

Act No. 537  
Public Acts of 2002  
Approved by the Governor  
July 25, 2002  
Filed with the Secretary of State  
July 26, 2002  
EFFECTIVE DATE: July 26, 2002

**STATE OF MICHIGAN  
91ST LEGISLATURE  
REGULAR SESSION OF 2002**

Introduced by Senator Schwarz

# **ENROLLED SENATE BILL No. 926**

AN ACT to amend 1999 PA 94, entitled "An act to create the Michigan merit award scholarship trust fund; to create the Michigan merit award scholarship board and prescribe the powers and duties of the board; and to provide for the Michigan merit award scholarship program," by amending sections 6, 7, and 8 (MCL 390.1456, 390.1457, and 390.1458).

*The People of the State of Michigan enact:*

Sec. 6. (1) The board shall conduct business in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. The board shall give public notice of the time, date, and place of meetings of the board in the manner required by the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(2) The board shall meet not less than annually and shall keep a record of its proceedings. The board shall make any writing prepared, owned, used, in the possession of, or retained by the board in the performance of an official function available to the public in compliance with the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(3) Except as provided in subsection (4), the board shall obtain and make available to the public all of the qualifying questions and answers, along with the corresponding answer key, to assessment tests administered during the spring of the preceding school year not later than September 1.

(4) If any question will be used in a future assessment test for validity purposes, the board may elect not to make that question and the answer available to the public under subsection (3) for a period of up to 2 years from the date the assessment test that first includes the question is administered.

(5) By December 1 of each year, the board shall submit a report on its activities to the governor and to the legislature. The report shall contain all of the following information:

(a) A list of approved postsecondary educational institutions for the current and immediately preceding fiscal years.

(b) The number of Michigan merit award scholarships awarded and the total amount of Michigan merit award scholarship money paid in the immediately preceding fiscal year.

(c) A projection of revenues and expenditures from the trust fund for the current fiscal year and the next 10 fiscal years.

(d) The dollar amount of the Michigan merit award scholarships available under section 7(2) and (3) in the current fiscal year, the amount of any adjustments to the dollar amount under section 7(5) from the beginning of the immediately preceding fiscal year, and any adjustments to the dollar amount projected for the remainder of the current fiscal year or for the next fiscal year.

- (e) All of the following results, scores, or ranges of scores:
  - (i) Used as qualifying results in the immediately preceding fiscal year.
  - (ii) Determined by the board as qualifying results in the current fiscal year.
  - (iii) Projected by the board as qualifying results for the next fiscal year.

(f) For the immediately preceding fiscal year, the number of students who took the assessment tests, the number of students by subject area who received qualifying results, the number of graduating high school seniors who met the requirements for a Michigan merit award scholarship, and the total number of students who met the requirements for a Michigan merit award scholarship.

(g) The number of persons participating in and the amount awarded in the immediately preceding fiscal year under the tuition incentive program described in section 310 of 2002 PA 144 or a successor to that program.

(6) At least 60 days before changing the results, scores, or ranges of scores used as qualifying results, the board shall provide written notice of its intent to change the results, scores, or ranges of scores used as qualifying results, and a report explaining the board's decision to change the results, scores, or ranges of scores used as qualifying results, to the standing committees of the senate and the house of representatives that have primary jurisdiction over legislation pertaining to education. The standing committees shall review the board's report and may hold hearings on the board's decision.

Sec. 7. (1) The Michigan merit award scholarship program is established. The board shall administer the Michigan merit award scholarship program.

(2) Subject to subsection (6), each student enrolled in grade 11 in or after the 1998-1999 school year who meets the requirements of subsection (4), and subject to adjustment under subsection (5), is eligible for the award of a \$2,500.00 Michigan merit award scholarship if the student is enrolled in an approved postsecondary educational institution in this state or the award of a \$1,000.00 Michigan merit award scholarship if the student is enrolled in an approved postsecondary educational institution outside this state if the board finds that the student while in high school has taken the assessment test in the subject areas of reading, writing, mathematics, and science and meets 1 of the following:

- (a) Has received qualifying results in each of the subject areas of reading, writing, mathematics, and science.
- (b) Did not receive qualifying results in 1 or 2 of the subject areas of reading, writing, mathematics, and science, but received an overall score in the top 25% of a nationally recognized college admission examination.
- (c) Did not receive qualifying results in 1 or 2 of the subject areas of reading, writing, mathematics, and science, but received a qualifying score or scores as determined by the board on a nationally recognized job skills assessment test designated by the board.

(3) Subject to subsection (6) and to adjustment under subsection (5), a student who was enrolled in grade 7 in or after the 1999-2000 school year and who the board finds has taken the assessment test in each of the subject areas while in grades 7 and 8 is eligible for 1 of the following additional Michigan merit award scholarships:

- (a) If the board finds that the student while in grades 7 and 8 received qualifying results in 2 of the subject areas of reading, writing, mathematics, and science, an additional Michigan merit award scholarship of \$250.00.
- (b) If the board finds that the student while in grades 7 and 8 received qualifying results in 3 of the subject areas of reading, writing, mathematics, and science, an additional Michigan merit award scholarship of \$375.00.
- (c) If the board finds that the student while in grades 7 and 8 received qualifying results in all of the subject areas of reading, writing, mathematics, and science, an additional Michigan merit award scholarship of \$500.00.

(4) In addition to the requirements set forth in subsections (2) and (3), to be eligible for the award of 1 or both Michigan merit award scholarships under this section, the board must find that a student satisfies all of the following:

- (a) The student has graduated from high school or passed the general educational development (GED) test or other graduate equivalency examination approved by the state board.
- (b) The student graduated from high school or passed the general educational development (GED) test or other graduate equivalency examination approved by the state board within 1 of the following time periods:
  - (i) If the student graduated from high school or passed the test or examination before March 1, 2002, within the 7-year period preceding the student's application to receive his or her Michigan merit award scholarship money.
  - (ii) If the student graduated on or after March 1, 2002, within the 4-year period preceding the date of the student's application to receive his or her Michigan merit award scholarship money, or if the student becomes a member of the United States armed forces or peace corps during this 4-year period and serves for 4 years or less, the 4-year period is extended by a period equal to the number of days the student served as a member of the United States armed forces or peace corps. The board may also extend the 4-year period if the board determines that an extension is warranted because of an illness or disability of the student or in the student's immediate family or another family emergency.

(c) The student is enrolled in an approved postsecondary educational institution. For students who qualify under subsection (2)(c), the student is enrolled in a vocational or technical education program at an approved postsecondary educational institution.

(d) The student has not been convicted of a felony involving an assault, physical injury, or death.

(e) The student satisfies any additional eligibility requirements established by the board.

(5) In any fiscal year, the board may adjust the amount of a Michigan merit award scholarship available to students eligible under 1 or more of subsections (2), (3), and (9), based upon its determination of available resources and amounts appropriated, but the board shall not increase an amount by more than 5% in any fiscal year. The board shall notify the governor, the speaker of the house of representatives, and the majority leader of the senate in writing at least 30 days before an adjustment under this subsection.

(6) For assessment tests administered after January 1, 2000, the board shall not use the assessment test to determine eligibility for a Michigan merit award scholarship under this section for a particular year unless the board has reviewed and approved the assessment test before it was administered for that year.

(7) The board shall provide each student written notice of whether or not the student is eligible for the award of 1 or more Michigan merit award scholarships described in this section. If the student is eligible, the written notice shall also contain the Michigan merit award scholarship amount for which the student is eligible, how the student applies for payment of Michigan merit award scholarship, and any other information the board considers necessary regarding qualification requirements or conditions relating to the use of the Michigan merit award scholarship.

(8) It is the intent of the legislature that the level of student performance required to achieve qualifying results in a subject area of an assessment test remains approximately the same, and that the board not reduce the required level of student performance as a means of increasing the number of Michigan merit award scholarships awarded.

(9) If a student who has previously received a \$1,000.00 Michigan merit award scholarship as a student enrolled in an approved postsecondary educational institution outside of this state enrolls in an approved postsecondary educational institution in this state and meets the requirements of subsection (4), and subject to adjustment under subsection (5), the student is eligible for the award of an additional \$1,500.00 Michigan merit award scholarship.

(10) A pupil who does not initially receive qualifying results shall be extended an opportunity to achieve the requisite qualifying results by taking a subsequent assessment test.

(11) A nonpublic school student or home school student may take, and the board shall administer if requested, an assessment test at a site designated by the board.

Sec. 8. (1) A Michigan merit award scholarship shall be used only to pay for eligible costs. The board shall determine the manner and form of application for payment of a Michigan merit award scholarship by a student eligible under section 7 and the procedure for payment to the student or to the approved postsecondary educational institution on the student's behalf. As determined by the board, upon the request of a student or parent or legal guardian of a minor student, the board may pay a Michigan merit award scholarship in 2 consecutive annual installments rather than 1 lump sum.

(2) An approved postsecondary educational institution shall not consider a Michigan merit award scholarship in determining a student's eligibility for a financial aid program administered by this state. It is the intent of the legislature that an approved postsecondary educational institution not reduce institutionally-funded student aid because of the Michigan merit award scholarship program.

(3) Before payment of a Michigan merit award scholarship to a student or approved postsecondary educational institution, the student shall certify or affirm in writing to the board each of the following:

(a) That the student is enrolled at an approved postsecondary educational institution.

(b) The name of the approved postsecondary educational institution in which the student is enrolled.

(c) That the student agrees to use the Michigan merit award scholarship only for eligible costs.

(d) That the student has not been convicted of a felony involving an assault, physical injury, or death.

(e) That the student graduated from high school or passed the general educational development (GED) test or approved graduate equivalency examination within 1 of the following time periods:

(i) If the student graduated from high school or passed the test or examination before March 1, 2002, within the 7-year period preceding the date of the student's application to receive his or her Michigan merit award scholarship.

(ii) If the student graduated on or after March 1, 2002, within the 4-year period preceding the date of the student's application to receive his or her Michigan merit award scholarship, or within a period equal to 4 years plus the number of days the student served as a member of the United States armed forces or peace corps if the student became a member of the United States armed forces or peace corps during this 4-year period and served for 4 years or less. The board may also extend the 4-year period if the board determines that an extension is warranted because of an illness or disability of the student or in the student's immediate family or another family emergency.

(4) The board shall not disburse funds for a Michigan merit award scholarship to a student or an approved postsecondary educational institution on behalf of the student for use in any academic year unless it receives the request or application for payment, including the written certification or affirmation described in this section, from the student on or before September 30 in that academic year.

This act is ordered to take immediate effect.

*Carol Morey Viventi*

Secretary of the Senate.

*Jay E. Randall*

Clerk of the House of Representatives.

Approved .....

.....  
Governor.