

Legislative Analysis



CLOSE ELIGIBILITY FOR THE MICHIGAN COMPETITIVE SCHOLARSHIP

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<http://www.house.mi.gov/hfa>

House Bill 5829 (H-1) as reported from committee

Sponsor: Rep. Samantha Steckloff

Committee: Higher Education

Complete to 12-11-24

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 5829 would amend 1964 PA 208 to revise statutory eligibility for the Michigan Competitive Scholarship (MCS) to close it to new recipients. The bill also would update references to the entity that oversees the Michigan Competitive Scholarship to the Department of Lifelong Education, Advancement, and Potential (MiLEAP) as well as update references to the scholarship's program requirements to reflect that the program is now closed.

The bill would add language providing that a student enrolling in a postsecondary educational institution for the first time after September 30, 2023, fiscal year, and students who have not already received the MCS by that same date, would not be eligible to receive an MCS under the act. The bill would also clarify that state competitive scholarships awarded prior to the September 30, 2023, must not exceed the amount of tuition and fees for the full academic year.

The Michigan Competitive Scholarship webpage notes that the scholarship is already closed to new awardees who have graduated high school in 2023 or after, with the Michigan Achievement Scholarship (MAS) taking its place.¹ A representative of MiLEAP projects that it has sufficient funds to meet existing obligations to current Michigan Competitive Scholarship recipients.

MCL 390.972 et seq.

FISCAL INFORMATION:

House Bill 5829 would result in reduced costs for the state and have no fiscal impact on local governments. The bill would change eligibility for the scholarship to match eligibility for the scholarship program in the Higher Education budget bill that prevents any student first enrolling in a postsecondary institution during FY 2022-23 from receiving a competitive scholarship. This change would slowly phase out the scholarship, reducing costs for the scholarship. The state has appropriated \$19.9 million for state competitive scholarships for FY 2024-25.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.

¹ <https://www.michigan.gov/mistudentaid/programs/michigan-competitive-scholarship>