

# SENATE BILL NO. 474

August 29, 2019, Introduced by Senator SCHMIDT and referred to the Committee on Appropriations.

A bill to amend 1996 PA 160, entitled  
"Postsecondary enrollment options act,"  
by amending section 4 (MCL 388.514), as amended by 2012 PA 134.

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

1       Sec. 4. (1) The school district or state approved nonpublic  
2 school in which an eligible student is enrolled shall provide to  
3 the eligible student a letter signed by the student's principal  
4 indicating the student's eligibility under this act.

5       (2) An eligible student may apply to an eligible postsecondary

1 institution to enroll in 1 or more eligible courses offered by that  
2 eligible postsecondary institution and, if accepted, may enroll in  
3 1 or more of those courses.

4 (3) For an eligible student enrolled in a school district,  
5 within a reasonable time after registration, the eligible  
6 postsecondary institution shall send written notice to the eligible  
7 student and his or her school district. For an eligible student  
8 enrolled in a state approved nonpublic school, within a reasonable  
9 time after registration, the eligible postsecondary institution  
10 shall send written notice to the eligible student and his or her  
11 state approved nonpublic school and to the department. The notice  
12 ~~shall~~**must** indicate the course or courses and hours of enrollment  
13 of that eligible student. The eligible postsecondary institution  
14 shall notify the eligible student about tuition, fees, books,  
15 materials, and other related charges, as determined by the  
16 postsecondary institution, in the customary manner used by the  
17 eligible postsecondary institution, and shall notify the eligible  
18 student of the estimated amount of the eligible charges that will  
19 be billed to the school district or the department, as applicable,  
20 under subsection (4).

21 (4) For an eligible student enrolled in a school district,  
22 unless otherwise agreed between the eligible postsecondary  
23 institution and the school district, after the expiration of the  
24 institution's drop/add period for the course, an eligible  
25 postsecondary institution shall send a bill to the eligible  
26 student's school district detailing the eligible charges for each  
27 eligible course in which the eligible student is enrolled under  
28 this act. For an eligible student who is enrolled in a state  
29 approved nonpublic school, after the expiration of the eligible

1 postsecondary institution's drop/add period for the course, both of  
2 the following apply:

3 (a) Eligible postsecondary institution shall send a bill to  
4 the department detailing the eligible charges for each eligible  
5 course in which the eligible student is enrolled under this act.

6 (b) The department shall determine the amount of the eligible  
7 charges to be paid by the department of treasury to the eligible  
8 postsecondary institution on behalf of the eligible student under  
9 this act and shall deliver this information to the department of  
10 treasury by appropriate electronic means.

11 (5) For an eligible student enrolled in a school district,  
12 upon receiving the bill under subsection (4), the school district  
13 shall cause to be paid to the eligible postsecondary institution on  
14 behalf of the eligible student an amount equal to the lesser of the  
15 amount of the eligible charges or the prorated percentage of the  
16 statewide pupil-weighted average foundation allowance, as  
17 calculated **by the department** under **this subsection and** section 20  
18 of the state school aid act of 1979, 1979 PA 94, MCL 388.1620, for  
19 all school districts for the state fiscal year that begins on  
20 October 1 of the academic year of enrollment in the eligible  
21 postsecondary institution, with the proration based on the  
22 proportion of the school year that the eligible student attends the  
23 eligible postsecondary institution. However, in the calculation of  
24 the statewide pupil-weighted average foundation allowance for the  
25 purposes of this subsection, if a school district's foundation  
26 allowance is above the ~~basic-target~~ foundation allowance under  
27 section 20 of the state school aid act of 1979, 1979 PA 94, MCL  
28 388.1620, then the school district's foundation allowance ~~shall be~~  
29 **is** considered to be the ~~basic-target~~ foundation allowance. Not

1 later than September 1 of each year, the department shall notify  
2 the department of treasury of the amount of the statewide pupil-  
3 weighted average foundation allowance as calculated for the  
4 purposes of this subsection. A school district may pay more money  
5 to an eligible postsecondary institution on behalf of an eligible  
6 student than is required under this act, and may use local school  
7 operating revenue for that purpose. The eligible student is  
8 responsible for payment of the remainder of the costs associated  
9 with his or her postsecondary enrollment that exceed the amount the  
10 school district is required to pay under this act and that are not  
11 paid by the school district. As used in this subsection, "local  
12 school operating revenue" means that term as defined in section 20  
13 of the state school aid act of 1979, 1979 PA 94, MCL 388.1620.

14 (6) For an eligible student who is enrolled in a state  
15 approved nonpublic school, upon receiving from the department under  
16 subsection (4) the amount of the eligible charges to be paid on  
17 behalf of the eligible student, the department of treasury shall  
18 cause to be paid to the eligible postsecondary institution on  
19 behalf of the eligible student an amount equal to the lesser of the  
20 amount of the eligible charges or the prorated percentage of the  
21 statewide pupil-weighted average foundation allowance, as  
22 calculated **by the department** under **this subsection and** section 20  
23 of the state school aid act of 1979, 1979 PA 94, MCL 388.1620, for  
24 all school districts for the state fiscal year that begins on  
25 October 1 of the academic year of enrollment in the eligible  
26 postsecondary institution, with the proration based on the  
27 proportion of the school year that the eligible student attends the  
28 eligible postsecondary institution. However, in the calculation of  
29 the statewide pupil-weighted average foundation allowance for the

1 purposes of this subsection, if a school district's foundation  
2 allowance is above the ~~basic-target~~ foundation allowance under  
3 section 20 of the state school aid act of 1979, 1979 PA 94, MCL  
4 388.1620, then the school district's foundation allowance ~~shall be~~  
5 **is** considered to be the ~~basic-target~~ foundation allowance. Not  
6 later than September 1 of each year, the department shall notify  
7 the department of treasury of the amount of the statewide pupil-  
8 weighted average foundation allowance as calculated for the  
9 purposes of this subsection. The eligible student is responsible  
10 for payment of the remainder of the costs associated with his or  
11 her postsecondary enrollment that exceed the amount the department  
12 of treasury is required to pay under this act and that are not paid  
13 by the department of treasury.

14 (7) An eligible postsecondary institution shall not charge a  
15 late fee to an eligible student, a school district, the department,  
16 or the department of treasury for a payment that is made in  
17 compliance with the timetable prescribed under this act even if the  
18 payment would otherwise be considered late by the postsecondary  
19 institution.

20 (8) A school district, state approved nonpublic school, or the  
21 department may require an eligible student to provide, on a form  
22 supplied by the school district, state approved nonpublic school,  
23 or the department, reasonable verification that the eligible  
24 student is regularly attending a postsecondary course.

25 (9) For an eligible student who is enrolled in a school  
26 district and who enrolls in an eligible course under this act, if  
27 the student does not complete the eligible course or, if the  
28 student enrolls in an eligible course for postsecondary credit only  
29 and the student does not successfully complete the eligible course,

1 as determined by the eligible postsecondary institution, and if the  
2 school district has paid money for the course on behalf of the  
3 student, all of the following apply:

4 (a) The eligible postsecondary institution shall forward to  
5 the school district any funds that are refundable due to  
6 noncompletion of the course. The school district shall then forward  
7 to the eligible student any refunded money in excess of the amount  
8 paid by the school district for the course on behalf of the  
9 eligible student.

10 (b) The eligible student shall repay to the school district  
11 any funds that were expended by the school district for the course  
12 that are not refunded to the school district by the eligible  
13 postsecondary institution. If the eligible student does not repay  
14 this money, the school district may impose sanctions against the  
15 eligible student as determined by school district policy. This  
16 subdivision does not apply to an eligible student who does not  
17 complete the course due to a family or medical emergency, as  
18 determined by the eligible postsecondary institution.

19 (10) For an eligible student who is enrolled in a state  
20 approved nonpublic school, and who enrolls in an eligible course  
21 under this act, if the eligible student does not complete the  
22 eligible course or, if the eligible student enrolls in an eligible  
23 course for postsecondary credit only and the eligible student does  
24 not successfully complete the eligible course, as determined by the  
25 eligible postsecondary institution, and if the department of  
26 treasury has paid money for the course on behalf of the eligible  
27 student, all of the following apply:

28 (a) The eligible postsecondary institution shall forward to  
29 the department of treasury any funds that are refundable due to

1 noncompletion of the course. If applicable, the eligible  
2 postsecondary institution shall then refund to the eligible student  
3 any funds that are refundable due to noncompletion of the course  
4 and are in excess of the amount paid by the department of treasury  
5 for the course on behalf of the eligible student.

6 (b) The eligible student shall repay to the department of  
7 treasury any funds that were expended by the department of treasury  
8 for the course that are not refunded to the department of treasury  
9 by the eligible postsecondary institution. This subdivision does  
10 not apply to an eligible student who does not complete the course  
11 due to a family or medical emergency, as determined by the eligible  
12 postsecondary institution.

13 (11) A school district, state approved nonpublic school, the  
14 department, or the department of treasury shall make available to  
15 an eligible student copies of all correspondence in the possession  
16 of the school district, state approved nonpublic school,  
17 department, or department of treasury regarding the eligible  
18 student's participation in postsecondary enrollment under this act.  
19 ~~Correspondence described in this subsection shall be kept by the~~  
20 **The** school district, state approved nonpublic school, department,  
21 or department of treasury **shall keep correspondence described in**  
22 **this subsection** for at least 1 year.

23 (12) If a school district pays for books for an eligible  
24 student for a postsecondary course under this section, the books  
25 are the property of the school district and ~~shall~~**must** be turned  
26 over to the school district after the eligible student completes  
27 the course.

28 (13) This section does not apply to any postsecondary courses  
29 in which an eligible student is enrolled in addition to being

1 enrolled full-time in that eligible student's school district or  
 2 state approved nonpublic school; to a postsecondary course an  
 3 eligible student is retaking after failing to achieve a  
 4 satisfactory grade; or to a course contrary to the eligibility  
 5 provisions of this act. In determining full-time enrollment in a  
 6 school district under this section or a school district's full-time  
 7 equated membership under the state school aid act of 1979, 1979 PA  
 8 94, MCL 388.1601 to ~~388.1896~~, **388.1897**, for a pupil enrolled in a  
 9 postsecondary institution under this act, the pupil's enrollment in  
 10 both the school district and the postsecondary institution ~~shall be~~  
 11 **is** counted as enrollment in the school district and a pupil ~~shall~~  
 12 ~~not be~~ **is not** considered to be enrolled in a school district less  
 13 than full-time solely because of the effect of the pupil's  
 14 postsecondary enrollment, including necessary travel time, on the  
 15 number of class hours provided by the school district to the pupil.  
 16 In determining full-time enrollment in a state approved nonpublic  
 17 school under this section for a student enrolled in a postsecondary  
 18 institution under this act, the student's enrollment in both the  
 19 state approved nonpublic school and the postsecondary institution  
 20 ~~shall be~~ **is** counted as enrollment in the state approved nonpublic  
 21 school and a student ~~shall not be~~ **is not** considered to be enrolled  
 22 in a state approved nonpublic school less than full-time solely  
 23 because of the effect of the student's postsecondary enrollment  
 24 under this act, including necessary travel time, on the number of  
 25 class hours provided by the state approved nonpublic school to the  
 26 student.

27 (14) This act does not require a school district or the  
 28 department of treasury to pay or otherwise provide financial  
 29 support for transportation or parking costs necessary for an



1 eligible student to participate in postsecondary enrollment under  
2 this act. A school district, state approved nonpublic school, or  
3 this state is not liable for any injury incurred by an eligible  
4 student that is related to transportation necessary for the  
5 eligible student to participate in postsecondary enrollment under  
6 this act.

7 (15) The legislature shall appropriate funds to the department  
8 of treasury for making payments required to be made by the  
9 department of treasury under this act.

10 Enacting section 1. This amendatory act takes effect October  
11 1, 2019.