

SENATE BILL No. 1156

April 21, 2004, Introduced by Senators VAN WOERKOM, KUIPERS, SWITALSKI, JELINEK, GARCIA, McMANUS and THOMAS and referred to the Committee on Education.

A bill to amend 1999 PA 94, entitled "Michigan merit award scholarship act," by amending sections 2, 6, 7, 8, and 9 (MCL 390.1452, 390.1456, 390.1457, 390.1458, and 390.1459), sections 2 and 7 as amended by 2002 PA 736, section 6 as amended by 2002 PA 537, and section 8 as amended by 2003 PA 186, and by adding sections 7a and 7b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Approved postsecondary educational institution" means
3 any of the following:

4 (i) A degree or certificate granting public or private
5 college or university, junior college, or community college.

6 (ii) A service academy.

7 (iii) An educational institution, other than an educational
8 institution described in subparagraph (i) or (ii), granting

1 degrees, certificates, or other recognized credentials and
2 designated by the board as an approved postsecondary educational
3 institution.

4 (iv) A program of an educational institution, other than an
5 educational institution described in subparagraph (i) or (ii),
6 granting degrees, certificates, or other recognized credentials
7 and designated by the board as an approved postsecondary
8 educational institution.

9 (b) "Assessment test" means the ~~Michigan education~~
10 ~~assessment program (MEAP) subject area assessments or any~~
11 ~~successor assessment test designated by the board.~~ **middle school**
12 **assessment test or 1 of the following:**

13 (i) **For a student enrolled in grade 11 before the 2005-2006**
14 **school year, the high school assessment test.**

15 (ii) **For a student enrolled in grade 11 in or after the**
16 **2005-2006 school year, the Michigan merit examination.**

17 (c) "Board" means the Michigan merit award board established
18 in this act.

19 (d) "Department of career development" means the department
20 of career development created in Executive Order No. 1999-1.

21 (e) "Eligible costs" means tuition and fees charged by an
22 approved postsecondary educational institution; related costs for
23 room, board, books, supplies, transportation, or day care; and
24 other costs determined by the board.

25 (f) "Fiscal year" means the fiscal year of this state.

26 (g) **"High school assessment test" means the Michigan**
27 **education assessment program (MEAP) subject area assessments**

1 given in grade 11.

2 (h) ~~(g)~~ "Michigan merit award scholarship" means a
3 scholarship awarded by the board under section 7 or 7a.

4 (i) "Michigan merit examination" means the Michigan merit
5 examination described in section 1279g of the revised school
6 code, 1976 PA 451, MCL 380.1279g, and section 104b of the state
7 school aid act of 1979, 1979 PA 94, MCL 388.1704b.

8 (j) "Middle school assessment test" means the Michigan
9 education assessment program (MEAP) subject area assessments
10 given in grades 7 and 8 or any successor assessment test
11 designated by the board.

12 (k) ~~(h)~~ "Qualifying results" means assessment test results,
13 scores, or ranges of scores determined by the board that qualify
14 a student for a Michigan merit award scholarship under section 7
15 or 7a.

16 (l) ~~(i)~~ "Service academy" means the United States military
17 academy, United States naval academy, United States air force
18 academy, United States coast guard academy, or United States
19 merchant marine academy.

20 (m) ~~(j)~~ "State board" means the state board of education.

21 (n) ~~(k)~~ "Superintendent" means the superintendent of public
22 instruction.

23 (o) ~~(l)~~ "Tobacco settlement revenue" means money received
24 by this state that is attributable to the master settlement
25 agreement incorporated into a consent decree and final judgment
26 entered on December 7, 1998 in Kelley Ex Rel. Michigan v Philip
27 Morris Incorporated, et al., Ingham county circuit court, docket

1 no. 96-84281CZ.

2 (p) ~~(m)~~ "Trust fund" means the Michigan merit award trust
3 fund established in section 3.

4 Sec. 6. (1) The board shall conduct business in compliance
5 with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.
6 The board shall give public notice of the time, date, and place
7 of meetings of the board in the manner required by the open
8 meetings act, 1976 PA 267, MCL 15.261 to 15.275.

9 (2) The board shall meet not less than annually and shall
10 keep a record of its proceedings. The board shall make any
11 writing prepared, owned, used, in the possession of, or retained
12 by the board in the performance of an official function available
13 to the public in compliance with the freedom of information act,
14 1976 PA 442, MCL 15.231 to 15.246.

15 (3) Except as provided in subsection (4), the board shall
16 obtain and make available to the public all of the qualifying
17 questions and answers, along with the corresponding answer key,
18 to a high school assessment test or a middle school assessment
19 ~~tests~~ test administered during the spring of the preceding
20 school year not later than September 1. **The board shall obtain**
21 **and make available to the public preparatory materials for the**
22 **Michigan merit examination that contain sample test questions and**
23 **correct answers.**

24 (4) If any question ~~will be used~~ **is designated by the state**
25 **board of education for use in a future high school assessment**
26 **test or middle school assessment test** for validity purposes, the
27 board may elect not to make that question and the answer

1 available to the public under subsection (3) for a period of up
2 to 2 years from the date the assessment test that first includes
3 the question is administered.

4 (5) By December 1 of each year, the board shall submit a
5 report on its activities to the governor and to the legislature.
6 The report shall contain all of the following information:

7 (a) A list of approved postsecondary educational institutions
8 for the current and immediately preceding fiscal years.

9 (b) The number of Michigan merit award scholarships awarded
10 and the total amount of Michigan merit award scholarship money
11 paid in the immediately preceding fiscal year.

12 (c) A projection of revenues and expenditures from the trust
13 fund for the current fiscal year and the next 10 fiscal years.

14 (d) The dollar amount of the Michigan merit award
15 scholarships available under ~~section 7(2) and (3)~~ **sections 7**
16 **and 7a** in the current fiscal year, the amount of any adjustments
17 to the dollar amount under ~~section 7(5)~~ **sections 7(4) and 7a(2)**
18 from the beginning of the immediately preceding fiscal year, and
19 any adjustments to the dollar amount projected for the remainder
20 of the current fiscal year or for the next fiscal year.

21 (e) All of the following results, scores, or ranges of
22 scores:

23 (i) Used as qualifying results in the immediately preceding
24 fiscal year.

25 (ii) Determined by the board as qualifying results in the
26 current fiscal year.

27 (iii) Projected by the board as qualifying results for the

1 next fiscal year.

2 (f) For the immediately preceding fiscal year, the number of
3 students who took the assessment tests, the number of students by
4 subject area who received qualifying results, the number of
5 graduating high school seniors who met the requirements for a
6 Michigan merit award scholarship, and the total number of
7 students who met the requirements for a Michigan merit award
8 scholarship.

9 (g) The number of persons participating in and the amount
10 awarded in the immediately preceding fiscal year under the
11 tuition incentive program described in section 310 of ~~2002 PA~~
12 ~~144~~ **2003 PA 144** or a successor to that program.

13 (6) At least 60 days before changing the results, scores, or
14 ranges of scores used as qualifying results, the board shall
15 provide written notice of its intent to change the results,
16 scores, or ranges of scores used as qualifying results, and a
17 report explaining the board's decision to change the results,
18 scores, or ranges of scores used as qualifying results, to the
19 standing committees of the senate and the house of
20 representatives that have primary jurisdiction over legislation
21 pertaining to education. The standing committees shall review
22 the board's report and may hold hearings on the board's
23 decision.

24 Sec. 7. (1) The Michigan merit award scholarship program is
25 established. The board shall administer the Michigan merit award
26 scholarship program.

27 (2) Subject to ~~subsection (6)~~ **section 7b(2)**, and to

1 **adjustment under subsection (4)**, each student enrolled in grade
2 11 in or after the 1998-1999 school year **and before the 2005-2006**
3 **school year** who meets the requirements of ~~subsection (4), and~~
4 ~~subject to adjustment under subsection (5),~~ **section 7b(1)** is
5 eligible for the award of a \$2,500.00 Michigan merit award
6 scholarship if the student is enrolled in an approved
7 postsecondary educational institution in this state or in a
8 service academy, or the award of a \$1,000.00 Michigan merit award
9 scholarship if the student is enrolled in an approved
10 postsecondary educational institution outside this state other
11 than a service academy, if the board finds that the student while
12 in high school has taken the **high school** assessment test in the
13 subject areas of reading, writing, mathematics, and science and
14 meets 1 of the following:

15 (a) Has received qualifying results in each of the subject
16 areas of reading, writing, mathematics, and science.

17 (b) Did not receive qualifying results in 1 or 2 of the
18 subject areas of reading, writing, mathematics, and science, but
19 received an overall score in the top 25% of a nationally
20 recognized college admission examination.

21 (c) Did not receive qualifying results in 1 or 2 of the
22 subject areas of reading, writing, mathematics, and science, but
23 received a qualifying score or scores as determined by the board
24 on a nationally recognized job skills assessment test designated
25 by the board.

26 ~~(3) Subject to subsection (6) and to adjustment under~~
27 ~~subsection (5), a student who was enrolled in grade 7 in or after~~

~~1 the 1999-2000 school year and who the board finds has taken the
2 assessment test in each of the subject areas while in grades 7
3 and 8 is eligible for 1 of the following additional Michigan
4 merit award scholarships:~~

~~5 — (a) If the board finds that the student while in grades 7 and
6 8 received qualifying results in 2 of the subject areas of
7 reading, writing, mathematics, and science, an additional
8 Michigan merit award scholarship of \$250.00.~~

~~9 — (b) If the board finds that the student while in grades 7 and
10 8 received qualifying results in 3 of the subject areas of
11 reading, writing, mathematics, and science, an additional
12 Michigan merit award scholarship of \$375.00.~~

~~13 — (c) If the board finds that the student while in grades 7 and
14 8 received qualifying results in all of the subject areas of
15 reading, writing, mathematics, and science, an additional
16 Michigan merit award scholarship of \$500.00.~~

~~17 — (4) In addition to the requirements set forth in subsections
18 (2) and (3), to be eligible for the award of 1 or both Michigan
19 merit award scholarships under this section, the board must find
20 that a student satisfies all of the following:~~

~~21 — (a) The student has graduated from high school or passed the
22 general educational development (GED) test or other graduate
23 equivalency examination approved by the state board.~~

~~24 — (b) The student graduated from high school or passed the
25 general educational development (GED) test or other graduate
26 equivalency examination approved by the state board within 1 of
27 the following time periods:~~

1 ~~—— (i) If the student graduated from high school or passed the~~
2 ~~test or examination before March 1, 2002, within the 7 year~~
3 ~~period preceding the student's application to receive his or her~~
4 ~~Michigan merit award scholarship money.~~

5 ~~—— (ii) If the student graduated on or after March 1, 2002,~~
6 ~~within the 4 year period preceding the date of the student's~~
7 ~~application to receive his or her Michigan merit award~~
8 ~~scholarship money, or if the student becomes a member of the~~
9 ~~United States armed forces or peace corps during this 4 year~~
10 ~~period and serves for 4 years or less, the 4 year period is~~
11 ~~extended by a period equal to the number of days the student~~
12 ~~served as a member of the United States armed forces or peace~~
13 ~~corps. The board may also extend the 4 year period if the board~~
14 ~~determines that an extension is warranted because of an illness~~
15 ~~or disability of the student or in the student's immediate family~~
16 ~~or another family emergency.~~

17 ~~—— (c) The student is enrolled in an approved postsecondary~~
18 ~~educational institution. For students who qualify under~~
19 ~~subsection (2) (c), the student is enrolled in a vocational or~~
20 ~~technical education program at an approved postsecondary~~
21 ~~educational institution.~~

22 ~~—— (d) The student has not been convicted of a felony involving~~
23 ~~an assault, physical injury, or death.~~

24 ~~—— (e) The student satisfies any additional eligibility~~
25 ~~requirements established by the board.~~

26 **(3) Subject to subsection (4) and to adjustment under**
27 **subsection (4), each student enrolled in grade 11 in or after the**

1 2005-2006 school year who meets the requirements of section 7b(1)
2 is eligible for the award of a \$2,500.00 Michigan merit award
3 scholarship if the student is enrolled in an approved
4 postsecondary educational institution in this state or in a
5 service academy, or the award of a \$1,000.00 Michigan merit award
6 scholarship if the student is enrolled in an approved
7 postsecondary educational institution outside this state other
8 than a service academy, if the board finds that the student while
9 in high school has taken the Michigan merit examination and
10 received qualifying results in each of the subject area
11 components of the Michigan merit examination.

12 (4) ~~(5)~~ In any fiscal year, the board may adjust the amount
13 of a Michigan merit award scholarship available to students
14 eligible under 1 or more of subsections (2), (3), and ~~(9)~~ (5),
15 based upon its determination of available resources and amounts
16 appropriated, but the board shall not increase an amount by more
17 than 5% in any fiscal year. The board shall notify the governor,
18 the speaker of the house of representatives, and the majority
19 leader of the senate in writing at least 30 days before an
20 adjustment under this subsection.

21 ~~(6) For assessment tests administered after January 1, 2000,~~
22 ~~the board shall not use the assessment test to determine~~
23 ~~eligibility for a Michigan merit award scholarship under this~~
24 ~~section for a particular year unless the board has reviewed and~~
25 ~~approved the assessment test before it was administered for that~~
26 ~~year.~~

27 ~~(7) The board shall provide each student written notice of~~

~~1 whether or not the student is eligible for the award of 1 or more
2 Michigan merit award scholarships described in this section. If
3 the student is eligible, the written notice shall also contain
4 the Michigan merit award scholarship amount for which the student
5 is eligible, how the student applies for payment of Michigan
6 merit award scholarship, and any other information the board
7 considers necessary regarding qualification requirements or
8 conditions relating to the use of the Michigan merit award
9 scholarship.~~

~~10 (8) It is the intent of the legislature that the level of
11 student performance required to achieve qualifying results in a
12 subject area of an assessment test remains approximately the
13 same, and that the board not reduce the required level of student
14 performance as a means of increasing the number of Michigan merit
15 award scholarships awarded.~~

~~16 (5) (9) If a student who has previously received a
17 \$1,000.00 Michigan merit award scholarship **under this section** as
18 a student enrolled in an approved postsecondary educational
19 institution outside of this state other than a service academy
20 enrolls in an approved postsecondary educational institution in
21 this state and meets the requirements of ~~subsection (4)~~ **section**
22 **7b(1)**, and subject to adjustment under subsection ~~(5)~~ **(4)**, the
23 student is eligible for the award of an additional \$1,500.00
24 Michigan merit award scholarship.~~

~~25 (10) A pupil who does not initially receive qualifying
26 results shall be extended an opportunity to achieve the requisite
27 qualifying results by taking a subsequent assessment test.~~

1 ~~—— (11) A nonpublic school student or home school student may~~
2 ~~take, and the board shall administer if requested, an assessment~~
3 ~~test at a site designated by the board.~~

4 Sec. 7a. (1) Subject to section 7b(2) and to adjustment
5 under subsection (2), a student who was enrolled in grade 7 in or
6 after the 1999-2000 school year, who meets the requirements of
7 section 7b(1), and who the board finds has taken the middle
8 school assessment test in each of the subject areas while in
9 grades 7 and 8 is eligible for 1 of the following Michigan merit
10 award scholarships:

11 (a) If the board finds that the student while in grades 7 and
12 8 received qualifying results in 2 of the subject areas of
13 reading, writing, mathematics, and science, a Michigan merit
14 award scholarship of \$250.00.

15 (b) If the board finds that the student while in grades 7 and
16 8 received qualifying results in 3 of the subject areas of
17 reading, writing, mathematics, and science, a Michigan merit
18 award scholarship of \$375.00.

19 (c) If the board finds that the student while in grades 7 and
20 8 received qualifying results in all of the subject areas of
21 reading, writing, mathematics, and science, a Michigan merit
22 award scholarship of \$500.00.

23 (2) In any fiscal year, the board may adjust the amount of a
24 Michigan merit award scholarship available to students eligible
25 under subsection (1) based upon its determination of available
26 resources and amounts appropriated, but the board shall not
27 increase an amount by more than 5% in any fiscal year. The board

1 shall notify the governor, the speaker of the house of
2 representatives, and the majority leader of the senate in writing
3 at least 30 days before an adjustment under this subsection.

4 Sec. 7b. (1) In addition to the requirements set forth in
5 section 7(2) or (3) or section 7a(1), to be eligible for the
6 award of a Michigan merit award scholarship under this act, the
7 board must find that a student satisfies all of the following:

8 (a) The student has graduated from high school or passed the
9 general educational development (GED) test or other graduate
10 equivalency examination approved by the state board.

11 (b) The student graduated from high school or passed the
12 general educational development (GED) test or other graduate
13 equivalency examination approved by the state board within 1 of
14 the following time periods:

15 (i) If the student graduated from high school or passed the
16 test or examination before March 1, 2002, within the 7-year
17 period preceding the student's application to receive his or her
18 Michigan merit award scholarship money.

19 (ii) If the student graduated on or after March 1, 2002,
20 within the 4-year period preceding the date of the student's
21 application to receive his or her Michigan merit award
22 scholarship money, or if the student becomes a member of the
23 United States armed forces or peace corps during this 4-year
24 period and serves for 4 years or less, the 4-year period is
25 extended by a period equal to the number of days the student
26 served as a member of the United States armed forces or peace
27 corps. The board may also extend the 4-year period if the board

1 determines that an extension is warranted because of an illness
2 or disability of the student or in the student's immediate family
3 or another family emergency.

4 (c) The student is enrolled in an approved postsecondary
5 educational institution. For students who qualify under section
6 7(2)(c), the student is enrolled in a vocational or technical
7 education program at an approved postsecondary educational
8 institution.

9 (d) The student has not been convicted of a felony involving
10 an assault, physical injury, or death.

11 (e) The student satisfies any additional eligibility
12 requirements established by the board.

13 (2) For a middle school assessment test or high school
14 assessment test administered after January 1, 2000, the board
15 shall not use that assessment test to determine eligibility for a
16 Michigan merit award scholarship under this section for a
17 particular year unless the board has reviewed and approved that
18 assessment test before it was administered for that year.

19 (3) The board shall provide each student written notice of
20 whether or not the student is eligible for the award of 1 or more
21 Michigan merit award scholarships described in this act. If the
22 student is eligible, the written notice shall also contain the
23 Michigan merit award scholarship amount for which the student is
24 eligible, how the student applies for payment of Michigan merit
25 award scholarship, and any other information the board considers
26 necessary regarding qualification requirements or conditions
27 relating to the use of the Michigan merit award scholarship.

1 (4) It is the intent of the legislature that the level of
2 student performance required to achieve qualifying results in a
3 subject area of an assessment test remains approximately the
4 same, and that the board not reduce the required level of student
5 performance as a means of increasing the number of Michigan merit
6 award scholarships awarded.

7 (5) A pupil who does not initially receive qualifying results
8 shall be extended an opportunity to achieve the requisite
9 qualifying results by taking a subsequent assessment test.

10 (6) A nonpublic school student or home school student may
11 take, and the board shall administer if requested, an assessment
12 test at a site designated by the board.

13 Sec. 8. (1) A Michigan merit award scholarship shall be
14 used only to pay for eligible costs. The board shall determine
15 the manner and form of application for payment of a Michigan
16 merit award scholarship by a student eligible under ~~section 7~~
17 **this act** and the procedure for payment to the student or to the
18 approved postsecondary educational institution on the student's
19 behalf. As determined by the board, upon the request of a
20 student or parent or legal guardian of a minor student, the board
21 may pay a Michigan merit award scholarship in 2 consecutive
22 annual installments rather than 1 lump sum for a student who
23 graduates from high school or passes the general educational
24 development (GED) test or approved graduate equivalency
25 examination before March 1, 2003. For each student who graduates
26 from high school or passes the general educational development
27 (GED) test or approved graduate equivalency examination on or

1 after March 1, 2003, the board shall pay a Michigan merit award
2 scholarship in 2 consecutive annual installments, beginning in
3 the state fiscal year for which the student is otherwise
4 eligible. ~~under section 7.~~ The first installment shall not
5 exceed 50% of the award amount, and the second installment shall
6 consist of the remaining award amount. Verification that the
7 student has met the enrollment criteria under section ~~7(4)(e)~~
8 **7b(1)(c)** is required ~~prior to issuance~~ **before payment** of the
9 second installment.

10 (2) An approved postsecondary educational institution shall
11 not consider a Michigan merit award scholarship in determining a
12 student's eligibility for a financial aid program administered by
13 this state. It is the intent of the legislature that an approved
14 postsecondary educational institution not reduce
15 institutionally-funded student aid because of the Michigan merit
16 award scholarship program.

17 (3) Before payment of a Michigan merit award scholarship to a
18 student or approved postsecondary educational institution, the
19 student shall certify or affirm in writing to the board each of
20 the following:

21 (a) That the student is enrolled at an approved postsecondary
22 educational institution.

23 (b) The name of the approved postsecondary educational
24 institution in which the student is enrolled.

25 (c) That the student agrees to use the Michigan merit award
26 scholarship only for eligible costs.

27 (d) That the student has not been convicted of a felony

1 involving an assault, physical injury, or death.

2 (e) That the student graduated from high school or passed the
3 general educational development (GED) test or approved graduate
4 equivalency examination within 1 of the following time periods:

5 (i) If the student graduated from high school or passed the
6 test or examination before March 1, 2002, within the 7-year
7 period preceding the date of the student's application to receive
8 his or her Michigan merit award scholarship.

9 (ii) If the student graduated on or after March 1, 2002,
10 within the 4-year period preceding the date of the student's
11 application to receive his or her Michigan merit award
12 scholarship, or within a period equal to 4 years plus the number
13 of days the student served as a member of the United States armed
14 forces or peace corps if the student became a member of the
15 United States armed forces or peace corps during this 4-year
16 period and served for 4 years or less. The board may also extend
17 the 4-year period if the board determines that an extension is
18 warranted because of an illness or disability of the student or
19 in the student's immediate family or another family emergency.

20 (4) The board shall not begin disbursing funds for a Michigan
21 merit award scholarship to a student or an approved postsecondary
22 educational institution on behalf of the student unless it
23 receives the request or application for payment, including the
24 written certification or affirmation described in this section,
25 from the student on or before 1 of the following dates, for
26 disbursement in that academic year:

27 (a) In the 2002-2003 academic year, January 15.

1 (b) In the 2003-2004 academic year, September 15 if the
2 student received notification of eligibility prior to August 1.

3 (c) In the 2003-2004 academic year, November 15 if the
4 student received notification of eligibility on or after
5 August 1.

6 (d) In any other academic year, September 15.

7 Sec. 9. The board may promulgate rules pursuant to the
8 administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to
9 24.328, to implement and administer this act, including, but not
10 limited to, 1 or more of the following:

11 (a) Rules establishing the board's administrative
12 procedures.

13 (b) Rules governing the qualification requirements for or the
14 award of Michigan merit award scholarships under this act.

15 (c) Rules establishing an appeals process from a
16 determination of ineligibility for a Michigan merit award
17 scholarship.

18 (d) Rules establishing what information or reports a student
19 or postsecondary educational institution must provide to
20 establish eligibility and when that information or those reports
21 must be provided.

22 (e) Rules prescribing the reports to be made by a student
23 awarded 1 or more Michigan merit award scholarships and by a
24 postsecondary educational institution to which the Michigan merit
25 award scholarship is paid.

26 ~~(f) Rules governing assessment test administration and~~
27 ~~addressing cheating on an assessment test.~~

1 Enacting section 1. This amendatory act does not take
2 effect unless all of the following bills of the 92nd Legislature
3 are enacted into law:

4 (a) Senate Bill No. 1155.

5

6 (b) Senate Bill No. 1153.

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8 (c) Senate Bill No. 1154.

9

10 (d) Senate Bill No. 1157.

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