

Act No. 69
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. Anthony, Bellino, Berman, Bolden, Brixie, Cambensy, Brenda Carter, Tyrone Carter, Cherry, Chirkun, Clemente, Coleman, Ellison, Filler, Garrett, Garza, Gay-Dagnogo, Green, Griffin, Guerra, Haadsma, Hall, Hammoud, Hoadley, Hood, Hope, Inman, Cynthia Johnson, Jones, Kennedy, Koleszar, Kuppa, LaGrand, Lasinski, Leutheuser, Liberati, Lilly, Love, Manoogian, Marino, Markkanen, Mueller, Peterson, Pohutsky, Robinson, Sabo, Shannon, Sneller, Stone, Tate, VanSingel, Wakeman, Warren, Whitsett, Wittenberg, Witwer, Wozniak and Yancey.

ENROLLED HOUSE BILL No. 5580

AN ACT to amend 1979 PA 94, entitled "An act to make appropriations to aid in the support of the public schools, the intermediate school districts, community colleges, and public universities of the state; to make appropriations for certain other purposes relating to education; to provide for the disbursement of the appropriations; to authorize the issuance of certain bonds and provide for the security of those bonds; to prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to create certain funds and provide for their expenditure; to prescribe penalties; and to repeal acts and parts of acts," by amending section 256 (MCL 388.1856), as amended by 2019 PA 62.

The People of the State of Michigan enact:

Sec. 256. (1) The funds appropriated in section 236 for the tuition incentive program must be distributed as provided in this section and pursuant to the administrative procedures for the tuition incentive program of the department of treasury.

(2) As used in this section:

(a) "Phase I" means the first part of the tuition incentive program defined as the academic period of 80 semester or 120 term credits, or less, leading to an associate degree or certificate. Students must be enrolled in a certificate or associate degree program and taking classes within the program of study for a certificate or associate degree. Tuition will not be covered for courses outside of a certificate or associate degree program.

(b) "Phase II" means the second part of the tuition incentive program that provides assistance in the third and fourth year of 4-year degree programs.

(c) "Department" means the department of treasury.

(d) "High school equivalency certificate" means that term as defined in section 4.

(3) An individual must meet the following basic criteria and financial thresholds to be eligible for tuition incentive program benefits:

(a) To be eligible for phase I, an individual must meet all of the following criteria:

(i) Apply for certification to the department any time after he or she begins the sixth grade but before August 31 of the school year in which he or she graduates from high school or before achieving a high school equivalency certificate.

(ii) Be less than 20 years of age at the time he or she graduates from high school with a diploma or certificate of completion or achieves a high school equivalency certificate or, for students attending a 5-year middle college approved by the Michigan department of education, be less than 21 years of age when he or she graduates from high school.

(iii) Be a United States citizen and a resident of this state according to institutional criteria.

(iv) Be at least a half-time student, earning less than 80 semester or 120 term credits at a participating educational institution within 4 years of high school graduation or achievement of a high school equivalency certificate. All program eligibility expires 6 years from high school graduation or achievement of a high school equivalency certificate.

(v) Meet the satisfactory academic progress policy of the educational institution he or she attends.

(b) To be eligible for phase II, an individual must meet either of the following criteria in addition to the criteria in subdivision (a):

(i) Complete at least 56 transferable semester or 84 transferable term credits.

(ii) Obtain an associate degree or certificate at a participating institution.

(c) To be eligible for phase I or phase II, an individual must be financially eligible as determined by the department. An individual is financially eligible for the tuition incentive program if he or she was eligible for Medicaid from this state for 24 months within the 36 consecutive months before application. The department shall accept certification of Medicaid eligibility only from the department of health and human services for the purposes of verifying if a person is Medicaid eligible for 24 months within the 36 consecutive months before application. Certification of eligibility may begin in the sixth grade.

(4) For phase I, the department shall provide payment on behalf of a person eligible under subsection (3). The department shall only accept standard per-credit hour tuition billings and shall reject billings that are excessive or outside the guidelines for the type of educational institution.

(5) For phase I, all of the following apply:

(a) Payments for associate degree or certificate programs must not be made for more than 80 semester or 120 term credits for any individual student at any participating institution.

(b) For persons enrolled at a Michigan community college, the department shall pay the current in-district tuition and mandatory fees. For persons residing in an area that is not included in any community college district, the out-of-district tuition rate may be authorized.

(c) For persons enrolled at a Michigan public university, the department shall pay lower division resident tuition and mandatory fees for the current year.

(d) For persons enrolled at a Michigan independent, nonprofit degree-granting college or university, or a Michigan federal tribally controlled community college, or Focus: HOPE, the department shall pay mandatory fees for the current year and a per-credit payment that does not exceed the average community college in-district per-credit tuition rate as reported on August 1, for the immediately preceding academic year.

(6) A person participating in phase II may be eligible for additional funds not to exceed \$500.00 per semester or \$400.00 per term up to a maximum of \$2,000.00 subject to the following conditions:

(a) Credits are earned in a 4-year program at a Michigan degree-granting 4-year college or university.

(b) The tuition reimbursement is for coursework completed within 30 months of completion of the phase I requirements.

(7) The department shall work closely with participating institutions to develop an application and eligibility determination process that will provide the highest level of participation and ensure that all requirements of the program are met.

(8) Applications for the tuition incentive program may be approved at any time after the student begins the sixth grade. If a determination of financial eligibility is made, that determination is valid as long as the student meets all other program requirements and conditions.

(9) Except as otherwise provided in section 3(d) of the Michigan reconnect grant act and section 17 of the Michigan reconnect grant recipient act, each institution shall ensure that all known available restricted grants for tuition and fees are used prior to billing the tuition incentive program for any portion of a student's tuition and fees.

(10) The department shall ensure that the tuition incentive program is well publicized and that eligible Medicaid clients are provided information on the program. The department shall provide the necessary funding and staff to fully operate the program.

(11) Any unexpended and unencumbered funds remaining on September 30, 2020 from the amounts appropriated in section 236 for the tuition incentive program for fiscal year 2019-2020 do not lapse on September 30, 2020, but continue to be available for expenditure for tuition incentive program funds under a work project account.

(12) The department of treasury shall collaborate with the center to use the P-20 longitudinal data system to report the following information for each qualified postsecondary institution:

(a) The number of phase I students in the most recently completed academic year who in any academic year received a tuition incentive program award and who successfully completed a degree or certificate program. Cohort graduation rates for phase I students shall be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

(b) The number of students in the most recently completed academic year who in any academic year received a Pell grant at the reporting institution and who successfully completed a degree or certificate program. Cohort graduation rates for students who received Pell grants must be calculated using the established success rate methodology developed by the center in collaboration with the postsecondary institutions.

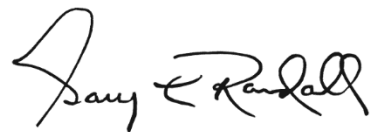
(13) If a qualified postsecondary institution does not report the data necessary to comply with subsection (12) to the P-20 longitudinal data system, the institution shall report, in a form and manner satisfactory to the department of treasury and the center, all of the information needed to comply with subsection (12) by December 1, 2020.

(14) Beginning in fiscal year 2020-2021, if a qualified postsecondary institution does not report the data necessary to complete the reporting in subsection (12) to the P-20 longitudinal data system by October 15 for the prior academic year, the department of treasury shall not award phase I tuition incentive program funding to otherwise eligible students enrolled in that institution until the data are submitted.

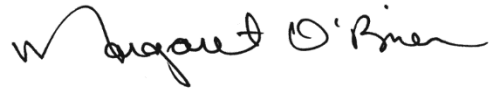
Enacting section 1. This amendatory act does not take effect unless both of the following bills of the 100th Legislature are enacted into law:

- (a) Senate Bill No. 268.
- (b) House Bill No. 5576.

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. 5576, also referred to in enacting section 1, was filed with the Secretary of State April 2, 2020, and became 2020 PA 68, Imd. Eff. Apr. 2, 2020.