

Legislative Analysis



ADMIT HS STUDENTS FULL TIME IN COLLEGES AND UNIVERSITIES

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House Bill 5791

Sponsor: Rep. Jacob Hoogendyk

House Bill 5792

Sponsor: Rep. Brian Palmer

Committee: Higher Education

Complete to 5-12-04

A SUMMARY OF HOUSE BILLS 5791 AND 5792 AS INTRODUCED 4-21-04

House Bill 5791 would create a higher education enrollment grant program that would allow an eligible high school student to enroll full-time in a participating community college or state university, in an accelerated format. The grant program would be known as the Michigan Accelerated College Education Act. Grants would be based the K-12 per pupil basic foundation allowance.

Under the bill, a student who meets all of the following could attend a postsecondary institution *without* completing high school if he or she:

*is at least 15 years and less than 19 years of age.

*attends, and has not graduated from, a high school operated by a school district in this state at the time he or she is first enrolled in an eligible postsecondary institution.

*has completed at least half of the credits required for graduation by the high school or received an overall score in the top 20 percent of a nationally recognized college admission examination.

*is admitted to and enrolled in an eligible postsecondary institution as a full-time student in the program.

The student or the participating postsecondary institution may request a letter, signed by the student's high school principal be sent to the authority, the eligible student, and the postsecondary institution indicating the student's eligibility.

Grant Amounts. An eligible student would receive a grant payable directly to the postsecondary institution for the number of semesters, trimesters, or quarters of full-time enrollment at the secondary institution. The amount of the grant would be equal to the lesser of actual charges or one of the following percentages of the basic foundation allowance: (a) 25 percent if the student is enrolled in a semester program; (b) 16.67

percent if the student is enrolled in a trimester program and (c) 12.5 percent if the student is enrolled in a quarter program.

Grant maximum. A student enrolled in a participating postsecondary institution may receive a maximum grant for the following number of semesters, trimesters, or quarters of full-time enrollment as follows:

*For a student who attended high school for fewer 4 semesters, a grant would be equal to 4 semesters or an equal number of trimesters or quarters.

*For a student who attended school for 5 semesters, a grant would be equal to 3 semesters or an equal number of trimesters or quarters.

*For a student who attended high school for 6 semesters, a grant would be equal to 2 semesters or an equal number of trimesters or quarters.

*For a student who attended high school for 7 semesters, a grant would be equal to 1 semester or an equal number of trimesters or quarters.

*A student who graduated from or attended high school for 8 or more semesters would not receive a grant.

Notice to Grant Authority. After the postsecondary institution's period for dropping or adding courses in the program per semester, trimester, or quarter, the participating postsecondary institution would be required to provide written notice to the authority of the amount of eligible charges for the program in which the student is enrolled. The authority would be required to make the grant payment within 30 days of receiving the notice. In addition, the institution shall not charge the student or the authority with a late fee for a grant in compliance with the institution's drop or add period.

Notice to Student of Costs. Within a reasonable time after registration, an eligible postsecondary institution would be required to send written notice to the student and his or her former school district indicating the program in which the student is enrolled. The participating postsecondary institution would be required to notify the student of tuition, fees, books, materials and other related charges in the customary manner used by the institution. Students are responsible for costs that exceed the amount of the grant.

GPA Requirement. If the student did not maintain a grade point average (GPA) 2.0 in the preceding semester, trimester, or quarter, the authority would not be required to pay a grant as prescribed. However, this does not reduce the total number of semesters, trimesters, or quarters for which the student is entitled to receive a grant, nor does it restrict the ability of a student (or any other pupil) to enroll in any postsecondary institution without meeting this requirement. An enrolled student is responsible for payment of the costs that exceed the amount of the grant.

H.S. Diploma from College or University. A participating institution would be required to award a high school diploma to a student who is awarded an associate degree or who has successfully completed four semesters, six trimesters, or eight quarters of courses as a full-time student.

Tie-Bar. The bill would not take effect unless House Bill 5792 were also enacted.

House Bill 5792 would amend section 1561 of the Revised School Code of 1976 (MCL 380.1561) to exempt a 15 year old from the compulsory school attendance requirement if he or she is enrolled in a state university or community college under the Michigan accelerated college education act. House Bill 5792 is tie-barred to House Bill 5791.

FISCAL IMPACT:

HB 5791

Background

There are currently 361,100 tenth, eleventh, and twelfth graders in traditional and charter schools in the State of Michigan. For each student that the school educates, the district receives a foundation allowance. The actual foundation allowance will vary depending on the school district. The average foundation allowance is currently \$7,000.

To be eligible to participate in the proposed program the student must be at least 15 years of age and less than 19, have completed ½ of the credits required for graduation at the public school or scored in the top 20% of a nationally recognized college examination, and must be admitted to the postsecondary institution as a full-time student. Currently eleventh and twelfth graders have the option of taking courses at a university or community college under the postsecondary enrollment options act (PSEO). In the 2001-02 school year 8,526 students participated in the PSEO program and took at least one college course.

Traditional Public and Charter Schools

The fiscal impact under this legislation to the local school district is indeterminate, because the number of students who would participate is unknown. For each public school student that participates in this program the district would forego a foundation allowance of approximately \$7,000 per year for up to two years.

The fiscal impact to the state is also indeterminate. For each public school student that participates in this program the state would save up to ½ the foundation allowance or approximately \$3,500 per year for a maximum of two years. This money would remain in the school aid fund and be available for expenditure.

Private Schools

According to the Department of Education there are an estimated 28,400 tenth, eleventh, and twelfth graders attending a private school in the State of Michigan.

There would be an indeterminate cost to the state of private school students participating in the program. For each private school student that participates the state will have to pay

up to ½ the foundation allowance estimated at \$3,500 per year to the postsecondary institution for a maximum of two years. Since these students are not currently funded with state money, this represents a new cost to the state.

Home Schools

The number of students educated by home schools is unknown, since home schools are not required to report to the State the number of children being educated.

There will be an indeterminate cost to the state of home schooled students participating in the program. For each home schooled student that participates in this program the state will have to pay up to ½ the foundation allowance estimated at \$3,500 per year to the postsecondary institution for a maximum of two years. Since these students are not currently funded with state money, this represents a new cost to the state.

Overall State Impact

The overall impact to the state is unknown as the number of public, charter, private and home schooled students who will participate is indeterminate, but would be dependent on the ratio of public school students to private/home schooled students who participate. If more public school students than private and home schooled students participate, there would be a net savings to the state. If the reverse occurs, there would be a net cost to the state.

There would be indeterminate additional costs to the state for the implementation and oversight of this program, which would be handled by the Michigan Higher Education Assistance Authority in the Department of Treasury. The Authority would be responsible for making the tuition payment to the postsecondary institution for each eligible student and would have to monitor the progress of each student in the program.

HB 5792

There is no state or local fiscal impact to HB 5792.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.