

# SENATE BILL No. 701

September 16, 2003, Introduced by Senators VAN WOERKOM, GILBERT, BIRKHOLZ, CASSIS, BROWN, GEORGE, McMANUS, GARCIA, BISHOP, CROPSEY, SANBORN, HAMMERSTROM, SIKKEMA, KUIPERS, JOHNSON, STAMAS, JELINEK, HARDIMAN, ALLEN, GOSCHKA, TOY and PATTERSON and referred to the Committee on Education.

A bill to amend 1999 PA 94, entitled  
"Michigan merit award scholarship act,"  
by amending section 8 (MCL 390.1458), as amended by 2002 PA 736.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

1 (GED) test or approved graduate equivalency examination before  
2 March 1, 2003. For each student who graduates from high school  
3 or passes the general educational development (GED) test or  
4 approved graduate equivalency examination on or after March 1,  
5 2003, the board shall pay a Michigan merit award scholarship in 2  
6 consecutive annual installments, beginning in the state fiscal  
7 year for which the student is otherwise eligible under section  
8 7. The first installment shall not exceed 50% of the award  
9 amount, and the second installment shall consist of the remaining  
10 award amount. Verification that the student has met the  
11 enrollment criteria under section 7(4)(c) is required prior to  
12 issuance of the second installment.

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

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

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

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

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

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

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

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

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

23 (4) The board shall not begin disbursing funds for a Michigan  
24 merit award scholarship to a student or an approved postsecondary  
25 educational institution on behalf of the student unless it  
26 receives the request or application for payment, including the  
27 written certification or affirmation described in this section,

Senate Bill No. 701 as amended September 23, 2003  
1 from the student on or before <<January 15 in the 2002-2003  
2 academic year, and  
3 September 15 in any other academic year, for disbursement in  
4 that academic year. one of the following dates, for disbursement in that  
academic year:  
    (a) In the 2002-2003 academic year, January 15.  
    (b) In the 2003-2004 academic year, September 15 if the student  
received notification of eligibility prior to August 1.  
    (c) In the 2003-2004 academic year, November 15 if the student  
received notification of eligibility on or after August 1.  
    (d) In any other academic year, September 15.>>