

SUBSTITUTE FOR  
HOUSE BILL NO. 4442

A bill to amend 1986 PA 102, entitled

"An act to establish a grant program for certain part-time, independent students in this state; and to prescribe the powers and duties of certain state agencies and institutions of higher education,"

by amending sections 1, 2, 3, 4, 5, 6, 7, and 8 (MCL 390.1281, 390.1282, 390.1283, 390.1284, 390.1285, 390.1286, 390.1287, and 390.1288), section 3 as amended by 2004 PA 180.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 1. As used in this act:

2           ~~— (a) "Authority" means the Michigan higher education assistance~~  
3           ~~authority created by Act No. 77 of the Public Acts of 1960, being~~  
4           ~~sections 390.951 to 390.961 of the Michigan Compiled Laws.~~

5           **(A) "COMMUNITY COLLEGE" MEANS A COMMUNITY COLLEGE ORGANIZED**  
6           **UNDER THE COMMUNITY COLLEGE ACT OF 1966, 1966 PA 331, MCL 389.1 TO**

1 389.195, OR UNDER PART 25 OF THE REVISED SCHOOL CODE, 1976 PA 451,  
2 MCL 380.1601 TO 380.1607.

3 (B) "DEPARTMENT" MEANS THE DEPARTMENT OF TREASURY.

4 (C) "ELIGIBLE STUDENT" MEANS AN INDIVIDUAL WHO MEETS THE  
5 REQUIREMENTS OF SECTION 3.

6 (D) ~~(b)~~-"Financial need" means need as determined by the  
7 ~~institution~~ **A COMMUNITY COLLEGE** based upon a need analysis standard  
8 established by the ~~authority~~. ~~Such~~ **DEPARTMENT. THAT** standard shall  
9 take into consideration the student's current annual income and  
10 exclude his or her home equity.

11 (E) "GRANT PROGRAM" MEANS THE PROGRAM ESTABLISHED BY SECTION  
12 2.

13 (F) ~~(e)~~-"Independent student" means ~~an independent student~~  
14 **THAT TERM** as defined in 34 C.F.R. ~~668.1a~~. **CFR 668.2.**

15 (G) ~~(d)~~-"Part-time" means not less than 3 semester hours and  
16 not more than 11 semester hours per semester, or the equivalent for  
17 a quarter or term.

18 Sec. 2. A grant program is established ~~by the state to foster~~  
19 the pursuit of postsecondary education by ~~part-time, independent~~  
20 ~~students who have financial need~~. **ELIGIBLE STUDENTS.**

21 Sec. 3. ~~A person~~ **AN INDIVIDUAL** is eligible to participate in  
22 the grant program if he or she meets all of the following:

23 (a) Is a part-time student.

24 (b) Is an independent student.

25 (c) Has not been enrolled in a high school diploma program  
26 other than general educational development (GED) or adult education  
27 for at least the 2 preceding years.

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1 (d) Is enrolled or accepted for enrollment in ~~an undergraduate~~  
 2 **A** program of not less than 9 months duration leading to a degree or  
 3 certificate from a ~~Michigan degree-granting educational institution~~  
 4 ~~that is approved by the department of labor and economic~~  
 5 ~~growth.~~**COMMUNITY COLLEGE.**

6 (e) Has resided continuously in this state for the immediately  
 7 preceding 12 months and is not considered a resident of any other  
 8 state.

9 (f) Is not incarcerated in a corrections institution.

10 (g) Has complied with this act and the rules promulgated under  
 11 this act by the ~~authority.~~**DEPARTMENT.**

12 (h) Is a United States citizen or permanent resident.

13 [(i) Is not enrolled in an institution whose primary purpose is  
 14 to prepare students for ordination or appointment as a member of  
 15 the clergy of a church, denomination, or religious association,  
 16 order, or sect.

17 [(j)] Is not in default on a loan guaranteed by the  
 18 ~~authority.~~**DEPARTMENT.**

19 [(k)] Is shown by the ~~school.~~**COMMUNITY COLLEGE** to be making  
 20 satisfactory academic progress.

21 [(l)] **IS SHOWN BY THE COMMUNITY COLLEGE TO HAVE FINANCIAL NEED.**

22 Sec. 4. The total of the amount granted to ~~an educational~~  
 23 ~~institution.~~**A COMMUNITY COLLEGE** shall be proportionate to the  
 24 number of ~~needy independent students eligible for this program~~  
 25 **ELIGIBLE STUDENTS** enrolled at the ~~institution.~~**COMMUNITY COLLEGE** for  
 26 the most recent year for which statistics are available. ~~Funds~~  
 27 ~~provided to eligible schools.~~**THE COMMUNITY COLLEGE** shall be used

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1 **USE THOSE FUNDS** for awards to **ELIGIBLE** students, not for  
2 administration of the program.

3       Sec. 5. (1) Upon application of an eligible student, ~~an~~  
4 ~~educational institution~~ **ANY COMMUNITY COLLEGE** shall grant to the  
5 student an amount [~~of not more than \$600.00 per~~ **OF AT LEAST \$250.00 AND**  
6 **NOT MORE THAN \$1,200.00** ] **FOR AN** academic  
7 year for not more than ~~2-3~~ 12-month periods at any ~~given~~  
8 ~~educational institution~~ **COMMUNITY COLLEGE**.

9       (2) If the number of eligible ~~applicants~~ **STUDENTS** exceeds the  
10 money available, priority shall be given to ~~persons~~ **ELIGIBLE**  
11 **STUDENTS AS DIRECTED BY THE ACT THAT APPROPRIATED THAT MONEY.**  
12 **HOWEVER, IF THAT ACT DOES NOT PROVIDE THAT DIRECTION, THEN PRIORITY**  
13 **SHALL BE GIVEN TO ELIGIBLE STUDENTS** with the greatest financial  
14 need as determined by each ~~educational institution~~ **COMMUNITY**  
15 **COLLEGE**.

16       (3) ~~A~~ **SUBJECT TO THE REQUIREMENTS OF SECTION 3, A** student who  
17 receives a ~~state competitive scholarship award under Act No. 208 of~~  
18 ~~the Public Acts of 1964, being sections 390.971 to 390.981 of the~~  
19 ~~Michigan Compiled Laws, or who receives other scholarships or grant~~  
20 ~~awards, may be~~ **1 OR MORE SCHOLARSHIP OR GRANT AWARDS OTHER THAN A**  
21 **GRANT AWARD UNDER THIS ACT, INCLUDING A STATE COMPETITIVE**  
22 **SCHOLARSHIP AWARD UNDER 1964 PA 208, MCL 390.971 TO 390.981, IS**  
23 eligible for funds under this act if the total amount of ~~the~~  
24 ~~student's scholarships and grants~~ **THOSE OTHER SCHOLARSHIP AND GRANT**  
25 **AWARDS** is less than the student's financial need. ~~A~~ **THAT** student's  
26 **OTHER** scholarship and grant awards may be increased with funds from  
27 the **GRANT** program under this act up to the level of the maximum

1 grant as provided in subsection (1).

2       Sec. 6. A grant awarded to a ~~an~~ **ELIGIBLE** student pursuant to  
3 **UNDER** this act shall be disregarded as income for purposes of  
4 determining eligibility for aid or assistance administered under  
5 the social welfare act, ~~Act No. 280 of the Public Acts of 1939,~~  
6 ~~being sections 400.1 to 400.121 of the Michigan Compiled Laws.1939~~  
7 **PA 280, MCL 400.1 TO 400.119B.**

8       Sec. 7. The ~~authority~~ **DEPARTMENT** may accept gifts, grants,  
9 bequests, donations, and devises, from whatever sources, of real,  
10 personal, or mixed property and money for the purposes described in  
11 this act. The ~~authority~~ **DEPARTMENT** shall prepare an annual report  
12 of all gifts, grants, bequests, donations, and devises for the  
13 governor and the legislature.

14       Sec. 8. The ~~authority~~ **DEPARTMENT** shall promulgate rules to  
15 implement this act pursuant to the administrative procedures act of  
16 1969, ~~Act No. 306 of the Public Acts of 1969, being sections 24.201~~  
17 ~~to 24.328 of the Michigan Compiled Laws.1969~~ **PA 306, MCL 24.201 TO**  
18 **24.328.**