HIGHER ED.: DENYING FINANCIAL AID

Senate Fiscal Agency P. O. Box 30036 Lansing, Michigan 48909-7536



Telephone: (517) 373-5383 Fax: (517) 373-1986 TDD: (517) 373-0543

S.B. 556: FLOOR ANALYSIS

Senate Bill 556 (as reported without amendment)

Sponsor: Senator Mike Rogers

Committee: Education

CONTENT

The bill would amend Public Act 313 of 1966, which provides for tuition grants to resident students enrolled in independent nonprofit institutions of higher learning, to make ineligible for that aid a person who was subject to a court order denying a Federal benefit due to the conviction of any State or Federal offense for the distribution or possession of controlled substances. The person would not be eligible for the financial aid for the duration of the court order. The bill refers to Federal benefits as described in the Federal Comprehensive Drug Abuse Prevention and Control Act.

(Under the Comprehensive Drug Abuse Prevention and Control Act, "Federal benefit" means the issuance of any grant, contract, loan, professional license, or commercial license provided by an agency of the United States or by appropriated funds of the United States. "Federal benefit" does not include any retirement, welfare, Social Security, health, disability, veterans benefit, public housing, or other similar benefit, or any other benefit for which payments or services are required for eligibility.)

MCL 390.993 et al. Legislative Analyst: L. Arasim

FISCAL IMPACT

There could be additional administrative costs for the Department of Treasury to determine if an individual was subject to a court order under the Federal Controlled Substances Act. The \$57,791,856 level of FY 1997-98 State funding for Tuition Grants would not be affected other than by a possible redistribution of funds to eligible students. The bill would have no fiscal impact on local government.

Date Completed: 2-4-98 Fiscal Analyst: E. Jeffries

floor\sb556

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.