

Office of Government Relations

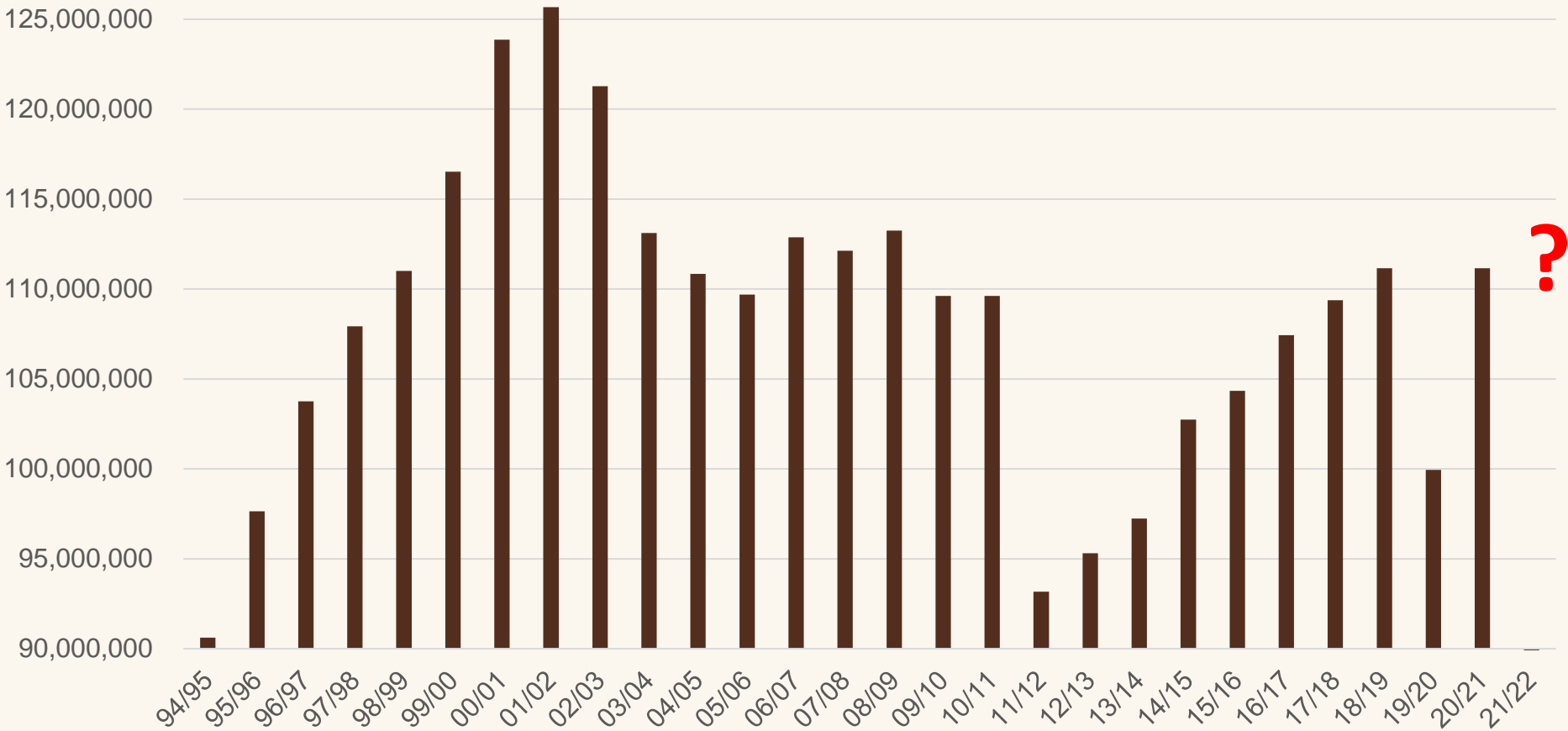


May 13, 2021
State Budget Update



WMU State Appropriations History

Base Funding



Fiscal Year 2022 Higher Education Funding Proposals

Governor Whitmer

- Flat Base Funding of \$111,522,200 (same level as FY19)
- \$2,230,400 in *one-time funding* (2% of base)
- Indian Tuition Waiver funding of \$795,300
- Tuition restraint of 4.25% or \$590

Fiscal Year 2022 Higher Education Funding Proposals

Senate

- Flat Base Funding (Same as Governor)
- 2% of base in *one-time* funding (Same as Governor)
- Funding for Indian Tuition Waiver Program (same as Governor)
- \$5,000 reduction in current King-Chavez Parks initiatives
- \$2,179,000 increase (+1.9%) from previous year, but no base operations increase
- Tuition restraint of 4.2%

Fiscal Year 2022 Higher Education Funding Proposals

House

- Funding allocated based on a *MI Resident* FYES per student formula
- Funds Indian Tuition Waiver (same as Governor and Senate)
- No tuition restraint
- WMU appropriation \$113,840,800 (+1.3% base increase) **BUT.....**
- Under 3-year phase-in of MI Resident FYES formula, WMU base would DECREASE in FY23 and again in FY24
- Decrease of approx. 6% of our base funding from FY19 base. This assumes steady MI Resident FYES enrollment. Declines would provide even more uncertainty

Maintenance of Effort

- Included in CARES, CRRSAA and the ARP relief plans were Maintenance of Effort (MOE) requirements for education funding provided state governments
- MOE language requires states to fund K-12 and higher education at the average level of the last three years if they accept the federal funding
- Failure to meet MOE requirements will jeopardize the federal relief funding states received (approximately \$5.4 billion for Michigan)
- Current funding levels do NOT meet the MOE requirement
- The US Dept of Education *can* grant waivers for the MOE requirements, but Gov. Whitmer is unlikely to request such a waiver

Next Moves On The Chess Board

- Intense lobbying for and against the House proposal
- May 21 Revenue Estimating Conference
- Legislative Leadership and Governor must negotiate
- Resolution in June....or July....or August...or September...or....
- Legislature attempting to stop any higher education vaccine requirements

Vaccine Politics

Major Boilerplate Changes from FY 2020-21

Sec. 275j. University COVID-19 Vaccination Requirement Prohibition – NEW

House adds language that restricts universities from requiring COVID-19 vaccination as a prerequisite for enrollment or attending in-person instruction.

HB4400 (H-2) As Introduced – Amendment No.1A Date: 05/12/2021

Rep. Reilly offered the following amendment to House Bill No. 4400 (H-2):

1. Amend page 40, line 29, after "enrollment" by inserting a comma and "moving into or residing in housing offered by the university,".

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Questions?

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