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SFA**BILL ANALYSIS**

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Senate Bill 792 and 793 (as introduced 10-24-01)
Sponsor: Senator John J.H. Schwarz, M.D.
Committee: Appropriations

Date Completed: 2-11-02

CONTENT

Senate Bill 792 amends the Michigan Merit Award Scholarship Act to allow funding of the Nursing Scholarship Program from the Michigan Merit Award Trust Fund. Senate Bill 793 creates the Michigan Nursing Scholarship Program, to be administered by the Michigan Higher Education Assistance Authority.

The Michigan Higher Education Assistance Authority may award a scholarship to an individual who meets the following requirements:

- (a) Is a United States citizen or permanent resident of the United States;
- (b) Has resided in Michigan for the 12 months preceding their application;
- (c) Is enrolled or has been accepted into a nursing program;
- (d) Has signed a written scholarship agreement stating intent to pursue nursing as a career and to serve in eligible employment in Michigan for a period of not less than five years;
- (e) Has not been convicted of a felony involving assault, physical injury, or death.

MCL 390.1455

FISCAL IMPACT

The bills allow each scholarship recipient to receive up to \$3,000 annually for four academic years. Scholarship recipients are required to be enrolled either full-time or part-time in an eligible nursing program and to maintain satisfactory academic progress as determined by the eligible institution. In order to receive a nursing scholarship, an individual is required to enter into a written agreement with the Michigan Higher Education Assistance Authority. The written agreement would require an individual to:

- (a) Obtain a license from the State as a registered professional nurse within one year after completing the nursing program;
- (b) Serve for a period of not less than five years as a registered nurse providing full-time nursing care in a ward, emergency department, emergency room, operating room, trauma center, or licensed nursing home, or for a licensed home health care agency;
- (c) Repay all or part of a scholarship award plus interest, if the conditions in subdivisions (a) and (b) are not satisfied.

Senate Bill 793 creates the Michigan Nursing Scholarship Fund as a separate fund in the State Treasury and allows the acceptance of appropriations from the Michigan Merit Award Trust Fund or any other source. The Department of Treasury could use the Michigan Nursing Scholarship Fund only to provide dollars for the nursing scholarships established under this act. There are registered nurse baccalaureate degree programs at 15 postsecondary institutions and

associate degree programs at 30 postsecondary institutions. In academic year 2000-01, there were approximately 1,988 fiscal-year-equated undergraduate nursing students at 12 of Michigan's public universities. If all 1,988 of these students had received a \$3,000 nursing scholarship, the annual cost for four-year public universities would have been \$5,964,000. At Michigan's public community colleges, there were approximately 3,196 fiscal-year-equated nursing students during academic year 1999-2000, the most recent year for which data is available.

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