

NURSING SCHOLARSHIP PROGRAM

House Bill 6053

Sponsor: Rep. Barb VanderVeen

House Bill 6054

Sponsor: Rep. Sandra Caul

Committee: Appropriations

Complete to 5-10-02

A SUMMARY OF HOUSE BILLS 6053-6054 AS INTRODUCED 5-9-02

The bills would create a student scholarship for people enrolled in nursing programs if they agreed to serve as nurses in Michigan. The new scholarship would be funded through the Michigan Merit Award Scholarship program. The bills are tie-barred to each other so that neither could become law unless the other also were enacted. A more detailed description of each bill follows.

House Bill 6053 would create a new law to be known as the Michigan Nursing Scholarship Act. Under the bill, the Michigan Nursing Scholarship Program would be administered by the Michigan Higher Education Assistance Authority. The bill specifies that the authority could award a scholarship to an individual who met the following requirements: a) was a United States citizen or a permanent resident of the United States; b) had resided in Michigan for the 12 months preceding his or her application and was not a resident of any other state; c) was enrolled or had been accepted into a nursing program; d) had signed a written scholarship agreement stating an intent to pursue nursing as a career, and to serve in eligible employment in Michigan for a minimum period of one to four years (the period equivalent to the number of years for which the individual received scholarship assistance); e) was in compliance with the act and the rules; f) had not been convicted of a felony involving assault, physical injury, or death; and g) met any other standards established in rules promulgated by the authority.

The bill specifies that each scholarship recipient would receive a \$4,000 scholarship, or a scholarship in an amount equal to the recipient's eligible costs minus any other grants or scholarships the recipient received, whichever was less, for each academic year in a nursing program. However, an individual could not receive assistance for more than four academic years.

Further, the bill specifies that scholarship recipients would have to be enrolled either full-time or part-time in a nursing program, and maintain satisfactory academic progress as determined by the eligible institution. In order to receive a nursing scholarship, an individual would enter into a written agreement with the Michigan Higher Education Assistance Authority. The written agreement would require an individual to a) obtain a license from the state as a registered professional nurse or licensed practical nurse within one year after completing the nursing program; b) serve for the appropriate employment period (depending of the number of years the scholarship had been awarded); c) provide to the authority evidence of enrollment and satisfactory progress; and if these conditions were not satisfied, d) repay all or part of a scholarship award plus interest and, if applicable, reasonable collection fees.

House Bill 6053 also describes a number of instances in which a recipient would not be in violation of the scholarship agreement, including among other things, serving as a member of the armed services for a period of three years or less, and temporary disability. Further, the bill specifies that a recipient would not be in violation of the agreement if he or she provided part-time nursing care and all of the following were met: a) the department, by rule, established a minimum average number of hours per week that a recipient could be employed to qualify as providing part-time nursing, and then the recipient met that requirement; b) the recipient was otherwise engaged in eligible employment in the state; and, c) the recipient provided part-time nursing care for one of the following periods: i) not less than two years if he or she had received scholarship assistance in one academic year; ii) not less than four years if he or she had received assistance in two academic years; iii) not less than six years if he or she had received assistance in three academic years; or iv) not less than eight years if he or she had received assistance in four academic years.

Finally, the bill would require the Department of Treasury to establish and administer a restricted account in the general fund for the program, and to credit money appropriated from the Michigan Merit Award Trust Fund, or money received from any other source including amounts repaid on scholarships, in the account. The money could be used only to provide scholarship funds to the authority, and if there were money in the account at the end of a fiscal year, it would not revert to the general fund, but instead be carried over in the account to the next fiscal year.

House Bill 6054 would amend the Michigan Merit Award Scholarship Act (MCL 390.1455) to authorize disbursements from the trust fund to fund the Michigan Nursing Scholarship Program as described in House Bill 6053. Currently under the law, the trust fund is used for a) Michigan Merit Award Scholarships, b) expenses properly incurred by the commission, c) costs associated with the development, preparation, distribution, and scoring of the Michigan Educational Assessment Program tests and any costs associated with dissemination of results of the assessment test, d) funding of the Tuition Incentive Program, and e) other expenditures determined by law.

Analyst: J. Hunault

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