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## MET CONTRACTS

House Bill 4175

Sponsor: Rep. Pat Gagliardi

Committee: Higher Education

Complete to 1-26-94

### A SUMMARY OF HOUSE BILL 4175 AS INTRODUCED 2-9-93

House Bill 4175 would amend the Michigan Education Trust (MET) Act to require that the MET board ensure that an enrollment period for advance tuition payment contracts be provided at least annually, and that the trust offer advance tuition payment contracts to potential purchasers during each annual enrollment period. Under the act the MET board is required to have the trust evaluated annually to determine its actuarial soundness. If there are insufficient funds to ensure actuarial soundness, payments of subsequent purchases are adjusted. The bill would specify that the MET board could take these and other relevant financial factors into consideration, and could adjust the amount charged for a contract before each enrollment period. However, the percentage increase from the preceding enrollment period could not exceed the percentage increase from the immediately preceding academic year in the weighted average tuition cost of state higher education institutions.

MCL 390.1411a et al.

House Bill 4175 (1-26-94)