



HOUSE BILL No. 4646

March 21, 1995, Introduced by Reps. DeMars, Lowe, Yokich, Alley, DeHart, Cropsey, Stallworth, Brewer, Wallace, Palamara, Anthony, Pitoniak, Leland, Price, Wetters, Jaye, Gagliardi, Martinez, Nye, Kukuk, Weeks, LeTarte, Law, DeLange, McBryde, Voorhees, Walberg, Geiger, Owen, Gubow, Dobb, Bankes, Munsell, London and Gnodtke and referred to the Committee on Tax Policy.

A bill to create the Michigan national guard scholarship grant program to provide financial aid for certain individuals at certain Michigan colleges and universities; to prescribe certain powers and duties of certain state agencies; and for related purposes.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "Michigan national guard scholarship act".

3 Sec. 2. As used in this act:

4 (a) "Authority" means the Michigan higher education assist-
5 ance authority created by Act No. 77 of the Public Acts of 1960,
6 being sections 390.951 to 390.961 of the Michigan Compiled Laws.

7 (b) "Grant" means a first-year Michigan national guard
8 scholarship grant or a renewal of a Michigan national guard
9 scholarship grant.

1 (c) "Michigan college or university" means a state
2 university described in section 4, 5, or 6 of article VIII of the
3 state constitution of 1963; a community or junior college estab-
4 lished under section 7 of article VIII of the state constitution
5 of 1963 or part 25 of the school code of 1976, Act No. 451 of the
6 Public Acts of 1976, being sections 380.1601 to 380.1607 of the
7 Michigan Compiled Laws; or a regionally or nationally accredited
8 nonprofit independent degree-granting college or university that
9 is located in this state and recognized by the state board of
10 education.

11 (d) "Tuition" means the tuition and mandatory fees charged
12 by a Michigan college or university to a Michigan resident.

13 Sec. 3. (1) The Michigan national guard scholarship program
14 is created, to be administered by the authority.

15 (2) The authority shall do all of the following:

16 (a) Determine the eligibility of grant applicants.

17 (b) Pay to Michigan colleges and universities on behalf of
18 grant recipients the difference between the grant recipient's
19 tuition and the amounts received by the grant recipient or by the
20 public college or university on behalf of the grant recipient
21 from the other financial aid sources described in section
22 4(1)(h). However, if the grant recipient is enrolled in an inde-
23 pendent college or university that is a Michigan college or uni-
24 versity, the amount to be paid to the independent college or uni-
25 versity shall not exceed the highest amount charged for full-time
26 tuition among the state universities described in section 4, 5,
27 or 6 of article VIII of the state constitution of 1963 or the

1 actual amount of the grant recipient's tuition, whichever is
2 less. Prorated payments shall be made at the beginning of each
3 semester or term to the Michigan college or university to the
4 student's account. Payment shall be made only for classes that
5 are taken for credit and that apply toward the requirements for a
6 degree or certificate.

7 (c) Promulgate rules it considers necessary for the adminis-
8 tration of this act. The rules shall be promulgated under the
9 administrative procedures act of 1969, Act No. 306 of the Public
10 Acts of 1969, being sections 24.201 to 24.328 of the Michigan
11 Compiled Laws.

12 (3) The authority may accept gifts, grants, bequests, dona-
13 tions, devises, and other contributions from any source of money
14 or other real, personal, or mixed property for the purposes of
15 this act. The authority shall prepare and submit an annual
16 report to the legislature detailing the contributions received
17 under this subsection.

18 Sec. 4. (1) An individual is eligible to receive a
19 first-year Michigan national guard scholarship grant under this
20 act if he or she is determined by the authority to meet all of
21 the following requirements:

22 (a) Has resided continuously in this state for the 12 months
23 immediately preceding his or her application and is not consid-
24 ered a resident of any other state.

25 (b) Is not incarcerated in a corrections institution.

26 (c) Is a United States citizen or permanent resident.

1 (d) Is not in default on a loan guaranteed by the
2 authority.

3 (e) Has complied with this act and rules promulgated under
4 this act.

5 (f) Is admitted to and enrolls in a Michigan college or uni-
6 versity in a program other than a program leading to a degree in
7 theology, divinity, or religious education.

8 (g) Submits to the authority a certificate of eligibility
9 issued by the Michigan national guard certifying that he or she
10 meets 1 or more of the following:

11 (i) Is an active member of the Michigan national guard hold-
12 ing a rank not higher than captain who has entered into a commit-
13 ment to remain an active member for at least 6 years and has
14 served as an active member for at least 1 year as of the date of
15 application.

16 (ii) Is the surviving spouse or child of a member of the
17 Michigan national guard who died as the direct and proximate
18 result of a traumatic injury or of a disease caused by or result-
19 ing from a traumatic injury incurred while the member was per-
20 forming an act he or she was obligated to perform in the active
21 service of the state by lawful order of the governor.

22 (h) Applies at the appropriate time for other financial aid
23 that is available from the state or federal government or from
24 the Michigan college or university in the form of a grant or
25 scholarship, and accepts the financial aid. The individual is
26 not required to apply for or accept an educational loan.

1 (2) An individual is eligible to receive a renewal of a
2 Michigan national guard scholarship grant under this act as
3 specified in subsection (3) if he or she is determined by the
4 authority to continue to meet all of the requirements of subsec-
5 tion (1) and to meet all of the following requirements:

6 (a) Maintains satisfactory academic progress at the Michigan
7 college or university in which he or she is enrolled, as defined
8 by the Michigan college or university.

9 (b) Submits to the authority a certificate of eligibility
10 issued by the Michigan national guard certifying that he or she
11 is maintaining satisfactory performance as an active member of
12 the Michigan national guard.

13 (3) A grant recipient is eligible for a renewal of a
14 Michigan national guard scholarship grant as follows:

15 (a) For an individual qualifying under subsection (1)(g)(i),
16 for a period of 10 years from the date he or she initially
17 receives a grant, but not for more than a total of 8 semesters of
18 undergraduate, graduate, or professional level education or the
19 equivalent in trimesters, quarters, or terms, or, for less than
20 full-time students, the equivalent as determined by the
21 authority.

22 (b) For an individual qualifying under subsection (1)(g)(ii)
23 as a surviving spouse, for a period of 10 years from the date of
24 the Michigan national guard member's death, but not after com-
25 pleting the degree requirements for a bachelor's degree.

26 (c) For an individual qualifying under subsection (1)(g)(ii)
27 as a surviving child, until the end of the semester or term in

1 which the individual's twenty-fifth birthday occurs, but not
2 after completing the degree requirements for a bachelor's
3 degree.

4 Sec. 5. Upon application, the adjutant general of the
5 Michigan national guard or his or her designee shall issue cer-
6 tificates of eligibility to individuals he or she determines to
7 meet the requirements specified in section 4(1)(g) or 4(2)(b).

8 Sec. 6. (1) If a member of the Michigan national guard
9 receiving a grant under this act voluntarily withdraws from a
10 course for which he or she has received the grant and the author-
11 ity does not receive a refund from the Michigan college or uni-
12 versity, the member shall reimburse the authority for the amount
13 of the grant attributable to that course.

14 (2) If a member of the Michigan national guard receiving a
15 grant under this act fails to complete his or her term of enlist-
16 ment for a reason other than death or disability, the member
17 shall reimburse the authority for the amount of that grant.

18 (3) If a member of the Michigan national guard receiving a
19 grant under this act becomes obligated under subsection (1) or
20 (2) to reimburse the authority for the amount of the grant he or
21 she received, the grant he or she received becomes a loan repay-
22 able to the authority at the same interest rate and on the same
23 terms and conditions as a loan guaranteed by the authority under
24 Act No. 77 of the Public Acts of 1960, being sections 390.951 to
25 390.961 of the Michigan Compiled Laws. The authority shall
26 enforce repayment of the loan in the same manner as it enforces

1 repayment of a loan guaranteed by the authority under Act No. 77
2 of the Public Acts of 1960.