

Act No. 68
Public Acts of 2020
Approved by the Governor
April 2, 2020

Filed with the Secretary of State
April 2, 2020

EFFECTIVE DATE: April 2, 2020

**STATE OF MICHIGAN
100TH LEGISLATURE
REGULAR SESSION OF 2020**

Introduced by Rep. Frederick, Bellino, Berman, Bolden, Brann, Brixie, Cambensy, Brenda Carter, Tyrone Carter, Cherry, Chirkun, Clemente, Crawford, Ellison, Filler, Garrett, Garza, Gay-Dagnogo, Green, Griffin, Guerra, Haadsma, Hall, Hauck, Hertel, Hoadley, Hood, Hope, Howell, Huizenga, Iden, Inman, Cynthia Johnson, Jones, Kennedy, Koleszar, Kupa, LaGrand, Lasinski, Leutheuser, Liberati, Lilly, Love, Manoogian, Markkanen, O'Malley, Rendon, Robinson, Sabo, Shannon, Sneller, Sowerby, Stone, VanSingel, Vaupel, Wakeman, Warren, Whitsett, Wittenberg, Witwer, Wozniak, Yancey and Yaroach.

ENROLLED HOUSE BILL No. 5576

AN ACT to establish certain financial aid programs for certain residents of this state seeking associate degrees or industry-recognized certificates or credentials from certain educational and jobs training programs; to provide for the administration of the financial aid programs; and to prescribe certain powers and duties of certain state officers, agencies, and departments.

The People of the State of Michigan enact:

Sec. 11. (1) This act shall be known and may be cited as the “Michigan reconnect grant recipient act”.

(2) The reconnect initiative and the reconnect program created respectively in this act and the Michigan reconnect grant act are intended to provide last-dollar financial assistance to individuals age 25 and older seeking associate degrees or industry-recognized certificates or credentials; to provide those individuals with greater access to the education and skills needed to succeed in, and meet the demands of, an evolving economy in which there is continuing demand for a talented local workforce; and to achieve the goal of increasing the number of residents ages 25 to 64 with a college degree or skill certificate or credential to 60% by 2030.

Sec. 13. As used in this act:

(a) “Continuous enrollment” means enrollment in at least 2 semesters or the equivalent in terms or quarters, as determined by the department, during each 12-month period for a number of consecutive years. For purposes of this subdivision, the 2 or more semesters, terms, or quarters of enrollment within a 12-month period need not be consecutive.

(b) “Department” means the department of labor and economic opportunity.

(c) “Eligible institution” means that term as defined in the Michigan reconnect grant act.

(d) “Gift aid” means that term as defined in the Michigan reconnect grant act.

(e) “Half-time student” means a student enrolled in at least 6 credit hours in an academic semester or the equivalent number of credit hours in a term or quarter, as determined by the department.

(f) “Industry-recognized certificate or credential” means that term as defined in the Michigan reconnect grant act.

(g) “Michigan reconnect grant” means a grant awarded under the Michigan reconnect grant program.

(h) “Michigan reconnect grant program” means the grant program created under section 5 of the Michigan reconnect grant act.

(i) “Michigan reconnect grant student” means that term as defined in the Michigan reconnect grant act.

(j) “Pell-eligible program” means a program eligible for grant funding under 20 USC 1070a.

(k) “Qualified occupational training program” means a course of study approved by the department that, subject to subparagraph (vi), prepares students to earn an occupational credential that meets all of subparagraphs (i) to (v), as follows:

(i) Is industry recognized.

(ii) Is portable and recognized by multiple employers.

(iii) Prepares students to successfully pass all relevant certification examinations.

(iv) Is in demand in the regional labor market.

(v) Is in an occupational area serving manufacturing, construction, information technology, business management, or health care.

(vi) If the course of study is provided by an apprenticeship program, the program must be registered with the United States Department of Labor under the national apprenticeship act, 29 USC 50 et seq.

(l) “Qualified private training institution” means either of the following:

(i) A for-profit or nonprofit private organization in this state that provides occupational training, but not 4-year postsecondary degrees, that is included on this state’s eligible training provider list located within the department pursuant to 20 CFR 680.410.

(ii) A consortium of businesses in this state offering occupational training that guarantees employment for those who successfully complete the training and is included on this state’s eligible training provider list located within the department pursuant to 20 CFR 680.410.

Sec. 15. To establish initial eligibility for a Michigan reconnect grant, an individual must meet all of the following conditions by the date of his or her enrollment described in subdivision (d):

(a) Be at least 25 years old.

(b) Be a resident of this state for at least the immediately preceding year.

(c) Have graduated from high school with a diploma or certificate of completion or achieved a high school equivalency certificate. As used in this subdivision, “high school equivalency certificate” means that term as defined in section 4 of the school aid act of 1979, 1979 PA 94, MCL 388.1604.

(d) Be admitted to, and enrolled as at least a half-time student in, a Pell-eligible program at an eligible institution leading to an associate degree or industry-recognized certificate or credential.

(e) Not have previously earned an associate or baccalaureate degree.

(f) Timely complete a Michigan reconnect grant application in a form and manner determined by the department.

(g) Timely file the Free Application for Federal Student Aid for the enrollment period described in subdivision (d).

(h) Timely apply for all available gift aid for the enrollment period described in subdivision (d).

Sec. 16. To establish continuing eligibility for a Michigan reconnect grant at an eligible institution, an individual must meet all of the following conditions:

(a) Continue to be a resident of this state.

(b) Except as otherwise provided in section 18(1), maintain continuous enrollment as at least a half-time student in a Pell-eligible program at an eligible institution leading to an associate degree or industry-recognized certificate or credential.

(c) Maintain a 2.0 grade point average in courses taken by the individual as a Michigan reconnect grant student.

(d) Participate in relevant academic and career advising programs offered by the eligible institution.

(e) Timely file the Free Application for Federal Student Aid for each academic year in which he or she applies for a Michigan reconnect grant.

(f) Timely apply for all available gift aid for each academic year in which he or she applies for a Michigan reconnect grant.

Sec. 17. Regardless of which community college district that a Michigan reconnect grant student resides in, if any, the amount of a Michigan reconnect grant must not exceed the cost of tuition at the in-district resident rate and mandatory fees at the eligible institution attended less all gift aid. Gift aid must be credited first to the student's tuition and mandatory fees. If awarded, Michigan reconnect grant money must be paid to the eligible institution for credit to the student's account.

Sec. 18. (1) A Michigan reconnect grant student who takes a leave of absence from an eligible institution due to a medical or family hardship may, subject to department approval, continue to receive the grant upon resuming the student's education at an eligible institution if the student continues to meet all applicable eligibility requirements. A leave of absence under this subsection does not disrupt the requirement of continuous enrollment under section 16(b) and does not count toward the 4-year limitation described in subsection (2)(a).

(2) A student is eligible for a Michigan reconnect grant until the occurrence of either of the following:

(a) Subject to subsection (1), 4 years have passed since the student became a Michigan reconnect grant student.

(b) The student has earned an associate degree. For purposes of this subdivision, a student who has earned a certificate or credential at an eligible institution remains eligible for the Michigan reconnect grant if he or she has not yet earned an associate degree.

(3) A student who participates in the Michigan reconnect grant program may transfer from 1 eligible institution to another eligible institution without loss of the grant so long as the student continues to meet all eligibility requirements for the grant.

Sec. 19. Except as otherwise provided under this section, the department shall promulgate rules to implement section 15 only, pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. However, the department's rule-making authority is limited to developing the form for the Michigan reconnect grant application and prescribing the time and manner of its completion, as provided in section 15(f), and applying the initial eligibility criteria listed in section 15(a) to (e), (g), and (h). The department shall not apply any initial eligibility criteria not listed in section 15. To facilitate implementation of the Michigan reconnect grant program prior to final rules being adopted, the department may develop and administer the Michigan reconnect grant application in accordance with its proposed rules or other policy or directive of the department established pursuant to this act.

Sec. 21. (1) The reconnect private training learning initiative is created in the department for the purpose of providing skills scholarships to individuals eligible for those scholarships under this section. The department shall do all of the following:

(a) Develop and implement a process by which those seeking to participate in the reconnect private training learning initiative as a qualified private training institution offering qualified occupational training programs must apply to the department.

(b) Approve as a qualified occupational training program a program for which an application is submitted under subdivision (a) that meets all of the criteria in section 13(k), and post these criteria to the department's website.

(c) Ensure that an applicant under subdivision (a) is first included on this state's eligible training provider list as a qualified private training institution under section 13(l), before each of the applicant's programs receives separate approval from the department as being a qualified occupational training program under section 13(k).

(d) Require that qualified private training institutions accepted to participate in the reconnect private training learning initiative comply with data requests from the department as a condition to continued participation. For purposes of this subdivision, the department shall require institutions operating apprenticeship programs subject to this act to provide data that tracks relevant work experience required to verify a student's status as an apprentice.

(e) Maintain on its website a list of all qualified occupational training program options available to potential skills scholarship recipients.

(f) Award skills scholarships, subject to all of the following:

(i) A skills scholarship is a 1-time grant not to exceed \$1,500.00 to contribute to tuition costs for a qualified occupational training program at a qualified private training institution, both of which are approved under this

section, for a training program participant who meets the requirements of subparagraph (ii). A skills scholarship is available under this section only if the training program participant has applied for all other gift aid, if any is available, and must not cause the total amount of all gift aid, including a skills scholarship awarded under this section, if any, to exceed the full amount of the tuition charged for the training program.

(ii) To receive the skills scholarship described in subparagraph (i), a qualified occupational training program participant must meet all of the following:

(A) Be at least 25 years old.

(B) Be a resident of this state for at least the immediately preceding year.

(C) Have graduated from high school with a diploma or certificate of completion or achieved a high school equivalency certificate. As used in this sub-subparagraph, "high school equivalency certificate" means that term as defined in section 4 of the school aid act of 1979, 1979 PA 94, MCL 388.1604.

(D) Not have previously earned an associate or baccalaureate degree.

(E) Timely complete a reconnect private training learning initiative skills scholarship application in a form and manner determined by the department.

(F) Timely apply for all other gift aid, if any is available, for the qualified occupational training program.

(iii) The department may award skills scholarships under this section only until money appropriated to the reconnect private training learning initiative has been fully committed.

(g) Inform each recipient of a skills scholarship that he or she will remain eligible for the Michigan reconnect grant program to pursue an associate degree or occupational certificate upon completion of a certification course of a study at a qualified private training institution, and that community colleges will work to convert the coursework completed at a qualified private training institution into community college credit wherever possible.

(2) Except as otherwise provided under subsection (3), the department shall promulgate rules to implement subsection (1)(a), (b), and (d) only, pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, subject to all of the following:

(a) Under subsection (1)(a), the department is limited to developing the form for the application described in subsection (1)(a) and prescribing the time and manner of its completion.

(b) Under subsection (1)(b), the department is limited to applying the eligibility criteria described in subsection (1)(b) and shall not apply any other eligibility criteria.

(c) Under subsection (1)(d), the department is limited to requiring compliance with data requests as described in subsection (1)(d).

(3) To facilitate implementation of the Michigan reconnect grant program prior to final rules being adopted, the department may develop and administer the reconnect private training learning initiative in accordance with its proposed rules or other policy or directive of the department established pursuant to this act.

Sec. 23. (1) The annual appropriation for the first full year of the reconnect private training learning initiative must not exceed \$1,500,000.00.

(2) The department shall annually submit a written report to both houses of the legislature that explains the results of the initiative. The report must include all of the following for the immediately preceding year:

(a) The total number of applicants that sought approval as qualified private training institutions under section 21(1)(a) to (c); the total number of institutions approved; a list of the names of those approved institutions; and the total number and amount of skills scholarships that were awarded by each approved institution.

(b) The total number of programs for which applications were submitted for approval as qualified occupational training programs under section 21(1)(a) to (c); the total number of programs approved; a list of the names or short descriptions of each of those approved programs; and the total number and amount of skills scholarships that were awarded for each approved program.

(c) The total number of individuals who applied for skills scholarships under section 21(1)(f)(ii); the total number of individuals awarded skills scholarships; and the total number of skills scholarships recipients who completed qualified occupational training programs.

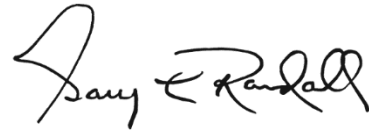
(d) Any other relevant information, as determined by the department.

Enacting section 1. This act does not take effect unless all of the following bills of the 100th Legislature are enacted into law:

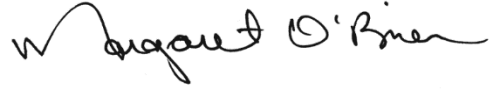
(a) Senate Bill No. 268.

(b) House Bill No. 5580.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor

Compiler's note: Senate Bill No. 268, referred to in enacting section 1, was filed with the Secretary of State April 2, 2020, and became 2020 PA 84, Imd. Eff. Apr. 2, 2020.

House Bill No. 5580, also referred to in enacting section 1, was filed with the Secretary of State April 2, 2020, and became 2020 PA 69, Imd. Eff. Apr. 2, 2020.