

# SENATE BILL No. 267

April 16, 2019, Introduced by Senator ANANICH and referred to the Committee on Appropriations.

A bill to establish a tuition assistance program for certain undergraduate students in this state attending certain colleges, universities, and junior and community colleges; to provide for the administration of the tuition assistance program; and to prescribe certain powers and duties of certain state officers, agencies, and departments.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 1. This act shall be known and may be cited as the  
2 "Michigan opportunity initiative act".

3           Sec. 2. As used in this act:

4           (a) "Continuous enrollment" means enrollment in at least 2  
5 semesters or the equivalent in terms or quarters, as determined by  
6 the department, during each academic year for a number of  
7 consecutive academic years.

1 (b) "Department" means the department of talent and economic  
2 development.

3 (c) "Eligible community college" means an accredited junior or  
4 community college that meets all of the following:

5 (i) Is a junior or community college established under the  
6 community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195,  
7 or part 25 of the revised school code, 1976 PA 451, MCL 380.1601 to  
8 380.1607, or is an independent nonprofit junior or community  
9 college in this state.

10 (ii) Participates in the Michigan transfer agreement program  
11 referred to in sections 210b and 265a of the school aid act of  
12 1979, 1979 PA 94, MCL 388.1810b and 388.1865a, or other similar  
13 program, as required by the department.

14 (iii) Participates in the success-coach program described in  
15 section 4(h).

16 (iv) Complies with applicable restraints on fee and tuition  
17 rate increases, if any, provided for in article II of the school  
18 aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830.

19 (d) "Eligible university" means an institution that meets both  
20 of the following:

21 (i) Is one of the following:

22 (A) A state university described in section 4, 5, or 6 of  
23 article VIII of the state constitution of 1963.

24 (B) An independent nonprofit college or university in this  
25 state that grants 4-year degrees.

26 (ii) Complies with applicable restraints on fee and tuition  
27 rate increases, if any, provided for in article III of the school

1 aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891.

2 (e) "Full-time student" means a student enrolled in at least  
3 20 semester credit hours in an academic year or the equivalent  
4 number of term or quarter credit hours in an academic year, as  
5 determined by the department.

6 (f) "Gift aid" means scholarships or grants, other than  
7 financial assistance provided under the Michigan promise zone  
8 authority act, 2008 PA 549, MCL 390.1661 to 390.1679, from sources  
9 that do not require repayment. The term does not include student  
10 loans, work-study awards, or qualified withdrawals made from  
11 education savings accounts to pay higher education expenses  
12 pursuant to the Michigan education savings program act, 2000 PA  
13 161, MCL 390.1471 to 390.1486.

14 (g) "High school equivalency certificate" means that term as  
15 defined in section 4 of the school aid act of 1979, 1979 PA 94, MCL  
16 388.1604.

17 (h) "Michigan opportunity initiative student" means a student  
18 admitted to and enrolled in an eligible community college or  
19 eligible university and receiving tuition assistance under this  
20 act.

21 Sec. 3. The department shall administer the Michigan  
22 opportunity initiative program in the following phases:

23 (a) Phase I, as provided for in section 4, which the  
24 department shall implement not more than 30 days after the  
25 effective date of this act.

26 (b) Phase II, as provided for in section 5, which the  
27 department shall implement after Phase I is underway on a date to

1 be determined by the department.

2       Sec. 4. The department shall administer Phase I of the  
3 Michigan opportunity initiative program, subject to the following:

4       (a) To be eligible for tuition assistance in Phase I of the  
5 program, an individual must meet all of the following conditions by  
6 the date of his or her college enrollment described in subparagraph  
7 (iii):

8       (i) Be a resident of this state for at least the immediately  
9 preceding year.

10       (ii) Have graduated from high school with a diploma or  
11 certificate of completion or achieved a high school equivalency  
12 certificate.

13       (iii) Be enrolled as a full-time student in a degree or  
14 certificate program at an eligible community college not later than  
15 the academic year following his or her completion of high school or  
16 receipt of a high school equivalency certificate.

17       (b) Students applying for tuition assistance in Phase I of the  
18 program must complete a Michigan opportunity initiative application  
19 for their initial year of enrollment in accordance with a schedule  
20 determined by the department. Students must also complete the Free  
21 Application for Federal Student Aid each academic year in which  
22 they seek to receive tuition assistance in Phase I of the program.

23       (c) To continue to receive tuition assistance in Phase I of  
24 the program, a student must do all of the following:

25       (i) Except as otherwise provided in subdivision (e), maintain  
26 continuous enrollment as a full-time student in a degree or  
27 certificate program at an eligible community college.

1           (ii) Maintain satisfactory academic standing as determined by  
2 the eligible community college and department rules.

3           (iii) Participate in the success-coaches program described in  
4 subdivision (h).

5           (d) Subject to appropriation, the annual amount of tuition  
6 assistance to be awarded to a student in Phase I of the program is  
7 equal to a student's cost of tuition and mandatory fees at the  
8 eligible community college attended less all other gift aid. Gift  
9 aid shall be credited first to the student's tuition and mandatory  
10 fees. If awarded, tuition assistance shall be paid to the eligible  
11 community college for credit to the student's account.

12           (e) A Michigan opportunity initiative student participating in  
13 Phase I of the program who takes a leave of absence from an  
14 eligible community college due to a medical or family hardship may,  
15 subject to department approval, continue to receive tuition  
16 assistance upon resuming the student's education at an eligible  
17 community college if the student continues to meet all applicable  
18 eligibility requirements. A leave of absence under this subdivision  
19 does not disrupt the requirement of continuous enrollment under  
20 subdivision (c) (i) and does not count toward the 3-year limitation  
21 described in subdivision (f) (i).

22           (f) A student is eligible for tuition assistance in Phase I of  
23 the program until the occurrence of either of the following:

24           (i) Subject to subdivision (e), 3 years have passed since the  
25 student became a Michigan opportunity initiative student at an  
26 eligible community college.

27           (ii) The student has earned 60 semester credits or the

1 equivalent number of term or quarter credits at an eligible  
2 community college, as determined by the department.

3 (g) A student who participates in Phase I of the Michigan  
4 opportunity initiative program may transfer from 1 eligible  
5 community college to another eligible community college and  
6 continue in the program if the student continues to meet all  
7 eligibility requirements.

8 (h) The department shall establish a success-coach program at  
9 each eligible community college that participates in Phase I of the  
10 Michigan opportunity initiative program. The success-coach program  
11 must include campus-based advisors who will provide Michigan  
12 opportunity initiative students at eligible community colleges with  
13 support services aimed at helping students succeed with their  
14 studies and formulate and follow effective academic and career  
15 plans. The department shall determine the qualifications for these  
16 advisors, their job duties, processes for hiring and training them,  
17 the number needed for a satisfactory coach-to-student ratio, and  
18 other requirements related to the success-coach program.

19 Sec. 5. The department shall administer Phase II of the  
20 Michigan opportunity initiative program, subject to the following:

21 (a) To be eligible for tuition assistance in Phase II of the  
22 program, an individual must meet all of the following conditions by  
23 the date of his or her university enrollment described in  
24 subparagraph (iii):

25 (i) Be a resident of this state for at least the immediately  
26 preceding year.

27 (ii) Have graduated from high school with a diploma or

1 certificate of completion or achieved a high school equivalency  
2 certificate.

3 (iii) Be enrolled in a 4-year degree program as a full-time  
4 student at an eligible university not later than the academic year  
5 following his or her completion of high school or receipt of a high  
6 school equivalency certificate.

7 (iv) Have earned a 3.0 grade point average in high school or  
8 the equivalent of a 3.0 test score on the high school equivalency  
9 test taken to obtain the high school equivalency certificate as  
10 defined in section 2(g), as determined by the department.

11 (v) Be a member of a household with an annual household income  
12 of not more than \$80,000.00 under rules promulgated by the  
13 department.

14 (b) Students applying for tuition assistance in Phase II of  
15 the program must complete a Michigan opportunity initiative  
16 application for their initial year of enrollment in accordance with  
17 a schedule determined by the department. Students must also  
18 complete the Free Application for Federal Student Aid each academic  
19 year in which they seek to receive tuition assistance in Phase II  
20 of the program.

21 (c) To continue to receive tuition assistance in Phase II of  
22 the program, a student must do all of the following:

23 (i) Except as otherwise provided in subdivision (f), maintain  
24 continuous enrollment in a 4-year degree program as a full-time  
25 student at an eligible university.

26 (ii) Maintain satisfactory academic standing as determined by  
27 the eligible university and department rules.

1           (iii) Continue to be a member of a household with an annual  
2 household income of not more than \$80,000.00 under rules  
3 promulgated by the department.

4           (d) The annual amount of tuition assistance to be awarded to a  
5 student in Phase II of the program must not exceed the lesser of  
6 the following:

7           (i) The cost of the student's tuition and mandatory fees at  
8 the eligible university attended less all other gift aid.

9           (ii) \$2,500.00.

10          (e) Awards of tuition assistance in Phase II of the program  
11 are subject to appropriation and shall be awarded on a first-come,  
12 first-served basis if insufficient funds are appropriated for all  
13 eligible students. If awarded, tuition assistance shall be paid to  
14 the eligible university for credit to the student's account.

15          (f) A Michigan opportunity initiative student participating in  
16 Phase II of the program who takes a leave of absence from an  
17 eligible university due to a medical or family hardship may,  
18 subject to department approval, continue to receive tuition  
19 assistance upon resuming the student's education at an eligible  
20 university if the student continues to meet all applicable  
21 eligibility requirements. A leave of absence under this subdivision  
22 does not disrupt the requirement of continuous enrollment under  
23 subdivision (c) (i) and does not count toward the 2-year limitation  
24 described in subdivision (g) (i).

25          (g) A student is eligible for tuition assistance in Phase II  
26 of the program until the occurrence of either of the following:

27          (i) Subject to subdivision (f), 2 years have passed since the



1 student became a Michigan opportunity initiative student at an  
2 eligible university.

3 (ii) The student has earned 60 semester credits or the  
4 equivalent number of term or quarter credits, as determined by the  
5 department.

6 (h) A student who participates in Phase II of the Michigan  
7 opportunity initiative program may transfer from 1 eligible  
8 university to another eligible university and continue in the  
9 program so long as the student continues to meet all eligibility  
10 requirements.

11 Sec. 6. The department shall promulgate rules to implement  
12 this act pursuant to the administrative procedures act of 1969,  
13 1969 PA 306, MCL 24.201 to 24.328.

14 Enacting section 1. It is the intent of the legislature that  
15 money in the talent investment fund created in section 8a of the  
16 higher education loan authority act, 1975 PA 222, MCL 390.1158a,  
17 shall be expended, upon appropriation, for the purpose of funding  
18 the Michigan opportunity initiative program established in the  
19 Michigan opportunity initiative act, in accordance with section 8a  
20 of the higher education loan authority act, 1975 PA 222, MCL  
21 390.1158a, which states that money in the talent investment fund,  
22 upon appropriation, shall be expended "for the purpose of enhancing  
23 the economic talent of Michigan residents, increasing access to  
24 academic and technical credentials or certifications, improving  
25 educational opportunities, or other purposes as provided by law".