

HOUSE BILL NO. 6264

June 22, 2022, Introduced by Reps. Anthony, Breen, Neeley, Scott, Kuppa, Stone, Aiyash, Ellison, Manoogian, Glanville, Cynthia Johnson, Sabo, Hood, Steckloff, Cavanagh, Sowerby and Weiss and referred to the Committee on Education.

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
by amending section 256 (MCL 388.1856), as amended by 2021 PA 86.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 256. (1) The funds appropriated in section 236 for the
2 tuition incentive program must be distributed as provided in this
3 section and pursuant to the **department's** administrative procedures
4 for the tuition incentive program. ~~of the department of treasury.~~

5 (2) As used in this section:

6 (a) **"Department"** means the department of treasury.

1 **(b) "High school equivalency certificate" means that term as**
2 **defined in section 4.**

3 **(c) ~~(a)~~**"Phase I" means the first part of the tuition
4 incentive program defined as the academic period of 80 semester or
5 120 term credits, or less, leading to an associate degree or
6 certificate. Students must be enrolled in a certificate or
7 associate degree program and taking classes within the program of
8 study for a certificate or associate degree. Tuition will not be
9 covered for courses outside of a certificate or associate degree
10 program.

11 **(d) ~~(b)~~**"Phase II" means the second part of the tuition
12 incentive program that provides assistance in the third and fourth
13 year of 4-year degree programs.

14 ~~(e) "Department" means the department of treasury.~~

15 ~~(d) "High school equivalency certificate" means that term as~~
16 ~~defined in section 4.~~

17 (3) An individual must meet the following basic criteria and
18 financial thresholds to be eligible for tuition incentive program
19 benefits:

20 (a) To be eligible for phase I, an individual must meet all of
21 the following criteria:

22 (i) Be less than 20 years of age at the time he or she
23 graduates from high school with a diploma or certificate of
24 completion or achieves a high school equivalency certificate or,
25 for students attending a 5-year middle college approved by the
26 Michigan department of education, be less than 21 years of age when
27 he or she graduates from high school.

28 (ii) Be a United States citizen and a resident of this state
29 according to institutional criteria.

1 (iii) Be at least a half-time student, earning less than 80
2 semester or 120 term credits at a participating educational
3 institution within 4–10 years of high school graduation or
4 achievement of a high school equivalency certificate. All program
5 eligibility expires 10 years after initial enrollment at a
6 participating educational institution.

7 (iv) Meet the satisfactory academic progress policy of the
8 educational institution he or she attends.

9 (b) To be eligible for phase II, an individual must meet
10 either of the following criteria in addition to the criteria in
11 subdivision (a):

12 (i) Complete at least 56 transferable semester or 84
13 transferable term credits.

14 (ii) Obtain an associate degree or certificate at a
15 participating institution.

16 (c) To be eligible for phase I or phase II, an individual must
17 be financially eligible as determined by the department. An
18 individual is financially eligible for the tuition incentive
19 program if he or she was eligible for Medicaid from this state for
20 24 months within the 36 months before application. The department
21 shall accept certification of Medicaid eligibility only from the
22 department of health and human services for the purposes of
23 verifying if a person is Medicaid eligible for 24 months within the
24 36 months before application. Certification of eligibility may
25 begin in the sixth grade.

26 (4) For phase I, the department shall provide payment on
27 behalf of a person eligible under subsection (3). The department
28 shall only accept standard per-credit hour tuition billings and
29 shall reject billings that are excessive or outside the guidelines

1 for the type of educational institution.

2 (5) For phase I, all of the following apply:

3 (a) Payments for associate degree or certificate programs must
4 not be made for more than 80 semester or 120 term credits for any
5 individual student at any participating institution.

6 (b) For persons enrolled at a Michigan community college, the
7 department shall pay the current in-district tuition and mandatory
8 fees. For persons residing in an area that is not included in any
9 community college district, the out-of-district tuition rate may be
10 authorized.

11 (c) For persons enrolled at a Michigan public university, the
12 department shall pay lower division resident tuition and mandatory
13 fees for the current year.

14 (d) For persons enrolled at a Michigan independent, nonprofit
15 degree-granting college or university, a Michigan federal tribally
16 controlled community college, or Focus: HOPE, the department shall
17 pay mandatory fees for the current year and a per-credit payment
18 that does not exceed the average community college in-district per-
19 credit tuition rate as reported by the last business day of August
20 for the immediately preceding academic year.

21 (6) A person participating in phase II may be eligible for
22 additional funds not to exceed \$500.00 per semester or \$400.00 per
23 term up to a maximum of \$2,000.00 subject to the following
24 conditions:

25 (a) Credits are earned in a 4-year program at a Michigan
26 degree-granting 4-year college or university.

27 (b) The tuition reimbursement is for coursework completed
28 within 30 months of completion of the phase I requirements.

29 (7) The department shall work closely with participating

1 institutions to provide the highest level of participation and
2 ensure that all requirements of the program are met.

3 (8) The department shall notify students of their financial
4 eligibility for the program any time after the student begins sixth
5 grade.

6 (9) Except as otherwise provided in section 3(d) of the
7 Michigan reconnect grant act, 2020 PA 84, MCL 390.1703, and section
8 17 of the Michigan reconnect grant recipient act, 2020 PA 68, MCL
9 390.1717, each institution shall ensure that all known available
10 restricted grants for tuition and fees are used before billing the
11 tuition incentive program for any portion of a student's tuition
12 and fees.

13 (10) The department shall ensure that the tuition incentive
14 program is well publicized and that eligible Medicaid clients are
15 provided information on the program. The department shall provide
16 the necessary funding and staff to fully operate the program.

17 (11) The department ~~of treasury~~ shall collaborate with the
18 center to use the P-20 longitudinal data system to report the
19 following information for each qualified postsecondary institution:

20 (a) The number of phase I students in the most recently
21 completed academic year who in any academic year received a tuition
22 incentive program award and who successfully completed a degree or
23 certificate program. Cohort graduation rates for phase I students
24 ~~shall~~**must** be calculated using the established success rate
25 methodology developed by the center in collaboration with the
26 postsecondary institutions.

27 (b) The number of students in the most recently completed
28 academic year who in any academic year received a Pell grant at the
29 reporting institution and who successfully completed a degree or

1 certificate program. Cohort graduation rates for students who
2 received Pell grants must be calculated using the established
3 success rate methodology developed by the center in collaboration
4 with the postsecondary institutions.

5 (12) If a qualified postsecondary institution does not report
6 the data necessary to complete the reporting in subsection (11) to
7 the P-20 longitudinal data system by October 15 for the prior
8 academic year, the department ~~of treasury~~ shall not award phase I
9 tuition incentive program funding to otherwise eligible students
10 enrolled in that institution until the data are submitted.