

**MICHIGAN PROMISE GRANT ACT (EXCERPT)**  
**Act 479 of 2006**

**390.1628 Disbursements to approved postsecondary institution; application of money to student's outstanding indebtedness and remaining balance; rules.**

Sec. 8. (1) The department shall disburse Michigan promise grant money to an approved postsecondary institution on the student's behalf in the following state fiscal years, according to a payment procedure established by the department:

(a) For a Michigan promise grant under section 5 or a Michigan promise grant installment under section 6(2)(c), in the state fiscal year that begins on the first October 1 following the end of the academic year in which the student is eligible for that grant or installment.

(b) For a Michigan promise grant installment under section 6(2)(a) or (b) or a Michigan promise grant under section 6(3), in the state fiscal year that begins on October 1 in the academic year in which the student is eligible for that installment or grant.

(2) An approved postsecondary educational institution shall apply money received under subsection (1) on a student's behalf to the student's outstanding indebtedness, if any, and pay the remaining balance as follows:

(a) Unless subdivision (b) applies, to the student.

(b) If the money received by the institution under this subsection is a grant installment under section 6(2)(a) or (b) and the student elects to leave an approved postsecondary educational institution without completing the classes in which he or she enrolled, to the department. The student has no further right to any money returned to the department under this subdivision.

(3) Subsection (2) shall not be considered as creating an obligation on the part of an approved postsecondary educational institution to loan or advance money to a student for the payment of tuition, fees, or other costs or expenses incurred by the student at that institution.

(4) The department may promulgate rules to implement and administer this act, including, but not limited to, 1 or more of the following:

(a) Rules establishing the department's administrative procedures for the Michigan promise grant program.

(b) Rules governing the qualification requirements for or the award of Michigan promise grants under this act.

(c) Rules establishing an appeals process from a determination of ineligibility for a Michigan promise grant.

(d) Rules establishing what information or reports a student or an approved postsecondary educational institution must provide to establish eligibility and when that information or those reports must be provided.

(e) Rules prescribing the reports to be made by a student awarded a Michigan promise grant and by an approved postsecondary educational institution to which a Michigan promise grant is paid.

**History:** 2006, Act 479, Imd. Eff. Dec. 21, 2006;—Am. 2007, Act 42, Imd. Eff. July 13, 2007.