

SUBSTITUTE FOR  
HOUSE BILL NO. 4442

A bill to amend 1986 PA 102, entitled

"An act to establish a grant program for certain part-time, independent students in this state; and to prescribe the powers and duties of certain state agencies and institutions of higher education,"

by amending sections 1, 2, 3, 4, 5, 6, 7, and 8 (MCL 390.1281, 390.1282, 390.1283, 390.1284, 390.1285, 390.1286, 390.1287, and 390.1288), section 3 as amended by 2004 PA 180.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1. As used in this act:

2       ~~—— (a) "Authority" means the Michigan higher education assistance~~  
3       ~~authority created by Act No. 77 of the Public Acts of 1960, being~~  
4       ~~sections 390.951 to 390.961 of the Michigan Compiled Laws.~~

5       (A) "COMMUNITY COLLEGE" MEANS A COMMUNITY COLLEGE ORGANIZED  
6       UNDER THE COMMUNITY COLLEGE ACT OF 1966, 1966 PA 331, MCL 389.1 TO

1 389.195, OR UNDER PART 25 OF THE REVISED SCHOOL CODE, 1976 PA 451,  
2 MCL 380.1601 TO 380.1607.

3 (B) "DEPARTMENT" MEANS THE DEPARTMENT OF TREASURY.

4 (C) "ELIGIBLE STUDENT" MEANS AN INDIVIDUAL WHO MEETS THE  
5 REQUIREMENTS OF SECTION 3.

6 (D) ~~(b)~~-"Financial need" means need as determined by the  
7 ~~institution~~ **A COMMUNITY COLLEGE** based upon a need analysis standard  
8 established by the ~~authority~~. ~~Such~~ **DEPARTMENT. THAT** standard shall  
9 take into consideration the student's current annual income and  
10 exclude his or her home equity.

11 (E) "GRANT PROGRAM" MEANS THE PROGRAM ESTABLISHED BY SECTION  
12 2.

13 (F) ~~(c)~~-"Independent student" means ~~an independent student~~  
14 **THAT TERM** as defined in 34 C.F.R. ~~668.1a~~. **CFR 668.2.**

15 (G) ~~(d)~~-"Part-time" means not less than 3 semester hours and  
16 not more than 11 semester hours per semester, or the equivalent for  
17 a quarter or term.

18 Sec. 2. A grant program is established ~~by the state to foster~~  
19 the pursuit of postsecondary education by ~~part-time, independent~~  
20 ~~students who have financial need~~. **ELIGIBLE STUDENTS.**

21 Sec. 3. ~~A person~~ **AN INDIVIDUAL** is eligible to participate in  
22 the grant program if he or she meets all of the following:

23 (a) Is a part-time student.

24 (b) Is an independent student.

25 (c) Has not been enrolled in a high school diploma program  
26 other than general educational development (GED) or adult education  
27 for at least the 2 preceding years.

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(d) Is enrolled or accepted for enrollment in ~~an undergraduate~~  
 A program of not less than 9 months duration leading to a degree or  
 certificate from a ~~Michigan degree-granting educational institution~~  
~~that is approved by the department of labor and economic~~  
~~growth.~~ **COMMUNITY COLLEGE.**

(e) Has resided continuously in this state for the immediately  
 preceding 12 months and is not considered a resident of any other  
 state.

(f) Is not incarcerated in a corrections institution.

(g) Has complied with this act and the rules promulgated under  
 this act by the ~~authority.~~ **DEPARTMENT.**

(h) Is a United States citizen or permanent resident.

~~[(i) Is not enrolled in an institution whose primary purpose is  
 to prepare students for ordination or appointment as a member of  
 the clergy of a church, denomination, or religious association,  
 order, or sect.]~~

~~[(j)]~~ Is not in default on a loan guaranteed by the  
~~authority.~~ **DEPARTMENT.**

~~[(k)]~~ Is shown by the ~~school~~ **COMMUNITY COLLEGE** to be making  
 satisfactory academic progress.

~~[(l)]~~ **IS SHOWN BY THE COMMUNITY COLLEGE TO HAVE FINANCIAL NEED.**

Sec. 4. The total of the amount granted to ~~an educational~~  
~~institution~~ **A COMMUNITY COLLEGE** shall be proportionate to the  
 number of ~~needy independent students eligible for this program~~  
**ELIGIBLE STUDENTS** enrolled at the ~~institution~~ **COMMUNITY COLLEGE** for  
 the most recent year for which statistics are available. ~~Funds~~  
~~provided to eligible schools~~ **THE COMMUNITY COLLEGE** shall be used

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**USE THOSE FUNDS** for awards to **ELIGIBLE** students, not for administration of the program.

Sec. 5. (1) Upon application of an eligible student, ~~an educational institution~~ **ANY COMMUNITY COLLEGE** shall grant to the student an amount ~~[of not more than \$600.00 per~~ **OF AT LEAST \$250.00 AND NOT MORE THAN \$1,200.00** ] **FOR AN** academic year for not more than ~~2-3~~ 12-month periods at any given ~~educational institution.~~ **COMMUNITY COLLEGE.**

(2) If the number of eligible ~~applicants~~ **STUDENTS** exceeds the money available, priority shall be given to ~~persons~~ **ELIGIBLE STUDENTS AS DIRECTED BY THE ACT THAT APPROPRIATED THAT MONEY.** **HOWEVER, IF THAT ACT DOES NOT PROVIDE THAT DIRECTION, THEN PRIORITY SHALL BE GIVEN TO ELIGIBLE STUDENTS** with the greatest financial need as determined by each ~~educational institution.~~ **COMMUNITY COLLEGE.**

(3) ~~A-SUBJECT TO THE REQUIREMENTS OF SECTION 3, A~~ student who receives a ~~state competitive scholarship award under Act No. 208 of the Public Acts of 1964, being sections 390.971 to 390.981 of the Michigan Compiled Laws, or who receives other scholarships or grant awards, may be~~ **1 OR MORE SCHOLARSHIP OR GRANT AWARDS OTHER THAN A GRANT AWARD UNDER THIS ACT, INCLUDING A STATE COMPETITIVE SCHOLARSHIP AWARD UNDER 1964 PA 208, MCL 390.971 TO 390.981, IS** eligible for funds under this act if the total amount of ~~the student's scholarships and grants~~ **THOSE OTHER SCHOLARSHIP AND GRANT AWARDS** is less than the student's financial need. ~~A-THAT~~ student's **OTHER** scholarship and grant awards may be increased with funds from the **GRANT** program under this act up to the level of the maximum

1 grant as provided in subsection (1).

2       Sec. 6. A grant awarded to a ~~an~~ **ELIGIBLE** student pursuant to  
3 **UNDER** this act shall be disregarded as income for purposes of  
4 determining eligibility for aid or assistance administered under  
5 the social welfare act, ~~Act No. 280 of the Public Acts of 1939,~~  
6 ~~being sections 400.1 to 400.121 of the Michigan Compiled Laws.1939~~  
7 **PA 280, MCL 400.1 TO 400.119B.**

8       Sec. 7. The ~~authority~~ **DEPARTMENT** may accept gifts, grants,  
9 bequests, donations, and devises, from whatever sources, of real,  
10 personal, or mixed property and money for the purposes described in  
11 this act. The ~~authority~~ **DEPARTMENT** shall prepare an annual report  
12 of all gifts, grants, bequests, donations, and devises for the  
13 governor and the legislature.

14       Sec. 8. The ~~authority~~ **DEPARTMENT** shall promulgate rules to  
15 implement this act pursuant to the administrative procedures act of  
16 1969, ~~Act No. 306 of the Public Acts of 1969, being sections 24.201~~  
17 ~~to 24.328 of the Michigan Compiled Laws.1969~~ **PA 306, MCL 24.201 TO**  
18 **24.328.**