

**SUBSTITUTE FOR
HOUSE BILL NO. 4442**

A bill to amend 1986 PA 102, entitled

"An act to establish a grant program for certain part-time, independent students in this state; and to prescribe the powers and duties of certain state agencies and institutions of higher education,"

by amending sections 1, 2, 3, 4, 5, 6, 7, and 8 (MCL 390.1281, 390.1282, 390.1283, 390.1284, 390.1285, 390.1286, 390.1287, and 390.1288), section 3 as amended by 2004 PA 180.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 ~~—— (a) "Authority" means the Michigan higher education assistance~~
3 ~~authority created by Act No. 77 of the Public Acts of 1960, being~~
4 ~~sections 390.951 to 390.961 of the Michigan Compiled Laws.~~

5 (A) "COMMUNITY COLLEGE" MEANS A COMMUNITY COLLEGE ORGANIZED
6 UNDER THE COMMUNITY COLLEGE ACT OF 1966, 1966 PA 331, MCL 389.1 TO

1 389.195, OR UNDER PART 25 OF THE REVISED SCHOOL CODE, 1976 PA 451,
2 MCL 380.1601 TO 380.1607.

3 (B) "DEPARTMENT" MEANS THE DEPARTMENT OF TREASURY.

4 (C) "ELIGIBLE STUDENT" MEANS AN INDIVIDUAL WHO MEETS THE
5 REQUIREMENTS OF SECTION 3.

6 (D) ~~(b)~~-"Financial need" means need as determined by the
7 ~~institution~~ **A COMMUNITY COLLEGE** based upon a need analysis standard
8 established by the ~~authority~~. ~~Such~~ **DEPARTMENT. THAT** standard shall
9 take into consideration the student's current annual income and
10 exclude his or her home equity.

11 (E) "GRANT PROGRAM" MEANS THE PROGRAM ESTABLISHED BY SECTION
12 2.

13 (F) ~~(c)~~-"Independent student" means ~~an independent student~~
14 **THAT TERM** as defined in 34 C.F.R. ~~668.1a~~. **CFR 668.2.**

15 (G) ~~(d)~~-"Part-time" means not less than 3 semester hours and
16 not more than 11 semester hours per semester, or the equivalent for
17 a quarter or term.

18 Sec. 2. A grant program is established ~~by the state to foster~~
19 the pursuit of postsecondary education by ~~part-time, independent~~
20 ~~students who have financial need~~. **ELIGIBLE STUDENTS.**

21 Sec. 3. ~~A person~~ **AN INDIVIDUAL** is eligible to participate in
22 the grant program if he or she meets all of the following:

23 (a) Is a part-time student.

24 (b) Is an independent student.

25 (c) Has not been enrolled in a high school diploma program
26 other than general educational development (GED) or adult education
27 for at least the 2 preceding years.

(d) Is enrolled or accepted for enrollment in ~~an undergraduate~~
 A program of not less than 9 months duration leading to a degree or
 certificate from a ~~Michigan degree-granting educational institution~~
~~that is approved by the department of labor and economic~~
~~growth.~~ **COMMUNITY COLLEGE.**

(e) Has resided continuously in this state for the immediately
 preceding 12 months and is not considered a resident of any other
 state.

(f) Is not incarcerated in a corrections institution.

(g) Has complied with this act and the rules promulgated under
 this act by the ~~authority.~~ **DEPARTMENT.**

(h) Is a United States citizen or permanent resident.

~~—— (i) Is not enrolled in an institution whose primary purpose is~~
~~to prepare students for ordination or appointment as a member of~~
~~the clergy of a church, denomination, or religious association,~~
~~order, or sect.~~

(I) ~~(j)~~ Is not in default on a loan guaranteed by the
~~authority.~~ **DEPARTMENT.**

(J) ~~(k)~~ Is shown by the ~~school~~ **COMMUNITY COLLEGE** to be making
 satisfactory academic progress.

(K) IS SHOWN BY THE COMMUNITY COLLEGE TO HAVE FINANCIAL NEED.

Sec. 4. The total of the amount granted to ~~an educational~~
~~institution~~ **A COMMUNITY COLLEGE** shall be proportionate to the
 number of ~~needy independent students eligible for this program~~
ELIGIBLE STUDENTS enrolled at the ~~institution~~ **COMMUNITY COLLEGE** for
 the most recent year for which statistics are available. ~~Funds~~
~~provided to eligible schools~~ **THE COMMUNITY COLLEGE** shall be used

1 **USE THOSE FUNDS** for awards to **ELIGIBLE** students, not for
 2 administration of the program.

3 Sec. 5. (1) Upon application of an eligible student, ~~an~~
 4 ~~educational institution~~ **ANY COMMUNITY COLLEGE** shall grant to the
 5 student an amount ~~of not more than \$600.00 per~~ **NOT EXCEEDING A**
 6 **MAXIMUM GRANT AMOUNT ESTABLISHED BY THE DEPARTMENT FOR AN** academic
 7 year for not more than ~~2-3~~ 12-month periods at any ~~given~~
 8 ~~educational institution~~. **COMMUNITY COLLEGE.**

9 (2) If the number of eligible ~~applicants~~ **STUDENTS** exceeds the
 10 money available, priority shall be given to ~~persons~~ **ELIGIBLE**
 11 **STUDENTS AS DIRECTED BY THE ACT THAT APPROPRIATED THAT MONEY.**
 12 **HOWEVER, IF THAT ACT DOES NOT PROVIDE THAT DIRECTION, THEN PRIORITY**
 13 **SHALL BE GIVEN TO ELIGIBLE STUDENTS** with the greatest financial
 14 need as determined by each ~~educational institution~~. **COMMUNITY**
 15 **COLLEGE.**

16 (3) ~~A-SUBJECT TO THE REQUIREMENTS OF SECTION 3, A~~ student who
 17 receives a ~~state competitive scholarship award under Act No. 208 of~~
 18 ~~the Public Acts of 1964, being sections 390.971 to 390.981 of the~~
 19 ~~Michigan Compiled Laws, or who receives other scholarships or grant~~
 20 ~~awards, may be~~ **1 OR MORE SCHOLARSHIP OR GRANT AWARDS OTHER THAN A**
 21 **GRANT AWARD UNDER THIS ACT, INCLUDING A STATE COMPETITIVE**
 22 **SCHOLARSHIP AWARD UNDER 1964 PA 208, MCL 390.971 TO 390.981, IS**
 23 eligible for funds under this act if the total amount of ~~the~~
 24 ~~student's scholarships and grants~~ **THOSE OTHER SCHOLARSHIP AND GRANT**
 25 **AWARDS** is less than the student's financial need. ~~A-THAT~~ student's
 26 **OTHER** scholarship and grant awards may be increased with funds from
 27 the **GRANT** program under this act up to the level of the maximum

1 grant as provided in subsection (1).

2 Sec. 6. A grant awarded to a ~~an~~ **ELIGIBLE** student pursuant to
3 **UNDER** this act shall be disregarded as income for purposes of
4 determining eligibility for aid or assistance administered under
5 the social welfare act, ~~Act No. 280 of the Public Acts of 1939,~~
6 ~~being sections 400.1 to 400.121 of the Michigan Compiled Laws.1939~~
7 **PA 280, MCL 400.1 TO 400.119B.**

8 Sec. 7. The ~~authority~~ **DEPARTMENT** may accept gifts, grants,
9 bequests, donations, and devises, from whatever sources, of real,
10 personal, or mixed property and money for the purposes described in
11 this act. The ~~authority~~ **DEPARTMENT** shall prepare an annual report
12 of all gifts, grants, bequests, donations, and devises for the
13 governor and the legislature.

14 Sec. 8. The ~~authority~~ **DEPARTMENT** shall promulgate rules to
15 implement this act pursuant to the administrative procedures act of
16 1969, ~~Act No. 306 of the Public Acts of 1969, being sections 24.201~~
17 ~~to 24.328 of the Michigan Compiled Laws.1969~~ **PA 306, MCL 24.201 TO**
18 **24.328.**