

CREATES NURSING EDUCATION SCHOLARSHIP PROGRAM



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FISCAL ANALYSIS

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HOUSE BILL 6053 (H-1)

Sponsor: Rep. Barb Vander Veen

House Committee: Appropriations

REVISED COMMITTEE ANALYSIS - 5/16/02

Analyst(s): Hank Prince

SUMMARY

HB 6053 creates an educational scholarship program for resident students enrolled in certain nursing education programs. These scholarships would be funded by Michigan Merit Award Trust Fund monies, and Public Act 144 of 2002 has appropriated \$4 million to support a nursing education scholarship program.

Eligible students are U.S. citizens or permanent residents who have resided in Michigan for one full year preceding submission of an application and who is enrolled or accepted in a nursing program. They must sign an agreement stating that they intend to pursue a nursing career and to serve in certain nursing employment for a period of one to four years. These students also may not have been convicted of a felony involving physical injury, assault, or death.

The scholarship may be used to pay tuition and fees, related costs for room, board, books, supplies, transportation, day care, and other eligible costs as determined by the Michigan higher education assistance authority.

To receive a scholarship payment, the student must enroll in a nursing program as either a full-time or part-time student and maintain satisfactory progress toward a degree.

HB 6053 permits a scholarship recipient to work on either a full-time or part-time basis to satisfy the work requirements of the scholarship. Recipients working full-time after graduation are required to work one year for each year of scholarship assistance. Recipients working part-time after graduation are required to work two years for each year of scholarship assistance.

This bill, as amended in subcommittee, creates both a full \$4,000 nursing scholarship and a partial scholarship linked to the number of credits a student enrolls for in a nursing program. However, HB 6053 does not directly appropriate funds for the scholarship program. Public Act 144 of 2002 appropriated \$4 million for a nursing education scholarship program, and that appropriation would fund 1,000 full scholarships or some combination of full and partial scholarships in the 2002-03 academic year.

The bill also includes a reporting requirement. The higher education assistance authority is to prepare an annual report concerning the number of scholarships awarded, the type of institution in which the recipients enroll, and the number of scholarships converted to loans if the recipient does not fulfill the employment requirement.

HB 6053, as amended, is tie-barred to the enactment of HB 6054, which amends the Michigan Merit Award Scholarship Act to permit use of Merit Trust Fund monies specifically for the Michigan nursing scholarship program.