



Senate Fiscal Agency
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**BILL ANALYSIS**

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House Bill 4442 (Substitute H-2 as passed by the House)

Sponsor: Representative Paul Muxlow

House Committee: Appropriations

Senate Committee: Appropriations

Date Completed: 5-5-15

CONTENT

House Bill 4442 would amend Public Act 102 of 1986, which provides for the Part-time, Independent Student Grants program, to do the following:

- Limit eligibility to students enrolled in a community college organized under the Community College Act or under Part 25 of the Revised School Code, instead of enrolled in Michigan degree-granting educational institutions (which include four-year public universities and private colleges).
- Replace the maximum grant of \$600 per academic year with a grant of at least \$250 and not more than \$1,200 per academic year.
- Increase the eligibility period of students from two 12-month periods to three 12-month periods.
- Require priority to be given as directed by the act that appropriates funding for the grants if eligible students exceeded funding available. If the act appropriating funding for the grants does not provide direction, then priority would have to be given to eligible student with the greatest financial need as determined by the community college.

(The Senate and House versions of the FY 2015-16 Education Omnibus Act includes language that would encourage community colleges to prioritize the grants for aid to students who have enrolled in an academic program after not being enrolled for more than a semester or term, who have previously earned credits in an academic program, and who have not yet earned a certificate or degree.)

MCL 390.1281 et al.

FISCAL IMPACT

State spending on this grant program is contingent on annual appropriations. The last year funds were appropriated for the Part-time, Independent Student Grants program was FY 2008-09. [Table 1](#) provides a history of the last four years that the grant program was funded.

The FY 2015-16 Community College budget, as recommended by the Governor, includes 6.0 million School Aid Fund (SAF) for Part-time, Independent Student Grants. The Governor's recommendation was predicated on limiting the grants to the 28 public community colleges. The Senate version of the budget includes funding for the program as recommended by the Governor. The House-passed version of the budget would reduce the appropriation to \$2.9 million SAF.

Table 1

Part-time, Independent Student Grants				
	Community Colleges	Public Universities	Independent Colleges	Total
FY 2005-06				
Awards	3,231	1,022	1,696	5,949
Amount	\$1,336,087	\$485,723	\$820,085	\$2,641,895
FY 2006-07				
Awards.....	3,235	980	1,823	6,038
Amount.....	\$1,297,250	\$463,350	\$879,554	\$2,640,154
FY 2007-08				
Awards.....	3,282	998	1,728	6,008
Amount.....	\$1,285,723	\$494,240	\$856,444	\$2,636,407
FY 2008-09				
Awards.....	3,256	1,149	1,463	5,868
Amount.....	\$1,391,926	\$490,788	\$763,266	\$2,645,980

Source: Michigan Department of Treasury, Student Financial Services Bureau

Fiscal Analyst: Bill Bowerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.