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BILL ANALYSIS



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Senate Bill 259 (as introduced 3-21-17)
Sponsor: Senator Dave Hildenbrand
Committee: Appropriations

Date Completed: 5-9-17

CONTENT

The bill would amend Public Act 102 of 1986, which created the Independent Part-Time Student Grant program to further the pursuit of postsecondary education by part-time independent students who have financial need. The maximum grant is set at \$600 per academic year for not more than two 12-month periods at any educational institution. The last year the Legislature appropriated funding for this program was fiscal year (FY) 2008-09.

The Governor included a \$2.0 million General Fund/General Purpose (GF/GP) appropriation in his FY 2017-18 budget recommendation to initiate a revised version of the Independent Part-Time Student Grant program. Senate Bill 259 would amend the Act to codify the Governor's proposed changes to the program, including:

- Limiting grants to community college students enrolled in community colleges organized under the Community College Act, or under Part 25 of the Revised School Code (community colleges operated by school districts).
- Requiring completion of at least 15 semester hours of coursework, or the equivalent in quarter or term hours at a community college as a prerequisite.
- Removing the \$600 grant limit and authorizing the Department of Treasury to set the grant limit each academic year.
- Changing the two-year limit on receiving grants to three years.
- Providing that if the number of eligible students exceeded funding, the act that appropriated funding could set the direction on prioritizing funds.
- Removing the exclusion from grants for students 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.

MCL 390.1281-390.1288

FISCAL IMPACT

The impact on the State and local units of government (community college districts and school districts that operate community colleges) would be contingent upon annual appropriations by the Legislature. The last State appropriation for this program was in FY 2008-09. In that fiscal year, there were 5,868 awards totaling \$2.7 million. The Senate-passed version of the FY 2017-18 community college budget includes the Governor's \$2.0 million recommendation for Independent Part-Time Student grants. The House eliminated funding for the program in the House-passed version of the community college budget. Section 5(2) of the Act provides that if the number of eligible applicants exceeds the money available, priority may be given to people with the greatest financial need as determined by each educational institution; under the bill, this would apply if the act appropriating funding did not provide direction.

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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.