200</b>	<b>16,164,795,700</b>	<b>1,211,163,500</b>	<b>8.1</b>
Less:				
Other State Restricted Funds .....	14,868,232,200	16,056,595,700	1,188,363,500	8.0
<b>GENERAL FUND/GENERAL PURPOSE</b> .....	<b>85,400,000</b>	<b>108,200,000</b>	<b>22,800,000</b>	<b>26.7</b>
<b>PAYMENTS TO LOCALS</b> .....	<b>14,743,857,700</b>	<b>15,788,938,300</b>	<b>1,045,080,600</b>	<b>7.1</b>

\*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
<b>FY 2021-22 Year-to-Date Appropriation</b> .....	<b>\$16,978,110,700</b>	<b>\$85,400,000</b>

**Changes from FY 2021-22 Year-to-Date:**

- |   |               |            |
|---|---------------|------------|
| 1. <b>Retention Bonuses.</b> Governor included funding for teachers and other certified staff for retention bonuses of up to \$11,000 if they stay at their current school or move to a Title I eligible school. Also includes bonuses for administrators, paraprofessionals, and noninstructional staff of up to \$4,000 if they stay for two years or move to a Title I eligible school.  | 1,500,000,000 | 0          |
| 2. <b>Teacher and Staff Recruiting.</b> Governor included funding for various programs to recruit new teachers and staff, including the Michigan Future Educator Fellowship (\$150.0 million), stipends for student teachers (\$150.0 million), grow-your-own programs (\$150.0 million), innovation grants to attract and retain talent (\$75.0 million), School Leaders scholarships (\$50.0 million), educator onboarding programs (\$50.0 million), and a Michigan educational workforce study (\$500,000). | 625,500,000   | 500,000    |
| 3. <b>Federal Funding Increases and Reappropriation.</b> Governor included increased authorization for Federal school lunch program (\$374.7 million) as increased eligibility and flexibility during the COVID-19 pandemic is expected to continue. Also reappropriates \$52,056,000 in Federal funds for summer programs to be used in the summer 2022.   | 426,756,000   | 0          |
| 4. <b>DPSCD Settlement Payment.</b> Governor included funding for literacy initiatives, per the <i>Gary B. v. Whitmer</i> settlement.   | 94,400,000    | 94,400,000 |

5. <b>Great Start Readiness Program (GSRP) Startup Grants.</b> Governor included grants for intermediate school districts (ISDs) to create new GSRP classrooms or expand existing classrooms. Grants would be for up to \$25,000 per new or expanded classroom.	30,000,000	0
6. <b>Oxford Response.</b> Governor included funding for Oxford school district for personnel and additional student supports, including psychologists, family liaisons, mental health staff, school security, additional learning time, and the repair or replacement of carpets, ceilings, and furniture.	6,000,000	0
7. <b>School Infrastructure Fund.</b> Governor reserved \$1.0 billion from the School Aid Fund for a new School Infrastructure Fund, which would be housed within the School Aid Fund. Funds could be used upon appropriation for aid to school districts or ISDs for qualifying infrastructure projects. Money in the fund remaining at the end of the fiscal year would not lapse to the School Aid Fund.	0	0
8. <b>Other Changes.</b> Governor included various increases, decreases, and fund shifts to align funding with current costs. Increases included promise zone payments (\$1.0 million), State share of school lunch programs (\$715,000), Great Start readiness (\$250,000), and bus driver safety (\$159,000). Decreases included foundation allowance payments (\$256.0 million), special education payments (\$68.5 million), PRIME (\$6.0 million), and renaissance zone reimbursements (\$1.3 million).	(329,676,000)	6,600,000
<b>Total Supplemental Changes</b> .....	<b>\$2,352,980,000</b>	<b>\$101,500,000</b>

<b>FY 2022-23 CHANGES REQUESTED TO FY 2021-22</b>	<b>Gross</b>	<b>GF/GP</b>
<b>FY 2021-22 Year-to-Date Appropriation</b> .....	<b>\$16,978,110,700</b>	<b>\$85,400,000</b>

**Changes from FY 2021-22 Year-to-Date:**

1. <b>Foundation Allowance Increase.</b> Governor increased the target foundation allowance \$435 (5%) to \$9,135 per pupil. All districts below the target would receive at least \$9,135 per pupil, except for 100% online cyber schools, which would continue to receive \$8,700 per pupil.	580,000,000	0
2. <b>Federal Funds.</b> Governor adjusted Federal funds authorizations to align with expected revenue, including school lunch programs (\$359.0 million), special education - Federal IDEA (\$10.0 million), and MI-STEM Network Regions (negative \$235,000).	368,765,000	0
3. <b>At-Risk Programs.</b> Governor increased funding for at-risk programs so that all districts would receive full funding under the program (11.5% of the target foundation allowance).	222,000,000	0
4. <b>School Infrastructure.</b> Governor included a new program to allow districts to apply for financial support for infrastructure and capital projects.	171,000,000	1,000,000
5. <b>Educator Recruitment and Retention.</b> Governor included two new programs to increase educator recruitment and retention. The Michigan Future Educator Fellowship (\$100.0 million) would provide tuition reimbursement for students seeking to become PreK-12 teachers. The educator onboarding programs (\$50.0 million) would provide funding to districts to create onboarding and mentoring programs for new teachers.	150,000,000	0
6. <b>Special Education.</b> Governor included funding to raise the special education cost reimbursement rate from 3.0% to 8.0% (\$150.0 million) and increase funding for the Early On program by 50.0% (\$7.1 million). Also reduced funding to various special education lines to align funding with current costs (negative \$33.5 million).	123,600,000	0

<p>7. <b>Mental Health.</b> Governor included several new programs and increased funding to others to address student mental health needs. Funding was included to expand the TRAILS program statewide (\$150.0 million), help districts purchase mental health screening tools (\$25.0 million), and provide school-based personnel access to professional development and same-day consultation via telehealth with behavioral health clinicians to respond to complex student mental health needs (\$5.0 million). Also included \$50.0 million for ISDs to hire mental health professionals, and \$11.0 million to open an estimate 40 school-based health clinics.</p>	<p>121,000,000</p>	<p>0</p>
<p>8. <b>Great Start Readiness Program.</b> Governor expanded funding for the GSRP (\$33.0 million) and shifted \$121.0 million in funds from Federal to SAF. Also included funding to expand enrollment efforts for early childhood programs (\$7.5 million), a GSRP home pilot program (\$5.0 million), and home visitation programs (\$2.0 million).</p>	<p>47,500,000</p>	<p>0</p>
<p>9. <b>Student Safety.</b> Governor increased funding for school safety grants (\$41.0 million) and included funding for a pilot program (Cross-Systems Interventions) to identify and help middle and high school students at risk of committing acts of violence (\$15.0 million). Also shifted \$2.5 million from GF/GP to SAF to eliminate school safety grants for nonpublic schools.</p>	<p>56,000,000</p>	<p>(2,500,000)</p>
<p>10. <b>Before and After School Programs.</b> Governor included new funding for a competitive grant program for eligible applicants to expand access to quality, affordable programming before and after the school day for children in grades K-12.</p>	<p>50,000,000</p>	<p>50,000,000</p>
<p>11. <b>Vocational and Career and Technical Education (CTE).</b> Governor increased funding for ISD vocational education millage reimbursement (\$10.8 million), vocational education (\$10.0 million), and CTE equipment upgrades (\$2.5 million).</p>	<p>23,310,000</p>	<p>2,500,000</p>
<p>12. <b>MPSERS Rate Adjustments.</b> Governor increased funding for MSPERS cost offset (\$12,071,000) to allow ISDs and libraries to offset costs at the same rate as districts and made other adjustments to align funding with current costs.</p>	<p>20,261,000</p>	<p>21,000</p>
<p>13. <b>Student Assessments.</b> Governor increased funding for the State share of student assessments because of increased requirements and costs.</p>	<p>8,000,000</p>	<p>0</p>
<p>14. <b>5% Increase to Other Programs.</b> Governor increased funding by 5% for ISD general operations (\$3,595,200), bilingual education (\$1,275,000), and funding for isolated districts (\$421,000).</p>	<p>5,291,200</p>	<p>0</p>
<p>15. <b>Remove Funding for Nonpublic Schools.</b> Governor eliminated funding for nonpublic school reimbursements under section 152b (\$1.0 million) and shifted \$600,000 from GF/GP to the School Aid Fund to remove funding for nonpublic schools in the First Robotics program.</p>	<p>(1,000,000)</p>	<p>(1,600,000)</p>
<p>16. <b>One-time program eliminations.</b> Governor eliminated funding for one-time programs funded in the FY 2021-22 budget, most notably wraparound services staffing (\$240.0 million), funding for year round schools (\$135.0 million), Inkster school district debt (\$25.5 million), attendance recovery program (\$6.0 million), Imagine Learning (\$6.0 million), civics and model government programs (\$3.75 million), and other programs (\$25.8 million).</p>	<p>(208,081,900)</p>	<p>(32,581,900)</p>
<p>17. <b>Other Changes.</b> Governor made several changes to align funding with current costs, most notably reductions to the foundation allowance because of reduced pupils (\$361.0 million). Also moved MI-STEM council supports to the Department of Education (\$300,000). Other changes came to a net increase of \$1,315,000.</p>	<p>(359,985,000)</p>	<p>5,731,100</p>

18. <b>Economic Adjustments.</b> Includes \$268,200 Gross and \$38,400 GF/GP for total economic adjustments, of which an estimated negative \$108,100 Gross and negative \$92,900 GF/GP is for legacy retirement costs (pension and retiree health).	268,200	229,800
Total Changes .....	\$1,377,928,500	\$22,800,000
<b>FY 2022-23 Governor's Recommendation .....</b>	<b>\$18,356,039,200</b>	<b>\$108,200,000</b>

**Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:**

- School Infrastructure Fund.** Governor added a section to establish the School Infrastructure Fund as a separate account within the School Aid Fund. Money in the School Infrastructure Fund may be spent only upon appropriation to districts and ISDs for infrastructure projects, and money remaining in the Fund does not lapse to the SAF at the end of the year (Sec. 11x).
- Wraparound Services.** Governor added language to make ISDs eligible for payments to hire mental health professionals (Sec. 31o).
- Benchmark Assessments.** Governor added language allowing MDE to specify the length of time allowed for districts to submit benchmark assessment data. Also changed the due date for MDE to submit the report of benchmark assessment data from June 15, 2023, to September 30, 2023 (Sec. 104h).
- Technical Changes for Sec. 20m Payments.** Governor added language in multiple sections to ensure that districts receiving supplemental foundation allowance payments under section 20m have their State payments for the foundation allowance and at-risk payments properly calculated (Sec. 20 and 31a).

**FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:**

- At Risk.** Governor changed language so that all districts receive 11.5% of the target foundation allowance (Sec. 31a).
- Mental Health.** Governor added language to allow ISDs to contract with other ISDs for mental health and support services (Sec. 31n) and added language to make ISDs eligible for wraparound services funding (Sec. 31o).
- Great Start Early Childhood Block Grants.** Governor added language so the goal of Great Start collaboratives and parent coalitions includes increasing the number of eligible children that are enrolled from birth to age eight in publicly funded programs and services. The percent of funding an ISD may carry over is reduced from 20% to 15% (Sec. 32p).
- GSRP Payment per Full-Day Slot.** Governor increased the slot payment from \$8,700 to \$9,135 (Sec. 32d).
- Michigan Integrated Behavior and Learning Support Initiative (MiBLSI) Name Change.** Governor changed references to the MiBLSI to Michigan's Multi-Tiered System of Supports (MIMTSS) Center (Sec. 54b).
- ISD Special Education and Vocational/CTE Education Millage Equalization.** Governor modified reimbursement to consider Brownfield Redevelopment reimbursements under Sec. 26d (Sec. 56 and 62).
- School Safety Grants.** Governor added as an acceptable use for grant "hire school resource officers" and removed "conduct school building safety assessments". Added a requirement that applicants document how they used community input to guide their grant applications, and, once approved, must host at least one community conversation about school safety and mental health. Removed from priority consideration "projects that involve multiple agencies working in partnership". Allowed applicants to use funding to create new school resource officer positions and allowed grants to be given in relation to the same school building in different grant application periods. Also, added language to allow MDE to use up to \$1.0 million to evaluate the effectiveness of grants awarded (Sec. 97).
- First Robotics.** Governor added language to allow MDE to require programs to report certain metrics (Sec. 99h).
- Benchmark Assessments.** Governor added language allowing MDE to specify the length of time allowed for districts to submit benchmark assessment data. Also changed the due date for MDE to submit the report of benchmark assessment data from June 15, 2023, to September 25, 2024, and updated references to years throughout (Sec. 104h).

10. **Adult Education.** Governor reduced, from 25% to 15%, the percent of adult education participants served to have a diploma or certificate at time of enrollment and receive remediation services (Sec. 107).
11. **Repealed Sections.** Governor repealed sections related to the School Mental Health and Support Services Fund (Sec. 31m), first-year teacher incentives (Sec. 99z), legal action against the State (Sec. 164g), collective bargaining agreement prohibitions (Sec. 164h), and abortion referrals (Sec. 166). Also repealed various sections related to program eliminations above.
12. **Technical Changes for Sec. 20m Payments.** Governor added language in multiple sections to ensure that districts receiving supplemental foundation allowance payments under section 20m have their State payments for the foundation allowance properly calculated (Sec. 20).
13. **Membership Definitions for Pandemic Learning.** Governor eliminated special membership provisions and definitions related to pandemic learning. The calculation of pupils in membership for FY 2022-23 would be 90% applied to the count of students in October 2022 plus 10% applied to the count of students in February 2022 (Sec. 6).
14. **FY 2021-22 Terms, Definitions, Provisions.** Throughout the bill, one-year provisions related to pandemic learning, days and hours, assessments, and more are removed (Various sections).

Date Completed: 3-22-22

Fiscal Analyst: Ryan M. Bergan



Fiscal Years 2021-22 and 2022-23 Governor's Recommendations  
 FY 2021-2022 Year-to-Date, Supplemental Request 2022-3, and FY 2022-23

Section	Line Item Description	FY 2021-22 Year-to-Date PA 48 of 2021	FY 2021-22 Supplemental Request 2022-3*	FY 2022-23 Governor's Recommendation	Change From FY 2021-22 Year-to-Date
11j	School Bond Loan Fund Payments - Debt Service	\$111,000,000		\$111,000,000	\$0
11m	Cash Flow Borrowing Costs	\$9,500,000		\$10,400,000	\$900,000
11s	Flint Declaration of Emergency	\$8,075,100		\$8,075,100	\$0
11s	Educare	\$1,000,000		\$1,000,000	\$0
11s	Early Childhood Collaborative	\$1,384,900		\$0	(\$1,384,900)
11v	DPSCD Settlement Payment	\$0	\$94,400,000	\$0	\$0
11w	Oxford Response	\$0	\$6,000,000	\$0	\$0
11y	School Infrastructure	\$0		\$171,000,000	\$171,000,000
20f	Categorical Offset Payments	\$18,000,000		\$18,000,000	\$0
21h	Partnership Model Districts	\$6,137,400		\$6,137,400	\$0
22a	Proposal A Obligation Payment	\$4,742,000,000		\$4,421,000,000	(\$321,000,000)
22b	Discretionary Payment - State	\$5,204,000,000		\$5,744,000,000	\$540,000,000
22c	Equity Payment	\$3,000,000		\$3,000,000	\$0
22d	Isolated Districts Funding	\$8,420,000		\$8,841,000	\$421,000
22g	Inkster Debt	\$25,500,000		\$0	(\$25,500,000)
22m	Technology Regional Data Hubs	\$2,200,000		\$2,200,000	\$0
24	Court-Placed Pupils	\$7,650,000		\$7,650,000	\$0
24a	Juvenile Detention Facilities	\$1,355,700		\$1,355,700	\$0
25f	Strict Discipline Academies	\$1,600,000		\$1,600,000	\$0
25g	Dropout Recovery	\$750,000		\$750,000	\$0
25i	Attendance Recovery	\$6,000,000		\$0	(\$6,000,000)
26a	Renaissance Zone Costs	\$15,300,000		\$14,000,000	(\$1,300,000)
26b	PILT Reimbursement	\$4,710,000		\$4,710,000	\$0
26c	Promise Zone	\$13,800,000		\$14,800,000	\$1,000,000
26d	ISD Brownfield Redevelopment Reimbursement	\$7,500,000		\$7,500,000	\$0
27a	Michigan Future Educator Fellowship	\$0	\$150,000,000	\$100,000,000	\$100,000,000
27a	Stipends for student teachers	\$0	\$150,000,000	\$0	\$0
27a	School Leaders Scholarships	\$0	\$50,000,000	\$0	\$0
27b	Grow-Your-Own	\$0	\$150,000,000	\$0	\$0
27c	Retention Bonuses	\$0	\$1,500,000,000	\$0	\$0
27d	Educator Onboarding Programs	\$0	\$50,000,000	\$50,000,000	\$50,000,000
27e	Innovation Grants	\$0	\$75,000,000	\$0	\$0
27f	Michigan Educational Workforce Study	\$0	\$500,000	\$0	\$0
31a	"At Risk" Pupil Support - Base	\$512,500,000		\$746,500,000	\$234,000,000
31a(7)	Child and Adolescent Health Centers	\$8,000,000		\$19,000,000	\$11,000,000
31a(8)	Vision/Hearing/Dental Screening	\$6,650,000		\$6,650,000	\$0
31a(17)	At Risk Hold Harmless	\$12,000,000		\$0	(\$12,000,000)
31d	School Lunch Programs - State Share	\$23,838,400		\$24,553,400	\$715,000
31d	School Lunch Programs - Federal Share	\$556,000,000		\$915,000,000	\$359,000,000
31f	School Breakfast	\$11,900,000		\$11,900,000	\$0
31j	Support of Local Produce in School Meals	\$4,500,000		\$4,500,000	\$0
31n	School Mental Health	\$53,900,000		\$103,900,000	\$50,000,000
31n(11)	Specialized Mental Health Needs	\$0		\$5,000,000	\$5,000,000
31n(12)	Universal Mental Health Screenings	\$0		\$25,000,000	\$25,000,000
31o	School Nurses, Counselors	\$240,000,000		\$120,000,000	(\$120,000,000)
31p	TRAILS	\$0		\$150,000,000	\$150,000,000
31y	Year-Round Schools: 3% Foundation Increase	\$60,000,000		\$0	(\$60,000,000)
31z	Year-Round Schools: One-Time HVAC/etc.	\$75,000,000		\$0	(\$75,000,000)
32d	Great Start Readiness Program - State	\$297,470,000		\$451,470,000	\$154,000,000
32d	Great Start Readiness Program - Federal	\$121,000,000		\$0	(\$121,000,000)
32d	GSRP Startup Grants	\$0	\$30,000,000	\$0	\$0
32n	Before and After School Programs	\$0		\$50,000,000	\$50,000,000
32p	Great Start Early Childhood Block Grants	\$13,400,000		\$22,900,000	\$9,500,000
32s	GSRP Home Pilot	\$0		\$5,000,000	\$5,000,000
35a(3)	Investment in Literacy Coaches for K-3 Teachers	\$31,500,000		\$31,500,000	\$0
35a(4)	Early Literacy District Grants	\$19,900,000		\$19,900,000	\$0
35a(7)	Literacy Peer-to-Peer Coaching and Math Essentials	\$6,000,000		\$6,000,000	\$0
35a(8)	Michigan Education Corps	\$3,500,000		\$3,500,000	\$0
35a(10)	LETRS: Professional Learning Early Literacy	\$4,000,000		\$4,000,000	\$0
35b	Children's Choice Initiative	\$250,000		\$0	(\$250,000)



Fiscal Years 2021-22 and 2022-23 Governor's Recommendations  
 FY 2021-2022 Year-to-Date, Supplemental Request 2022-3, and FY 2022-23

Section	Line Item Description	FY 2021-22 Year-to-Date PA 48 of 2021	FY 2021-22 Supplemental Request 2022-3*	FY 2022-23 Governor's Recommendation	Change From FY 2021-22 Year-to-Date
35d	Orton Gillingham Dyslexic Tool	\$1,000,000		\$0	(\$1,000,000)
35e	Boys and Girls Club	\$2,000,000		\$0	(\$2,000,000)
35f	Chaldean Community Foundation	\$750,000		\$0	(\$750,000)
35g	Innovative Community Libraries	\$1,000,000		\$0	(\$1,000,000)
35h	Jewish Federation	\$1,700,000		\$0	(\$1,700,000)
39a(1)	NCLB Federal DOE Grants	\$752,300,000		\$752,300,000	\$0
39a(2)	Other Non-NCLB Federal DOE Grants	\$56,500,000		\$56,500,000	\$0
41	Bilingual Education	\$25,200,000		\$26,475,000	\$1,275,000
41a	Mi Alma - Exito Educativo	\$450,000		\$0	(\$450,000)
51a	Special Education - Federal IDEA	\$380,000,000		\$390,000,000	\$10,000,000
51a(2)	Spec. Ed. Foundations - State Share	\$332,000,000		\$323,300,000	(\$8,700,000)
51a(3)	Spec. Ed. Hold Harmless to ISDs - State Share	\$1,000,000		\$1,000,000	\$0
51a(6)	Spec. Ed. Rules Change - State Share	\$2,200,000		\$2,200,000	\$0
51a(11)	Spec. Ed. Non Sec. 52 to ISDs - State Share	\$2,900,000		\$1,500,000	(\$1,400,000)
51c	Special Education Headlee - State Share	\$733,400,000		\$710,000,000	(\$23,400,000)
51d	Special Education - Other Federal	\$71,000,000		\$71,000,000	\$0
51f	Special Education - additional percentage	\$90,207,000		\$240,207,000	\$150,000,000
51g	Special Education Learning Library	\$3,000,000		\$3,000,000	\$0
53a	Court-Placed Spec. Ed. FTEs - State Share	\$10,500,000		\$10,500,000	\$0
54	MI School for Deaf and Blind - State Share	\$1,688,000		\$1,688,000	\$0
54b	Integrated Behavior and Learning Support (MiBLSi)	\$1,600,000		\$1,600,000	\$0
54d	Special Ed Taskforce - Early On	\$14,150,000		\$21,250,000	\$7,100,000
55	Conductive Learning Center	\$250,000		\$0	(\$250,000)
56	Spec. Ed. Millage Equalization - State Share	\$40,008,100		\$40,008,100	\$0
56(7)	ISD special education millage equalization bonus	\$34,200,000		\$34,200,000	\$0
61a	Vocational Education	\$37,611,300		\$47,611,300	\$10,000,000
61b	Career and Technical Education/Dual Enrollment	\$8,000,000		\$8,000,000	\$0
61c	CTE Equipment Upgrades	\$7,500,000		\$10,000,000	\$2,500,000
61d	CTE Incentive Payments	\$5,000,000		\$5,000,000	\$0
61g	COOR ISD CTE Program	\$2,500,000		\$0	(\$2,500,000)
62	ISD Vocational Ed Millage Equalization	\$9,190,000		\$20,000,000	\$10,810,000
65	Detroit Precollege Engineering	\$400,000		\$400,000	\$0
67	College and Career Readiness Tools	\$3,000,000		\$3,000,000	\$0
67a	MITES	\$50,000		\$0	(\$50,000)
67b	PRIME Schools - Federal	\$6,000,000		\$0	(\$6,000,000)
74	Bus Driver Safety Instruction	\$2,025,000		\$2,025,000	\$0
74	School Bus Inspections	\$1,780,800		\$1,819,200	\$38,400
81	ISD General Operations Support	\$71,903,600		\$75,498,800	\$3,595,200
94	Advanced Placement (AP) Incentive Program	\$1,200,000		\$1,200,000	\$0
94a	Center for Educ. Perf. and Information - State Share	\$18,802,500		\$19,032,300	\$229,800
94a	Center for Educ. Perf. and Information - Federal	\$193,500		\$193,500	\$0
94c	Launch Michigan Streamlining Data/Spending Analysis	\$1,500,000		\$0	(\$1,500,000)
94d	Task Force - Personnel for Children with Disabilities	\$1,500,000		\$0	(\$1,500,000)
95b	EVAAS	\$2,000,000		\$0	(\$2,000,000)
97	School Safety Grants	\$10,000,000		\$51,000,000	\$41,000,000
97a	Navigate 360	\$1,947,000		\$0	(\$1,947,000)
97b	Cross-System Interventions - School Safety	\$0		\$15,000,000	\$15,000,000
98	Michigan Virtual High School - State	\$7,500,000		\$7,500,000	\$0
98d	DPTV Online Curriculum	\$2,000,000		\$0	(\$2,000,000)
99h	Robotics for Public Schools	\$4,723,200		\$5,323,200	\$600,000
99h	Robotics for Nonpublics	\$600,000		\$0	(\$600,000)
99i	Women in Technology	\$150,000		\$0	(\$150,000)
99s(4)	Comprehensive STEM Grants	\$3,050,000		\$3,050,000	\$0
99s(5)	Math/Science Centers - Federal	\$235,000		\$0	(\$235,000)
99s(5)	MiSTEM Network Regions	\$3,834,300		\$3,834,300	\$0
99s(7)	MiSTEM Professional Development and Curriculum	\$750,000		\$750,000	\$0
99s(12)	Comprehensive STEM Initiative (Administration)	\$300,000		\$0	(\$300,000)
99t	Algebra Nation	\$2,000,000		\$0	(\$2,000,000)
99u	Imagine Learning (\$1.0m literacy, \$2.45m math)	\$6,000,000		\$0	(\$6,000,000)
99w	Fitness Foundation	\$400,000		\$0	(\$400,000)





Fiscal Years 2021-22 and 2022-23 Governor's Recommendations  
 FY 2021-2022 Year-to-Date, Supplemental Request 2022-3, and FY 2022-23

Section	Line Item Description	FY 2021-22 Year-to-Date PA 48 of 2021	FY 2021-22 Supplemental Request 2022-3*	FY 2022-23 Governor's Recommendation	Change From FY 2021-22 Year-to-Date
99x	Teach for America	\$1,000,000		\$0	(\$1,000,000)
99aa	Project SEARCH	\$1,500,000		\$0	(\$1,500,000)
99bb	YMCA Youth in Government	\$3,750,000		\$0	(\$3,750,000)
104	Assessment Testing - State Share	\$29,509,400		\$37,509,400	\$8,000,000
104	Assessment Testing - Federal Share	\$6,250,000		\$6,250,000	\$0
104f	Digital Literacy Training	\$500,000		\$0	(\$500,000)
104h	Benchmark Assessments for FY 2022-23	\$11,500,000		\$11,500,000	\$0
107	Adult Education - State	\$30,500,000		\$30,500,000	\$0
147a(1)	MPSERS District Reimbursement	\$100,000,000		\$112,071,000	\$12,071,000
147a(2)	MPSERS Normal Cost for Lower AROR/Dedicated Gains	\$177,460,000		\$172,150,000	(\$5,310,000)
147c	MPSERS Rate Cap (Section 41 of MPSERS Act)	\$1,469,000,000		\$1,478,500,000	\$9,500,000
147e	2017	\$65,300,000		\$69,300,000	\$4,000,000
152a	Adair v State of Michigan	\$38,000,500		\$38,000,500	\$0
152b	Nonpublic School Health/Safety Reimbursement	\$1,000,000		\$0	(\$1,000,000)
<b>TOTAL SCHOOL AID APPROPRIATIONS</b>		<b>\$16,978,110,700</b>	<b>\$2,255,900,000</b>	<b>\$18,356,039,200</b>	<b>\$1,377,928,500</b>
<b>REVENUE SOURCES</b>					
11	Federal Aid	\$2,024,478,500	\$0	\$2,191,243,500	\$166,765,000
11	School Aid Fund (SAF)	\$14,796,232,100	\$2,161,000,000	\$15,814,595,600	\$1,018,363,500
11	MPSERS Reforms Fund	\$0	\$0	\$0	\$0
11	General Fund/General Purpose	\$85,400,000	\$94,900,000	\$108,200,000	\$22,800,000
11	CDTF/Other SR Funds	\$72,000,100	\$0	\$242,000,100	\$170,000,000
<b>TOTAL REVENUE</b>		<b>\$16,978,110,700</b>	<b>\$2,255,900,000</b>	<b>\$18,356,039,200</b>	<b>\$1,377,928,500</b>

\*Supplemental Request 2022-3 also included a \$1.0 billion deposit from the School Aid Fund to the School Infrastructure Fund.



Telephone: (517) 373-2768  
Fax: (517) 373-1986

Article II  
Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions .....	0.0	0.0	N/A	N/A
<b>GROSS .....</b>	<b>431,417,000</b>	<b>470,028,400</b>	<b>38,611,400</b>	<b>8.9</b>
Less:				
Interdepartmental Grants Received .....	0	0	0	0.0
<b>ADJUSTED GROSS .....</b>	<b>431,417,000</b>	<b>470,028,400</b>	<b>38,611,400</b>	<b>8.9</b>
Less:				
Federal Funds .....	0	0	0	0.0
Local and Private .....	0	0	0	0.0
<b>TOTAL STATE SPENDING .....</b>	<b>431,417,000</b>	<b>470,028,400</b>	<b>38,611,400</b>	<b>8.9</b>
Less:				
Other State Restricted Funds .....	431,417,000	470,028,400	38,611,400	8.9
<b>GENERAL FUND/GENERAL PURPOSE .....</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>PAYMENTS TO LOCALS .....</b>	<b>431,417,000</b>	<b>470,028,400</b>	<b>38,611,400</b>	<b>8.9</b>

\*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
<b>FY 2021-22 Year-to-Date Appropriation .....</b>	<b>\$431,417,000</b>	<b>\$0</b>
<b>Changes from FY 2021-22 Year-to-Date:</b>		
1. <b>Infrastructure, Technology, Equipment, and Maintenance (ITEM).</b> The Governor requested supplemental funding for this program. Funds would be distributed to community colleges proportionately to their FY 2020-21 full-year equated student (FYES) numbers, and could be used for improvements to existing buildings, deferred maintenance, technology, and other physical infrastructure.	58,507,600	58,507,600
<b>Total Supplemental Changes .....</b>	<b>\$58,507,600</b>	<b>\$58,507,600</b>

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
<b>FY 2021-22 Year-to-Date Appropriation .....</b>	<b>\$431,417,000</b>	<b>\$0</b>
<b>Changes from FY 2021-22 Year-to-Date:</b>		
1. <b>One-Time Operations Increase.</b> The Governor included a 5.0% one-time operations increase for community colleges using the existing community college funding formula.	16,184,000	0
2. <b>Ongoing Operations Increase.</b> The Governor included a 5.0% ongoing operations increase for community colleges using the existing community college funding formula.	16,184,000	0

3. <b>Michigan Public School Employees' Retirement System (MPSERS) UAAL Stabilization Payment.</b> The Governor included an adjustment for MPSERS unfunded actuarially accrued liability (UAAL) costs that exceed the statutory payroll rate cap of 20.96%. This adjustment would bring the total amount for this item to \$92.6 million.	5,400,000	0
4. <b>MPSERS Retiree Healthcare.</b> The Governor included an increase in support for MPSERS retiree health care to meet the State's projected share of those costs. This adjustment would bring the total amount for this item to \$7.0 million.	5,286,400	0
5. <b>FY 2021-22 One-Time Increase.</b> The Governor removed the 2.0% one-time operations increase that was provided to community colleges for FY 2021-22.	(3,236,500)	0
6. <b>MPSERS Normal Cost Adjustment.</b> The Governor reduced the MPSERS normal cost offset to reflect the contributions necessary to support the reduction to the assumed rate of return on investment funds that has been enacted over the past few years. This adjustment would bring the total amount for this item to \$10.8 million.	(900,000)	0
7. <b>North American Indian Tuition Waiver (ITW) Adjustment.</b> The Governor reduced North American Indian tuition waiver payments based on the most recent cost data provided by the colleges. The total amount included for this item is \$1.4 million.	(306,500)	0
<b>Total Changes .....</b>	<b>\$38,611,400</b>	<b>\$0</b>
<b>FY 2022-23 Governor's Recommendation .....</b>	<b>\$470,028,400</b>	<b>\$0</b>

**Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:**

1. **ITEM Payment Amounts.** The Governor included a new section that appropriates the individual ITEM grants to each college. Amounts are based on FY 2020-21 FYES numbers. (Sec. 201f)

**FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:**

1. **Schedule of Payments to Community Colleges.** The Governor removed language requiring the State Budget Director to notify the House and Senate Subcommittees before funds are withheld because of a failure to report certain information as required by statute. (Sec. 206)
2. **Use and Finance Noncompliance Penalty.** The Governor removed a section that imposes a 1% reduction in State funding to a community college for each violation of certain requirement of the Management and Budget Act. (Sec. 208)
3. **Transparency Reporting - Noncompliance Penalty.** The Governor removed language that allows the State Budget Director to withhold monthly payments to community colleges if the colleges do not comply with statutory transparency reporting requirements. The Governor also removed various reporting requirements from this section, as well as a requirement that the State Budget Office compile a single report from the various reports submitted by colleges under this section. (Sec. 209)
4. **Campus Safety Information.** The Governor removed the requirement that colleges certify compliance with the requirements of this section, as well as the ability for the State Budget Director to withhold payments to colleges that fail to do so. (Sec. 209a)
5. **Bachelor of Nursing Report.** The Governor removed a report on articulation agreements on Bachelor of Nursing programs between community colleges and universities (Sec. 210g)
6. **COVID-19 Mandatory Vaccine Exemptions.** The Governor removed a section requiring community colleges that has a mandatory COVID-19 vaccine policy to grant exceptions to that policy under certain circumstances. (Sec. 210h)
7. **Cost Containment.** The Governor removed a section requiring community colleges to pursue various efficiencies in their operations. (Sec. 212)

8. **Performance Audits.** The Governor removed a section allowing the Auditor General to conduct performance audits on community colleges. (Sec. 220)
9. **COVID-19 Federal Funds Report.** The Governor removed a report on COVID-19-related Federal funds received by community colleges. (Sec. 226b)
10. **Campus Free Speech Report.** The Governor removed a section of legislative intent language requesting a report from each college on strategic planning and other activities related to free speech on campus. (Sec. 226d)
11. **Postsecondary Achievement Goal.** The Governor included a new section stating a goal that 60% of Michigan residents achieve some type of postsecondary credential by 2030. (Sec. 226e)
12. **Campus Advocacy Policy.** The Governor removed a section of legislative intent requesting that each college adopt an advocacy policy for faculty, staff, students, and other people on campus. (Sec. 226g)
13. **Communication with the Legislature.** The Governor removed a section prohibiting a community college from taking disciplinary action against an employee who communicates with members of the Legislature or their staff. (Sec. 228)

Date Completed: 3-22-22

Fiscal Analyst: Josh Sefton

Table 1: FY 2022-23 Community College Appropriations

College	FY 2021-22 Year-To-Date	FY 2022-23 Governor's Recommendation		
		Adjustments	Appropriation	Percent Change
Alpena	\$5,830,600	\$483,400	\$6,314,000	8.3%
Bay de Noc	5,772,400	488,500	6,260,900	8.5
Delta	15,364,000	1,292,100	16,656,100	8.4
Glen Oaks	2,684,500	268,500	2,953,000	10.0
Gogebic	4,968,100	407,300	5,375,400	8.2
Grand Rapids	19,193,200	1,750,500	20,943,700	9.1
Henry Ford	22,753,900	2,144,500	24,898,400	9.4
Jackson	12,912,300	964,300	13,876,600	7.5
Kalamazoo Valley	13,320,400	1,188,500	14,508,900	8.9
Kellogg	10,419,200	849,500	11,268,700	8.2
Kirtland	3,404,000	416,500	3,820,500	12.2
Lake Michigan	5,768,200	498,300	6,266,500	8.6
Lansing	33,255,300	2,460,800	35,716,100	7.4
Macomb	34,629,700	2,956,500	37,586,200	8.5
Mid Michigan	5,396,300	433,100	5,829,400	8.0
Monroe	4,798,100	464,300	5,262,400	9.7
Montcalm	3,612,600	343,100	3,955,700	9.5
Mott	16,623,500	1,161,900	17,785,400	7.0
Muskegon	9,431,700	788,000	10,219,700	8.4
North Central	3,612,700	393,700	4,006,400	10.9
Northwestern	9,906,900	695,100	10,602,000	7.0
Oakland	22,485,200	2,277,900	24,763,100	10.1
Schoolcraft	13,386,700	1,317,300	14,704,000	9.8
Southwestern	7,081,900	631,400	7,713,300	8.9
St. Clair	7,478,700	727,900	8,206,600	9.7
Washtenaw	14,080,600	1,789,800	15,870,400	12.7
Wayne County	17,782,100	1,385,300	19,167,400	7.8
West Shore	2,630,600	247,000	2,877,600	9.4
<b>Subtotal Operations:</b>	<b>\$328,583,400</b>	<b>\$28,825,000</b>	<b>\$357,408,400</b>	<b>8.8%</b>
MPERS Normal Cost Offset	\$11,700,000	(\$900,000)	\$10,800,000	(7.7%)
MPERS Retiree Health Care	1,733,600	5,286,400	7,020,000	304.9
MPERS Reform Costs	87,200,000	5,400,000	92,600,000	6.2
Renaissance Zone Reimbursements	2,200,000	0	2,200,000	0.0
<b>Total Appropriations:</b>	<b>\$431,417,000</b>	<b>\$38,611,400</b>	<b>\$470,028,400</b>	<b>8.9%</b>
<b>State School Aid Fund</b>	<b>431,417,000</b>	<b>38,611,400</b>	<b>470,028,400</b>	<b>8.9</b>
<b>GF/GP</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>



Table 2: FY 2022-23 Community College Appropriations - Governor's Recommendation

College	FY 2021-22 Appropriations				FY 2022-23 Adjustments												FY 2022-23 Appropriation	Percent Change
	Operations	One-Time Perf. Funding	ITW Reimburse.	Year-To-Date	One-Time Adjustments		Ongoing Adjustments						Total Formula Distribution	Non-Formula / ITW Adjustments	Total Adjustments			
					Remove FY22 Performance Fund.	FY23 Performance Fund.	30.0% Sustainability*	10.0% Performance Improvement	10.0% Performance Completion #	10.0% Performance Completion Rate	25.0% Contact Hours	5.0% Administrative Costs				5.0% Local Strategic Value		
Alpena	\$5,753,300	\$53,400	\$23,900	\$5,830,600	(\$53,400)	\$273,500	\$86,306	\$33,844	\$19,850	\$41,774	\$45,741	\$31,583	\$14,384	\$493,600	(\$10,200)	\$483,400	\$6,314,000	8.3%
Bay de Noc	5,602,800	58,000	111,600	5,772,400	(58,000)	274,200	84,049	27,020	19,431	41,939	54,869	32,863	14,008	490,400	(1,900)	488,500	6,260,900	8.5%
Delta	15,160,500	143,400	60,100	15,364,000	(143,400)	727,700	227,426	60,647	73,006	214,186	36,042	37,904	1,312,000	(19,900)	1,292,100	16,656,100	8.4%	
Glen Oaks	2,651,200	33,300	0	2,684,500	(33,300)	150,900	39,771	24,191	9,453	29,945	36,460	4,465	6,629	268,500	0	268,500	2,953,000	10.0%
Gogebic	4,873,700	42,400	52,000	4,968,100	(42,400)	229,600	73,111	38,059	11,271	41,693	32,519	20,761	12,185	416,800	(9,500)	407,300	5,375,400	8.2%
Grand Rapids	18,773,700	221,500	198,600	19,193,200	(221,500)	993,100	281,619	78,881	106,940	93,361	352,331	32,987	46,936	1,764,700	(14,200)	1,750,500	20,943,700	9.1%
Henry Ford	22,533,100	205,800	15,000	22,753,900	(205,800)	1,167,000	338,023	108,645	130,163	90,140	409,156	34,545	56,337	2,128,200	16,300	2,144,500	24,898,400	9.4%
Jackson	12,756,200	109,900	46,200	12,912,300	(109,900)	538,900	191,358	52,368	41,221	51,029	140,543	30,495	31,893	967,900	(3,600)	964,300	13,876,600	7.5%
Kalamazoo Valley	13,099,900	134,400	86,100	13,320,400	(134,400)	676,200	196,514	70,102	60,425	71,099	209,497	35,782	32,752	1,218,900	(29,500)	1,189,400	14,508,900	8.9%
Kalamazoo	10,267,100	100,800	51,300	10,419,200	(100,800)	487,300	154,019	46,551	46,987	60,061	117,975	36,017	25,670	873,900	(24,300)	849,600	11,268,700	8.2%
Kirtland	3,358,400	39,100	6,500	3,404,000	(39,100)	219,500	50,380	53,484	15,919	13,435	49,765	28,128	8,397	399,900	16,600	416,500	3,820,500	12.2%
Lake Michigan	5,702,700	52,400	13,100	5,768,200	(52,400)	275,700	85,547	25,419	23,153	22,813	83,351	21,193	14,258	499,000	(700)	498,300	6,266,500	8.6%
Lansing	32,852,000	280,600	122,700	33,255,300	(280,600)	1,376,900	492,819	136,702	135,405	150,169	349,510	30,111	82,137	2,473,200	(12,400)	2,460,800	35,716,100	7.4%
Macomb	34,276,100	330,300	23,300	34,629,700	(330,300)	1,635,800	514,182	148,752	133,448	155,709	564,717	33,287	85,697	2,941,300	15,200	2,956,500	37,586,200	8.5%
Mid Michigan	5,184,400	58,000	153,900	5,396,300	(58,000)	273,700	77,772	28,039	20,305	20,739	90,621	23,285	12,962	489,400	(56,300)	433,100	5,829,400	8.0%
Monroe	4,746,200	51,200	700	4,798,100	(51,200)	257,400	71,199	27,463	22,838	18,986	74,181	30,848	11,866	463,600	700	464,300	5,262,400	9.7%
Montcalm	3,570,600	37,200	4,800	3,612,600	(37,200)	188,300	53,563	14,284	20,672	14,284	47,520	29,047	8,927	339,400	3,700	343,100	3,955,700	9.5%
Mott	16,440,000	142,500	41,000	16,623,500	(142,500)	658,300	246,620	65,765	62,522	65,765	146,708	29,826	41,103	1,174,100	(12,200)	1,161,900	17,785,400	7.0%
Muskegon	9,289,100	85,100	57,500	9,431,700	(85,100)	444,300	139,348	51,673	34,511	55,544	107,175	32,824	23,225	803,500	(15,500)	788,000	10,219,700	8.4%
North Central	3,389,300	42,200	181,200	3,612,700	(42,200)	226,600	50,844	21,496	18,487	31,496	66,323	29,500	8,474	411,000	(17,300)	393,700	4,006,400	10.9%
Northwestern	9,567,100	88,600	251,200	9,906,900	(88,600)	439,700	143,518	47,892	31,540	57,719	107,955	27,118	23,920	790,800	(95,700)	695,100	10,602,000	7.0%
Oakland	22,211,700	240,000	33,500	22,485,200	(240,000)	1,257,800	333,202	117,818	135,737	108,267	475,370	31,865	55,534	2,275,600	2,500	2,273,100	24,763,100	10.1%
Scholarcraft	13,196,200	151,700	38,800	13,386,700	(151,700)	743,300	197,959	59,029	81,236	70,373	268,588	33,148	32,993	1,334,900	(17,600)	1,317,300	14,704,000	9.8%
Southwestern	6,979,400	68,400	34,100	7,081,900	(68,400)	353,400	104,699	90,531	19,815	27,920	86,431	26,588	17,450	638,400	(7,000)	631,400	7,713,300	8.9%
St. Clair	7,385,200	78,400	15,100	7,478,700	(78,400)	401,400	110,787	30,597	47,040	49,643	118,605	26,272	18,464	724,400	3,500	727,900	8,206,600	9.7%
Washtenaw	13,855,900	189,400	35,300	14,080,600	(189,400)	995,400	207,855	67,584	206,350	75,221	368,423	35,370	34,643	1,801,400	(11,600)	1,789,800	15,870,400	12.7%
Wayne County	17,593,400	173,700	15,000	17,782,100	(173,700)	782,700	263,922	70,379	80,310	70,379	225,789	27,979	43,987	1,391,700	(6,400)	1,385,300	19,167,400	7.8%
West Shore	2,585,600	24,800	20,200	2,630,600	(24,800)	135,400	38,787	21,184	10,362	10,343	30,888	17,269	6,465	246,000	1,000	247,000	2,877,600	9.4%
<b>Subtotal Operations:</b>	<b>\$323,654,200</b>	<b>\$3,236,500</b>	<b>\$1,692,700</b>	<b>\$328,583,400</b>	<b>(\$3,236,500)</b>	<b>\$16,184,000</b>	<b>\$4,855,199</b>	<b>\$1,618,399</b>	<b>\$1,618,397</b>	<b>\$1,618,401</b>	<b>\$4,855,197</b>	<b>\$809,198</b>	<b>\$809,200</b>	<b>\$29,131,500</b>	<b>(\$306,500)</b>	<b>\$28,825,000</b>	<b>\$357,408,400</b>	<b>8.8%</b>
MPERS Normal Cost Offset				\$11,700,000													\$10,800,000	(7.7%)
MPERS Retiree Health Care				1,733,600													5,286,400	304.9%
MPERS Reform Costs				87,200,000													5,400,000	6.2%
Renaissance Zone Reimbursements				2,200,000													2,200,000	0.0%
<b>Total Appropriations:</b>				<b>\$431,417,000</b>	<b>(\$3,236,500)</b>	<b>\$16,184,000</b>	<b>\$4,855,199</b>	<b>\$1,618,399</b>	<b>\$1,618,397</b>	<b>\$1,618,401</b>	<b>\$4,855,197</b>	<b>\$809,198</b>	<b>\$809,200</b>	<b>\$29,131,500</b>	<b>\$9,479,900</b>	<b>\$38,611,400</b>	<b>\$470,028,400</b>	<b>8.9%</b>
<b>State School Aid Fund</b>				<b>431,417,000</b>	<b>(\$3,236,500)</b>	<b>\$16,184,000</b>	<b>\$4,855,199</b>	<b>1,618,399</b>	<b>1,618,397</b>	<b>1,618,401</b>	<b>4,855,197</b>	<b>809,198</b>	<b>809,200</b>	<b>\$29,131,500</b>	<b>9,479,900</b>	<b>\$38,611,400</b>	<b>470,028,400</b>	<b>8.9%</b>
<b>GF/GP</b>				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0%</b>





Telephone: (517) 373-2768  
Fax: (517) 373-1986

Article III  
Committee: Appropriations

FULL-TIME EQUATED (FTE) CLASSIFIED POSITIONS/FUNDING SOURCE	FY 2021-22 YEAR-TO-DATE*	FY 2022-23 GOV.'S REC.	CHANGES FROM FY 2021-22 YEAR-TO-DATE	
			AMOUNT	PERCENT
FTE Positions .....	0.0	0.0	0.0	N/A
<b>GROSS .....</b>	<b>1,807,751,200</b>	<b>1,852,614,900</b>	<b>44,863,700</b>	<b>2.5%</b>
Less:				
Interdepartmental Grants Received .....	0	0	0	N/A
<b>ADJUSTED GROSS .....</b>	<b>1,807,751,200</b>	<b>1,852,614,900</b>	<b>44,863,700</b>	<b>2.5</b>
Less:				
Federal Funds .....	128,526,400	122,426,400	(6,100,000)	(4.7)
Local and Private .....	0	0	0	N/A
<b>TOTAL STATE SPENDING .....</b>	<b>1,679,224,800</b>	<b>1,730,188,500</b>	<b>50,963,700</b>	<b>3.0</b>
Less:				
Other State Restricted Funds .....	361,403,300	347,888,300	(13,515,000)	(3.7)
<b>GENERAL FUND/GENERAL PURPOSE .....</b>	<b>1,317,821,500</b>	<b>1,382,300,200</b>	<b>64,478,700</b>	<b>4.9</b>
<b>PAYMENTS TO LOCALS .....</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>N/A</b>

\*As of February 9, 2022.

SUPPLEMENTAL CHANGES REQUESTED	Gross	GF/GP
<b>FY 2021-22 Year-to-Date Appropriation .....</b>	<b>\$1,807,751,200</b>	<b>\$1,317,821,500</b>
<b>Changes from FY 2021-22 Year-to-Date:</b>		
1. <b>Infrastructure, Technology, Equipment, and Maintenance.</b> The Governor requested supplemental funding for this program. Funds would be distributed to universities proportionately to their FY 2020-21 full-year equated student (FYES) numbers. Funds could be used for improvements to existing buildings, deferred maintenance, technology, and other physical infrastructure.	141,492,400	141,492,400
<b>Total Supplemental Changes .....</b>	<b>\$141,492,400</b>	<b>\$141,492,400</b>

FY 2022-23 CHANGES REQUESTED TO FY 2021-22	Gross	GF/GP
<b>FY 2021-22 Year-to-Date Appropriation .....</b>	<b>\$1,807,751,200</b>	<b>\$1,317,821,500</b>
<b>Changes from FY 2021-22 Year-to-Date:</b>		
1. <b>One-Time 5% Operations Increase.</b> The Governor included a 5.0% one-time increase for university operations. The increase was calculated across-the-board based on FY 2021-22 ongoing operations funding, and includes 5.0% adjustments for MSU AgBioResearch and MSU Extension.	76,291,700	76,291,700

2. <b>Ongoing 5% Operations Increase.</b> The Governor included a 5.0% ongoing increase for university operations. The increase was calculated across-the-board based on FY 2021-22 ongoing operations funding, and includes 5.0% adjustments for MSU AgBioResearch and MSU Extension.	76,291,700	76,291,700
3. <b>Per-FYES Funding Floor.</b> The Governor included a new initiative to provide an increase to the universities with the lowest State operations amounts per FYES over a period of four years. The stated goal is to ensure each university receives at least \$4,500 in ongoing State operations funds per FYES. Grand Valley, Oakland, Saginaw Valley, U of M - Dearborn, and U of M - Flint would receive additional funding under this proposal.	12,740,000	12,740,000
4. <b>MPSERS UAAL Stabilization Payment.</b> The Governor included an adjustment for MPSERS (UAAL costs that exceed the statutory payroll rate cap of 20.96%. This adjustment would bring the total amount for this item to \$70,000.	(13,425,000)	0
5. <b>MPSERS Normal Cost Adjustment.</b> The Governor reduced the MPSERS normal cost offset to reflect the contributions necessary to support the reduction to the assumed rate of return on investment funds that has been enacted over the past few years. This adjustment would bring the total amount for this item to \$4.7 million.	(90,000)	0
6. <b>Limit TIP Phase I Payments.</b> The Governor included a boilerplate change that would limit Phase I payments under the Tuition Incentive Program (TIP) to 2.5 times the average in-district community college tuition. This reduction reflects the savings that would be realized from that change.	(6,100,000)	0
7. <b>North American ITW Adjustment.</b> The Governor reduced North American ITW payments based on the most recent cost data provided by the universities. The total payments for FY 2022-23 would be \$12.1 million.	(344,700)	(344,700)
8. <b>Remove FY 2021-22 One-Time Items.</b> The Governor removed three one-time items: \$84.7 million for MPSERS Paydown, \$14.6 million for a 2.0% one-time operations payment increase, and \$500,000 for the Japan Center for Michigan Universities.	(100,500,000)	(100,500,000)
<b>Total Changes</b> .....	<b>\$44,863,700</b>	<b>\$64,478,700</b>
<b>FY 2022-23 Governor's Recommendation</b> .....	<b>\$1,852,614,900</b>	<b>\$1,382,300,200</b>

**Supplemental Boilerplate Changes from FY 2021-22 Year-to-Date:**

1. **ITEM Payment Amounts.** The Governor included a new section that appropriates the individual ITEM grants to each university. Amounts are based on FY 2020-21 FYES numbers. (Sec. 236j)

**FY 2022-23 Boilerplate Changes from FY 2021-22 Year-to-Date:**

1. **Per-FYES Funding Floor.** The Governor included a new section detailing a funding formula that would increase the universities with the lowest per-FYES State operating appropriations from their current levels to \$4,500 per FYES over a period of four years. (Sec. 236k)
2. **Transparency Reporting.** The Governor removed certain transparency reporting requirements, language that allows the State Budget Director to withhold monthly payments to universities if they fail to comply with statutory financial transparency requirements, and a requirement that the State Budget Office create a single statewide report from the individual reports submitted by each university. (Sec. 245)



3. **Campus Safety Information.** The Governor removed the requirement that universities certify compliance with the requirements of this section, as well as the ability for the State Budget Director to withhold payments to colleges that fail to do so. (Sec. 245a)
4. **State Competitive Scholarship Amounts.** The Governor increased award amounts for this program from \$1,000 to \$1,200. No corresponding funding increase was included, as the program routinely lapses funds sufficient to pay for this increase. (Sec. 251)
5. **Michigan Tuition Grants - Institutional Limitation.** The Governor removed language that specifies that the \$4.8 million institutional limit for Tuition Grants does not apply to other financial aid programs. (Sec. 252)
6. **Michigan Tuition Grants – Increase Grant Amount.** The Governor increased the maximum grant amount from \$2,800 to \$2,900. No corresponding funding increase was included, as the program routinely lapses funds sufficient to pay for this increase. (Sec. 252)
7. **Tuition Incentive Program - Limit Payment Size.** The Governor included new language that would limit payments made to universities under Phase I of this program to a per-credit payment that does not exceed 2.5 times the average community college in-district tuition rate. (Sec. 256)
8. **Tuition Incentive Program – Qualification.** The Governor modified the TIP program to require recipients to be Medicaid-eligible for 24 of the 36 months before high school graduation rather than 24 of the 36 months before application. (Sec. 256)
9. **Financial Aid Resources Website.** The Governor removed two required specifications to the financial aid informational website required to be created under this section: information on creating a plan for borrowing and repayment and a list of student loan servicers. (Sec. 260)
10. **U of M Douglas Lake Biological Station.** The Governor removed a section that designates Douglas Lake a special reserve and states the intent of the Legislature that no State programs or policies be developed that would have a deleterious impact on the research value of Douglas Lake. (Sec. 261)
11. **Tuition Restraint - Lower Threshold.** The Governor increased the allowable tuition increase under this section from 4.2%, or \$590, to 5.0%, or \$722. (Sec. 265)
12. **Tuition Restraint - Exceeding Limit.** The Governor removed language that restricts a university that exceeds the rate cap from receiving a capital outlay planning or construction authorization, as well as language that specifies that the Legislature may adjust the appropriation to any university that exceeds the rate cap. (Sec. 265)
13. **Performance Funding.** The Governor removed the performance funding formula, and instead tied existing statutory qualifications for performance funding to increases in operational support payments, which would be proportional to each university's FY 2021-22 operations funding. (Sec. 265a)
14. **Campus Safety Programs.** The Governor removed a section stating the intent of the Legislature that a portion of State appropriations be used for campus safety, sexual assault prevention programs, and student mental health programs. (Sec. 265e)
15. **ITW Reimbursement for Saginaw Chippewa Tribal College.** The Governor increased the pass-through payment for ITW reimbursement to Saginaw Chippewa Tribal College from \$82,400 to \$31,000 to reflect most recent ITW cost data. (Sec. 269)
16. **ITW Reimbursement for Keweenaw Bay Ojibwa Community College.** The Governor increased the pass-through payment for ITW reimbursement to Keweenaw Bay Ojibwa Community College from \$50,000 to \$87,800 to reflect most recent ITW cost data. (Sec. 270c)
17. **Discouraged Instruction Activity.** The Governor removed a section stating the intent of the Legislature that public universities not use State funds to offer instructional activities that target companies or groups of companies for unionization or decertification of a union. (Sec. 271a)
18. **Human Embryonic Stem Cell Research.** The Governor removed a section stating the intent of the Legislature that public and private organizations stem cell research provide certain information to the Director of the Department of Health and Human Services. (Sec. 274)
19. **Use and Finance Noncompliance Penalty.** The Governor removed a section that imposes a 1% reduction in State funding to a community college for each violation of certain requirement of the Management and Budget Act. (Sec. 275a)

20. **Communications with the Legislature.** The Governor removed a section urging universities not to take disciplinary action against employees who communicate with members of the Legislature or their staff. (Sec. 275d)
21. **Campus Free Speech Report.** The Governor removed a section of legislative intent language requesting a report from each university on strategic planning and other activities related to free speech on campus. (Sec. 275f)
22. **COVID-19 Federal Funds Report.** The Governor removed a report on COVID-19-related Federal funds received by community colleges. (Sec. 275g)
23. **Campus Advocacy Policy.** The Governor removed a section of legislative intent requesting that each university adopt an advocacy policy for faculty, staff, students, and other people on campus. (Sec. 275h)
24. **Postsecondary Achievement Goal.** The Governor included a new section stating a goal that 60% of Michigan residents achieve some type of postsecondary credential by 2030. (Sec. 275h)
25. **COVID-19 Mandatory Vaccine Exemptions.** The Governor removed a section requiring a community college that has a mandatory COVID-19 vaccine policy to grant exceptions to that policy under certain circumstances. (Sec. 275i)
26. **King-Chavez-Parks (KCP) Future Faculty – Returned and Defaulted Funds.** The Governor increased the timeframe for re-appropriation of unspent program funds to two years instead of one, and added language to allow LEO to re-appropriate loan payments received from defaulted fellowship agreements. (Sec. 276)
27. **KCP Programs – Award Periods.** The Governor included language in three of the KCP programs (Select Student Support Services, College/University Partnership, and Visiting Professors) to specify that program awards have a period of no more than two years. (Sec. 278, 279, and 280)
28. **KCP Programs Report.** The Governor removed a section requiring detailed reports on all six KCP programs (Sec. 281a)
29. **Bachelor of Nursing Report.** The Governor removed a report on articulation agreements on Bachelor of Nursing programs between community colleges and universities (Sec. 286b)
30. **Performance Audits.** The Governor removed a section allowing the Auditor General to conduct performance audits of universities. (Sec. 291)

Date Completed: 3-22-22

Fiscal Analyst: Josh Sefton

**Table 1: FY 2022-23 Higher Education Appropriations**

University	FY 2021-22 Year-To-Date	Governor's Recommendation		
		FY 2022-23 Gov. Rec.	Dollar Change	Percent Change
Central	\$90,440,500	\$98,153,100	\$7,712,600	8.5%
Eastern	78,305,900	85,332,700	7,026,800	9.0
Ferris	56,541,600	61,355,000	4,813,400	8.5
Grand Valley	74,213,800	86,277,500	12,063,700	16.3
Lake Superior	14,366,600	15,426,600	1,060,000	7.4
Michigan State	292,137,800	318,111,300	25,973,500	8.9
Michigan Tech	51,371,900	55,959,200	4,587,300	8.9
Northern	49,338,700	53,751,400	4,412,700	8.9
Oakland	54,012,900	64,195,700	10,182,800	18.9
Saginaw Valley	31,043,500	33,875,500	2,832,000	9.1
UM-Ann Arbor	326,265,400	355,005,000	28,739,600	8.8
UM-Dearborn	26,593,700	30,265,400	3,671,700	13.8
UM-Flint	24,197,400	26,990,500	2,793,100	11.5
Wayne State	205,496,400	223,649,600	18,153,200	8.8
Western	113,432,700	123,273,900	9,841,200	8.7
<b>Subtotal University Operations:</b>	<b>\$1,487,758,800</b>	<b>\$1,631,622,400</b>	<b>\$143,863,600</b>	<b>9.7%</b>
MPSERS Reimbursement	\$13,495,000	\$70,000	(\$13,425,000)	(99.5%)
MPSERS Normal Cost Offset	4,740,000	4,650,000	(90,000)	(1.9)
MSU AgBioResearch	35,286,700	38,431,100	3,144,400	8.9
MSU Extension	30,437,500	33,149,900	2,712,400	8.9
Higher Education Database	200,000	200,000	0	0.0
Midwest Higher Ed Compact	116,800	116,800	0	0.0
King-Chavez-Parks	2,691,500	2,691,500	0	0.0
MPSERS Obligation Paydown	84,741,700	0	(84,741,700)	(100.0)
Japan Center for Michigan Universities	500,000	0	(500,000)	(100.0)
<b>Total Universities</b>	<b>\$1,659,968,000</b>	<b>\$1,710,931,700</b>	<b>\$50,963,700</b>	<b>3.1%</b>
<b>School Aid Fund</b>	<b>361,403,300</b>	<b>347,888,300</b>	<b>(13,515,000)</b>	<b>(3.7)</b>
<b>State GF/GP</b>	<b>\$1,298,564,700</b>	<b>\$1,363,043,400</b>	<b>\$64,478,700</b>	<b>5.0%</b>
<b>Grants and Financial Aid</b>				
State Competitive Scholarships	\$29,861,700	\$29,861,700	\$0	0.0%
Tuition Grants	42,021,500	42,021,500	0	0.0
Tuition Incentive Program (TIP)	71,300,000	65,200,000	(6,100,000)	(8.6)
Children of Veterans & Officer's Tuition	1,400,000	1,400,000	0	0.0
Project Gear-Up	3,200,000	3,200,000	0	0.0
<b>Total Grants/Financial Aid</b>	<b>\$147,783,200</b>	<b>\$141,683,200</b>	<b>(\$6,100,000)</b>	<b>(4.1%)</b>
<b>Federal Higher Ed Act</b>	<b>3,200,000</b>	<b>3,200,000</b>	<b>0</b>	<b>0.0</b>
<b>Federal TANF</b>	<b>125,326,400</b>	<b>119,226,400</b>	<b>(6,100,000)</b>	<b>(4.9)</b>
<b>State GF/GP</b>	<b>\$19,256,800</b>	<b>\$19,256,800</b>	<b>\$0</b>	<b>0.0%</b>
<b>TOTAL HIGHER EDUCATION</b>				
<b>TOTAL ALL FUNDS</b>	<b>\$1,807,751,200</b>	<b>\$1,852,614,900</b>	<b>\$44,863,700</b>	<b>2.5%</b>
<b>TOTAL FEDERAL</b>	<b>128,526,400</b>	<b>122,426,400</b>	<b>(6,100,000)</b>	<b>(4.7)</b>
<b>TOTAL STATE RESTRICTED</b>	<b>361,403,300</b>	<b>347,888,300</b>	<b>(13,515,000)</b>	<b>(3.7)</b>
<b>TOTAL STATE GF/GP</b>	<b>\$1,317,821,500</b>	<b>\$1,382,300,200</b>	<b>\$64,478,700</b>	<b>4.9%</b>



Table 2: HIGHER EDUCATION APPROPRIATIONS: GOVERNOR'S RECOMMENDATION

University	FY 2021-22 Year-To-Date Operations	FY 2021-22 Year-To-Date One-Time Supp.	FY 2021-22 Year-To-Date ITW Reimb.	FY 2021-22 Year-To-Date Appropriation	Operations Adjustments					Total Formula Distribution	ITW Adjustment and Other Changes	FY 2022-23 Initial	Dollar Change From FY 2021-22	Percent Change	Appropriation Per FYES
					Remove One-Time FY22 Supp. Payment	FY23 One-Time ACB Supp. Payment	FY23 Ongoing ACB Supp. Payment	FY23 Ongoing Funding Floor Per-FYES Pymt.							
Central	\$87,600,000	\$876,000	\$1,964,500	\$90,440,500	(\$876,000)	\$4,380,000	\$4,380,000		\$7,884,000	(\$171,400)	\$98,153,100	\$7,712,600	8.5%	\$ 6,299	
Eastern	77,253,700	772,500	279,700	78,305,900	(772,500)	3,862,700	3,862,700		6,952,900	73,900	85,332,700	7,026,800	9.0	\$ 6,524	
Ferris	55,025,500	550,300	965,800	56,541,600	(550,300)	2,751,300	2,751,300		4,952,300	(138,900)	61,355,000	4,813,400	8.5	\$ 6,601	
Grand Valley	72,313,500	723,100	1,177,200	74,213,800	(723,100)	3,615,700	3,615,700	5,453,300	11,961,600	102,100	86,277,500	12,063,700	16.3	\$ 4,074	
Lake Superior	13,307,000	133,100	926,500	14,366,600	(133,100)	665,400	665,400		1,197,700	(137,700)	15,426,600	1,060,000	7.4	\$ 10,176	
Michigan State	287,331,700	2,873,300	1,932,800	292,137,800	(2,873,300)	14,366,600	14,366,600		25,859,900	113,600	318,111,300	25,973,500	8.9	\$ 6,631	
Michigan Tech	50,101,600	501,000	769,300	51,371,900	(501,000)	2,505,100	2,505,100		4,509,200	78,100	55,959,200	4,587,300	8.9	\$ 8,771	
Northern	47,809,100	478,100	1,051,500	49,338,700	(478,100)	2,390,500	2,390,500		4,302,900	109,800	53,751,400	4,412,700	8.9	\$ 8,258	
Oakland	53,147,400	531,500	334,000	54,012,900	(531,500)	2,657,400	2,657,400	5,378,200	10,161,500	21,300	64,195,700	10,182,800	18.9	\$ 3,856	
Saginaw Valley	30,583,800	305,800	153,900	31,043,500	(305,800)	1,529,200	1,529,200		2,797,600	34,400	33,875,500	2,832,000	9.1	\$ 4,920	
UM-Ann Arbor	321,970,100	3,219,700	1,075,600	326,265,400	(3,219,700)	16,098,600	16,098,600		28,977,500	(237,900)	355,005,000	28,739,600	8.8	\$ 7,161	
UM-Dearborn	26,167,000	261,700	165,000	26,593,700	(261,700)	1,308,400	1,308,400	1,235,400	3,590,500	81,200	30,265,400	3,671,700	13.8	\$ 4,355	
UM-Flint	23,616,200	236,200	345,000	24,197,400	(236,200)	1,180,900	1,180,900	628,100	2,753,700	39,400	26,990,500	2,793,100	11.5	\$ 4,587	
Wayne State	202,996,700	2,030,000	469,700	205,496,400	(2,030,000)	10,149,900	10,149,900		18,269,800	(116,600)	223,649,600	18,153,200	8.8	\$ 9,807	
Western	111,522,200	1,115,200	795,300	113,432,700	(1,115,200)	5,576,200	5,576,200		10,037,200	(196,000)	123,273,900	9,841,200	8.7	\$ 7,174	
<b>Subtotal University Operations:</b>	<b>\$1,460,745,500</b>	<b>\$14,607,500</b>	<b>\$12,405,800</b>	<b>\$1,487,758,800</b>	<b>(\$14,607,500)</b>	<b>\$73,037,900</b>	<b>\$73,037,900</b>	<b>\$12,740,000</b>	<b>\$144,208,300</b>	<b>(\$344,700)</b>	<b>\$1,631,622,400</b>	<b>\$143,863,600</b>	<b>9.7%</b>	<b>\$ 6,594</b>	
MPERSERS Reimbursement				\$13,495,000						(\$13,425,000)	\$70,000	(\$13,425,000)	(99.5%)		
MPERSERS Normal Cost Offset				4,740,000						(90,000)	4,650,000	(90,000)	(1.9)		
MPERSERS Paydown				84,741,700						(84,741,700)	0	(84,741,700)	(100.0)		
MSU AgBioResearch				35,286,700	(349,400)	1,746,900	1,746,900		3,144,400		38,431,100	3,144,400	8.9		
MSU Extension				30,437,500	(301,400)	1,506,900	1,506,900		2,712,400		33,149,900	2,712,400	8.9		
Higher Education Database				200,000							200,000	0	0.0		
Japan Center for Michigan Universities				500,000						(500,000)	0	(500,000)	(100.0)		
Midwest Higher Ed Compact				116,800							116,800	0	0.0		
King-Chavez-Parks				2,691,500							2,691,500	0	0.0		
<b>Total Universities</b>				<b>\$1,659,968,000</b>	<b>(\$15,258,300)</b>	<b>\$76,291,700</b>	<b>\$76,291,700</b>	<b>\$12,740,000</b>	<b>\$150,065,100</b>	<b>(\$99,101,400)</b>	<b>\$1,710,931,700</b>	<b>\$50,963,700</b>	<b>3.1%</b>		
School Aid Fund				361,403,300	0	0	0	0	0	(13,515,000)	347,888,300	(13,515,000)	(3.7)		
State GF/GP				\$1,298,564,700	(\$15,258,300)	\$76,291,700	\$76,291,700	\$12,740,000	\$150,065,100	(\$85,586,400)	\$1,363,043,400	\$64,478,700	5.0%		
<b>Grants and Financial Aid</b>															
State Competitive Scholarships				\$29,861,700							\$29,861,700	\$0	0.0%		
Tuition Grants				42,021,500							42,021,500	0	0.0		
Tuition Incentive Program (TIP)				71,300,000						(6,100,000)	65,200,000	(6,100,000)	(8.6)		
Children of Veterans & Officer's Tuition				1,400,000							1,400,000	0	0.0		
Project Gear-Up				3,200,000							3,200,000	0	0.0		
<b>Total Grants/Financial Aid</b>				<b>\$147,783,200</b>						<b>(\$6,100,000)</b>	<b>\$141,683,200</b>	<b>(\$6,100,000)</b>	<b>(4.1%)</b>		
Federal Higher Ed Act				3,200,000						0	3,200,000	0	0.0		
Federal TANF				125,326,400						(6,100,000)	119,226,400	(6,100,000)	(4.9)		
State GF/GP				\$19,256,800	\$0	\$0	\$0	\$0	\$0	\$0	\$19,256,800	\$0	0.0%		
<b>TOTAL HIGHER EDUCATION</b>															
<b>TOTAL ALL FUNDS</b>				<b>\$1,807,751,200</b>	<b>(\$15,258,300)</b>	<b>\$76,291,700</b>	<b>\$76,291,700</b>		<b>\$150,065,100</b>	<b>(\$105,201,400)</b>	<b>\$1,852,614,900</b>	<b>\$44,863,700</b>	<b>2.5%</b>		
<b>TOTAL FEDERAL</b>				<b>128,526,400</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>(6,100,000)</b>	<b>122,426,400</b>	<b>(6,100,000)</b>	<b>(4.7)</b>		
<b>TOTAL STATE RESTRICTED</b>				<b>361,403,300</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>(13,515,000)</b>	<b>347,888,300</b>	<b>(13,515,000)</b>	<b>(3.7)</b>		
<b>TOTAL STATE GF/GP</b>				<b>\$1,317,821,500</b>	<b>(\$15,258,300)</b>	<b>\$76,291,700</b>	<b>\$76,291,700</b>		<b>\$150,065,100</b>	<b>(\$85,586,400)</b>	<b>\$1,382,300,200</b>	<b>\$64,478,700</b>	<b>4.9%</b>		

