



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

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 1157 (as reported without amendment)
Sponsor: Senator Michael Switalski
Committee: Appropriations

CONTENT

The bill would amend the Michigan Higher Education Assistance Authority (MHEAA) statute to allow the Authority to use money from the Michigan Guaranty Agency's operating fund for the State Competitive Scholarship Program. The bill would impose two conditions on the use of the money: 1) The money could be used only in the State fiscal year 2007-08; and 2) the use of the money would have to be allowed under Federal law.

Proposed MCL 390.957b

FISCAL IMPACT

As part of the FY 2007-08 budget target agreement, \$1.2 million in MHEAA revenue was recommended as a fund source for the State Competitive Scholarship Program. The FY 2007-08 Higher Education appropriation act (Public Act 136 of 2007) includes this \$1.2 million in MHEAA revenue, \$2.9 million in Federal revenue, and \$31.4 million in State General Fund/General Purpose revenue, as fund sources for State Competitive Scholarships. At its meeting on March 18, 2008, the Authority plans to pass a resolution, contingent on the passage of this bill, to allow the use of \$1.2 million in MHEAA revenue as a fund source for FY 2007-08 State Competitive Scholarships, which are funded at a total level of \$35.5 million.

Date Completed: 3-10-08

Fiscal Analyst: Ellen Jeffries