

# SENATE BILL No. 1271

April 21, 2010, Introduced by Senator THOMAS and referred to the Committee on Appropriations.

A bill to amend 2006 PA 479, entitled  
"Michigan promise grant act,"  
by amending sections 2 and 8 (MCL 390.1622 and 390.1628), section 2  
as amended by 2008 PA 517 and section 8 as amended by 2007 PA 42.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 2. As used in this act:

2       (a) "Academic year" means the period from September 1 of a  
3       calendar year to August 31 of the next calendar year.

4       (b) "Approved postsecondary educational institution" means any  
5       of the following:

6       (i) A public or private college or university, junior college,  
7       or community college that grants degrees or certificates and is  
8       located in this state.

9       (ii) A postsecondary educational institution, other than an

1 educational institution described in subparagraph (i), that is  
2 located in this state, grants degrees, certificates, or other  
3 recognized credentials, and is designated by the department as an  
4 approved postsecondary educational institution.

5 (iii) A service academy.

6 (c) "Clock hour" means a time period consisting of any of the  
7 following:

8 (i) Fifty to 60 minutes of class, lecture, or recitation in a  
9 60-minute period.

10 (ii) Fifty to 60 minutes of faculty-supervised laboratory work,  
11 shop training, or internship in a 60-minute period.

12 (iii) Sixty minutes of preparation in a correspondence course.

13 (d) "Cumulative grade point average" means the weighted mean  
14 value of the courses considered by an approved postsecondary  
15 educational institution in determining whether to award a student  
16 an associate's degree or a 2-year certificate of completion in a  
17 vocational training program, whether the student has completed a  
18 comparable vocational education program, or whether the student has  
19 completed 50% or more of the academic requirements for the award of  
20 a bachelor's degree, including any courses completed at another  
21 approved postsecondary educational institution if the student  
22 transfers the credits for those courses to the approved  
23 postsecondary educational institution making that determination.

24 (e) "Department" means the department of treasury.

25 (f) "Fiscal year" means a fiscal year of this state. A fiscal  
26 year begins on ~~October~~**JULY** 1 of a calendar year and ends on  
27 ~~September~~**JUNE** 30 of the next calendar year.

1 (g) "High school graduate" means an individual who has  
2 received a high school diploma from a high school or passed the  
3 general educational development (GED) diploma test or any other  
4 high school graduate equivalency examination approved by the state  
5 board of education.

6 (h) "Michigan promise grant" means a grant awarded by the  
7 department under this act.

8 (i) "Qualifying score" means a score in a reading, writing,  
9 mathematics, science, or social studies component of a state  
10 assessment test that has been determined by the superintendent of  
11 public instruction to indicate readiness to enroll in a course in  
12 that subject area in an approved postsecondary educational  
13 institution.

14 (j) "Service academy" means the United States military  
15 academy, United States naval academy, United States air force  
16 academy, United States coast guard academy, or United States  
17 merchant marine academy.

18 (k) "State assessment test" means any of the following:

19 (i) Subject to subparagraph (ii), the complete Michigan merit  
20 examination described in section 1279g of the revised school code,  
21 1976 PA 451, MCL 380.1279g, and section 104b of the state school  
22 aid act of 1979, 1979 PA 94, MCL 388.1704b.

23 (ii) For a student who has previously taken the complete  
24 Michigan merit examination, the college examination component of  
25 the Michigan merit examination, as described in section 1279g(2)(a)  
26 of the revised school code, 1976 PA 451, MCL 380.1279g, and section  
27 104b(2)(a) of the state school aid act of 1979, 1979 PA 94, MCL

1 388.1704b.

2 (iii) Any other test administered by the department of education  
3 to students in grades 11 and 12 to assure state compliance with the  
4 federal no child left behind act of 2001, Public Law 107-110.

5 (l) "Trust fund" means the Michigan merit award trust fund  
6 established in section 9 of the Michigan trust fund act, 2000 PA  
7 489, MCL 12.259.

8 Sec. 8. (1) The department shall disburse Michigan promise  
9 grant money to an approved postsecondary institution on the  
10 student's behalf in the following state fiscal years, according to  
11 a payment procedure established by the department:

12 (a) For a Michigan promise grant under section 5 or a Michigan  
13 promise grant installment under section 6(2)(c), in the state  
14 fiscal year that begins on the first ~~October~~**JULY** 1 following the  
15 end of the academic year in which the student is eligible for that  
16 grant or installment.

17 (b) For a Michigan promise grant installment under section  
18 6(2)(a) or (b) or a Michigan promise grant under section 6(3), in  
19 the state fiscal year that begins on ~~October~~**JULY** 1 in the academic  
20 year in which the student is eligible for that installment or  
21 grant.

22 (2) An approved postsecondary educational institution shall  
23 apply money received under subsection (1) on a student's behalf to  
24 the student's outstanding indebtedness, if any, and pay the  
25 remaining balance as follows:

26 (a) Unless subdivision (b) applies, to the student.

27 (b) If the money received by the institution under this

1 subsection is a grant installment under section 6(2)(a) or (b) and  
2 the student elects to leave an approved postsecondary educational  
3 institution without completing the classes in which he or she  
4 enrolled, to the department. The student has no further right to  
5 any money returned to the department under this subdivision.

6 (3) Subsection (2) shall not be considered as creating an  
7 obligation on the part of an approved postsecondary educational  
8 institution to loan or advance money to a student for the payment  
9 of tuition, fees, or other costs or expenses incurred by the  
10 student at that institution.

11 (4) The department may promulgate rules to implement and  
12 administer this act, including, but not limited to, 1 or more of  
13 the following:

14 (a) Rules establishing the department's administrative  
15 procedures for the Michigan promise grant program.

16 (b) Rules governing the qualification requirements for or the  
17 award of Michigan promise grants under this act.

18 (c) Rules establishing an appeals process from a determination  
19 of ineligibility for a Michigan promise grant.

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

24 (e) Rules prescribing the reports to be made by a student  
25 awarded a Michigan promise grant and by an approved postsecondary  
26 educational institution to which a Michigan promise grant is paid.

27 Enacting section 1. This amendatory act does not take effect

1 unless Senate Bill No. 1281

2 of the 95th Legislature is enacted into law.