

HOUSE BILL No. 6671

November 19, 2008, Introduced by Rep. Alma Smith and referred to the Committee on Tax Policy.

A bill to amend 2006 PA 479, entitled
"Michigan promise grant act,"
by amending sections 4, 5, and 6 (MCL 390.1624, 390.1625, and
390.1626) and by adding section 7a; and to repeal acts and parts of
acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) The Michigan promise grant program is established.
2 The department shall provide Michigan promise grants under this act
3 from the trust fund and administer the Michigan promise grant
4 program.

5 (2) Subject to subsection (3) **AND SECTION 7A**, each student who
6 becomes a high school graduate in or after the 2006-2007 academic
7 year **AND BEFORE THE 2007-2008 ACADEMIC YEAR** is eligible for the
8 award of a Michigan promise grant in an amount determined under

1 section 5 or 6.

2 (3) In addition to the requirements set forth in subsection
3 (2), the department must find that a student meets all of the
4 following eligibility requirements to award the student a Michigan
5 promise grant under this act:

6 (a) The department has received a completed application for
7 payment as described in section 7(1), including the certification
8 described in section 7(2) or (3), if applicable, on or before the
9 deadline established by the department.

10 (b) The student is a high school graduate and a resident of
11 this state.

12 (c) The student meets 1 of the following:

13 (i) For a grant under section 5, the student was awarded an
14 associate's degree or a 2-year certificate of completion in a
15 vocational training program at an approved postsecondary
16 educational institution, completed a comparable vocational
17 education program approved by the department at an approved
18 postsecondary educational institution, or completed 50% or more of
19 the academic requirements for the award of a bachelor's degree at
20 an approved postsecondary educational institution within 4 years of
21 his or her initial enrollment in an approved postsecondary
22 educational institution and meets 1 of the following:

23 (A) Has a cumulative grade point average of at least 2.5.

24 (B) If the student completed a vocational education program
25 that does not record grades or grade point averages for its
26 students, has successfully completed that program.

27 (ii) For a grant under section 6, the student received a

1 qualifying score in each of the reading, writing, mathematics, and
2 science components of the state assessment test, and for each
3 student who becomes a high school graduate in or after the 2010-
4 2011 academic year, successfully completes at least 3 credits in
5 mathematics as described in section 1278a(1)(a)(i) of the revised
6 school code, 1976 PA 451, MCL 380.1278a, and 3 credits in science
7 as described in section 1278b(1)(b) of the revised school code,
8 1976 PA 451, MCL 380.1278b.

9 (d) The student took the state assessment test.

10 (e) The student enrolled in an approved postsecondary
11 educational institution within 2 years after he or she became a
12 high school graduate. The department shall extend the 2-year period
13 if the student becomes a member of the United States armed forces
14 or peace corps during the 2-year period.

15 (f) The student did not previously receive a grant under this
16 act or scholarship money under the Michigan merit award scholarship
17 act, 1999 PA 94, MCL 390.1451 to 390.1459.

18 (g) The student meets any additional eligibility requirements
19 established by the department.

20 Sec. 5. (1) Subject to proration under subsection (2) and
21 adjustment under subsection (3), a student who meets the
22 eligibility requirement of section 4(3)(c)(i) and the other
23 applicable eligibility requirements under section 4 shall receive a
24 Michigan promise grant in the amount of \$4,000.00.

25 (2) If a student satisfies the eligibility requirement
26 contained in section 4(3)(c) by completing a vocational training
27 program that as determined by the department generally requires

1 less than 2 years or fewer than 1,800 clock hours, as applicable,
2 to complete, the student shall receive a prorated amount of the
3 amount described in subsection (1) that reflects the number of
4 clock hours necessary to complete the program, as determined by the
5 department.

6 (3) If in any fiscal year the department determines that the
7 amount appropriated by the legislature for the payment of Michigan
8 promise grants is not sufficient to pay each eligible student the
9 Michigan promise grant amount required under this section for an
10 academic year, the department shall adjust the amount of Michigan
11 promise grants paid under this section by prorating the amounts as
12 necessary to reflect the available resources and amounts
13 appropriated in that fiscal year. The department shall notify the
14 governor, the speaker of the house of representatives, and the
15 majority leader of the senate in writing at least 30 days before
16 implementing a proration under this subsection.

17 **(4) MICHIGAN PROMISE GRANTS AWARDED UNDER THIS SECTION ARE**
18 **SUBJECT TO THE RESTRICTIONS DESCRIBED IN SECTION 7A.**

19 Sec. 6. (1) Subject to proration under subsection (3) and
20 adjustment under subsection (4), a student who meets the
21 eligibility requirement of section 4(3)(c)(ii) and the other
22 applicable eligibility requirements under section 4 and this
23 section shall receive a Michigan promise grant in the amount of
24 \$4,000.00.

25 (2) Except for a student who is enrolled in a program
26 described in subsection (3), the department shall pay a grant under
27 subsection (1) as follows:

1 (a) One thousand dollars paid in the student's first academic
2 year of enrollment at an approved postsecondary educational
3 institution.

4 (b) One thousand dollars paid in the student's second academic
5 year of enrollment at an approved postsecondary educational
6 institution.

7 (c) The remainder of the amount of the grant after completion
8 of 2 academic years of enrollment at an approved postsecondary
9 educational institution. However, the student is not eligible for
10 this installment, and forfeits any remaining grant amount to which
11 he or she is otherwise entitled under this act, unless the student
12 earned an associate's degree, earned a 2-year certificate of
13 completion in a vocational education program, completed a
14 comparable vocational training program approved by the department,
15 or completed 50% or more of the academic requirements for the award
16 of a bachelor's degree at an approved postsecondary educational
17 institution within 4 years of his or her initial enrollment in that
18 institution and meets 1 of the following:

19 (i) Has a cumulative grade point average of at least 2.5.

20 (ii) If the student completed a vocational education program
21 that does not record grades or grade point averages for its
22 students, has successfully completed that program.

23 (3) Subject to adjustment under subsection (4), a student who
24 meets the eligibility requirement of section 4(3)(c)(ii) and the
25 other applicable eligibility requirements under section 4 and this
26 section, and who is enrolled in a vocational training program that
27 as determined by the department generally requires less than 2

1 years or fewer than 1,800 clock hours, as applicable, to complete,
2 shall receive a prorated amount of the amount described in
3 subsection (1) determined by the department to reflect the number
4 of clock hours necessary to complete the program.

5 (4) If in any fiscal year the department determines that the
6 amount appropriated by the legislature for the payment of Michigan
7 promise grants under this act is not sufficient to pay each
8 eligible student the amount required under this section for the
9 academic year, the department shall adjust the Michigan promise
10 grant amounts paid under this section by prorating the amounts as
11 necessary to reflect the available resources and amounts
12 appropriated in that fiscal year. The department shall notify the
13 governor, the speaker of the house of representatives, and the
14 majority leader of the senate in writing at least 30 days before
15 implementing a proration under this subsection.

16 (5) MICHIGAN PROMISE GRANTS AWARDED UNDER THIS SECTION ARE
17 SUBJECT TO THE RESTRICTIONS DESCRIBED IN SECTION 7A.

18 SEC. 7A. (1) THE DEPARTMENT SHALL NOT PROVIDE MICHIGAN PROMISE
19 GRANTS UNDER THIS ACT IN THE 2007-2008 ACADEMIC YEAR OR ANY
20 SUBSEQUENT ACADEMIC YEAR.

21 (2) IF A STUDENT WAS AWARDED A MICHIGAN PROMISE GRANT UNDER
22 THIS ACT BEFORE THE 2007-2008 ACADEMIC YEAR, THE DEPARTMENT SHALL
23 NOT PAY THE AMOUNT OF THE GRANT OR ANY REMAINING UNPAID
24 INSTALLMENTS OF THE GRANT TO THE STUDENT AFTER SEPTEMBER 15, 2007.

25 (3) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
26 ADDED THIS SECTION, THE DEPARTMENT SHALL NOTIFY EACH NEW MICHIGAN
27 PROMISE GRANT RECIPIENT, EACH EXISTING GRANT RECIPIENT WHO HAS NOT

1 RECEIVED ALL OF HIS OR HER GRANT INSTALLMENTS, AND EACH APPROVED
2 POSTSECONDARY EDUCATIONAL INSTITUTION OF THE PENDING REPEAL OF THIS
3 ACT AND THE TIMETABLES DESCRIBED IN SUBSECTIONS (1) AND (2).

4 Enacting section 1. The Michigan promise grant act, 2006 PA
5 479, MCL 390.1621 to 390.1628, is repealed effective October 1,
6 2007.

7 Enacting section 2. This amendatory act does not take effect
8 unless Senate Bill No.____ or House Bill No. 6680(request no.
9 01102'07) of the 94th Legislature is enacted into law.