

# HOUSE BILL No. 5048

June 4, 2009, Introduced by Rep. Smith and referred to the Committee on Appropriations.

A bill to amend 2002 PA 591, entitled "Michigan nursing scholarship act," by amending sections 2, 3, 4, 5, 6, and 8 (MCL 390.1182, 390.1183, 390.1184, 390.1185, 390.1186, and 390.1188), section 2 as amended by 2006 PA 444; and to repeal acts and parts of acts.

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

1           Sec. 2. As used in this act:

2           (A) "ACADEMIC YEAR" MEANS THE PERIOD FROM AUGUST 1 OF A  
3 CALENDAR YEAR TO JULY 31 OF THE NEXT CALENDAR YEAR.

4           (B) ~~(a)~~-"Authority" means the Michigan higher education  
5 assistance authority created by 1960 PA 77, MCL 390.951 to 390.961.

6           (C) ~~(b)~~-"Eligible costs" means tuition and fees charged by an  
7 eligible institution; related costs for room, board, books,  
8 supplies, transportation, or day care; and other costs determined

1 by the authority.

2 (D) ~~(e)~~—"Eligible employment" means either of the following:

3 (i) Teaching in a nursing program.

4 (ii) A registered nurse or licensed practical nurse providing  
5 full-time nursing care, or part-time nursing care if section 7  
6 applies, in a ward, emergency department, emergency room, operating  
7 room, or trauma center of a hospital licensed under article 17 of  
8 the public health code, 1978 PA 368, MCL 333.20101 to 333.22260, in  
9 a nursing home or hospice licensed under article 17 of the public  
10 health code, 1978 PA 368, MCL 333.20101 to 333.22260, in a health  
11 facility or agency licensed under article 17 of the public health  
12 code, 1978 PA 368, MCL 333.20101 to 333.22260, that provides  
13 nonemergency health care to patients without receiving compensation  
14 for providing that nonemergency health care, or in a clinic or  
15 other health care program operated by a local health department  
16 that provides 1 or more required services under part 24 of the  
17 public health code, 1978 PA 368, MCL 333.2401 to 333.2498, or as an  
18 employee of a home health care agency providing home patient care.

19 (E) ~~(d)~~—"Eligible institution" means a degree or certificate  
20 granting public or independent nonprofit college or university,  
21 junior college, or community college in this state.

22 (F) ~~(e)~~—"Licensed practical nurse" means an individual  
23 licensed to engage in the practice of nursing as a licensed  
24 practical nurse as defined in section 17201 of the public health  
25 code, 1978 PA 368, MCL 333.17201.

26 (G) ~~(f)~~—"Nursing program" means either of the following:

27 (i) A program for the training of individuals to become

1 registered nurses or licensed practical nurses operated in this  
2 state by an eligible institution and approved by the Michigan board  
3 of nursing.

4 (ii) A master's degree in nursing program operated in this  
5 state by an eligible institution and approved by the Michigan board  
6 of nursing.

7 (H) ~~(g)~~—"Registered professional nurse" means that term as  
8 defined in section 17201 of the public health code, 1978 PA 368,  
9 MCL 333.17201.

10 Sec. 3. The Michigan nursing scholarship program is created,  
11 to be administered by the authority. The authority shall do all of  
12 the following:

13 (a) Award scholarships **BEFORE THE 2009-2010 ACADEMIC YEAR** to  
14 eligible students pursuant to this act.

15 (b) Develop a scholarship agreement to be entered into by a  
16 scholarship recipient and the authority that contains the terms of  
17 a scholarship made under this act and the rights and obligations of  
18 the scholarship recipient and the authority.

19 (c) Collect repayment of scholarships if required under  
20 section 7.

21 (d) Conduct periodic audits of scholarship recipients to  
22 ensure compliance with the terms of the scholarship agreement and  
23 take necessary steps to enforce the terms of the scholarship  
24 agreement.

25 (e) Publicize the Michigan nursing scholarship program and  
26 recruit qualifying students to participate in the Michigan nursing  
27 scholarship program.

1 (f) Promulgate rules, as necessary to implement this act,  
2 pursuant to the administrative procedures act of 1969, 1969 PA 306,  
3 MCL 24.201 to 24.328. The rules may include additional standards of  
4 eligibility for students to receive scholarships under this act.

5 Sec. 4. (1) The authority may award a scholarship under this  
6 act to an individual determined by the authority to meet all of the  
7 following eligibility criteria:

8 (a) Is a United States citizen or permanent resident of the  
9 United States.

10 (b) Has resided continuously in this state for the 12 months  
11 immediately preceding the date of his or her application and is not  
12 a resident of any other state.

13 (c) Is enrolled or has been accepted into a nursing program.

14 (d) Has signed a written scholarship agreement with the  
15 authority stating the individual's intention to pursue nursing as a  
16 career and to serve in eligible employment in this state for not  
17 less than 1 of the following periods:

18 (i) One year if the individual received scholarship assistance  
19 under this act in 1 academic year of full-time enrollment in a  
20 nursing program.

21 (ii) Two years if the individual received scholarship  
22 assistance under this act in 2 academic years of full-time  
23 enrollment in a nursing program.

24 (iii) Three years if the individual received scholarship  
25 assistance under this act in 3 academic years of full-time  
26 enrollment in a nursing program.

27 (iv) Four years if the individual received scholarship

1 assistance under this act in 4 academic years of full-time  
2 enrollment in a nursing program.

3 (e) Is in compliance with this act and the rules promulgated  
4 under this act.

5 ~~\_\_\_\_\_ (f) Has not been convicted of a felony involving an assault,  
6 physical injury, or death.~~

7 (F) ~~(g)~~ Meets any other standards established in rules  
8 promulgated by the authority under section 3.

9 (2) THE AUTHORITY SHALL NOT PROVIDE SCHOLARSHIPS UNDER THIS  
10 ACT IN THE 2009-2010 ACADEMIC YEAR OR ANY SUBSEQUENT ACADEMIC YEAR.

11 (3) IF A STUDENT WAS AWARDED A SCHOLARSHIP UNDER THIS ACT  
12 BEFORE THE 2009-2010 ACADEMIC YEAR, THE AUTHORITY SHALL NOT PAY THE  
13 AMOUNT OF THE SCHOLARSHIP OR ANY REMAINING UNPAID BALANCE OF THE  
14 SCHOLARSHIP TO THE STUDENT AFTER SEPTEMBER 15, 2009.

15 (4) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT  
16 ADDED THIS SUBSECTION, THE AUTHORITY SHALL NOTIFY EACH NEW  
17 SCHOLARSHIP RECIPIENT, EACH EXISTING SCHOLARSHIP RECIPIENT WHO HAS  
18 NOT RECEIVED ALL OF HIS OR HER SCHOLARSHIP MONEY, AND EACH ELIGIBLE  
19 INSTITUTION OF THE PENDING REPEAL OF THIS ACT AND THE TIMETABLES  
20 DESCRIBED IN SUBSECTIONS (2) AND (3).

21 Sec. 5. (1) Subject to subsection (2), each scholarship  
22 recipient shall receive a \$4,000.00 scholarship for 1 academic year  
23 of full-time enrollment, or a partial scholarship for part-time  
24 enrollment, in a nursing program. The authority shall determine the  
25 amount of a partial scholarship by multiplying \$4,000.00 by the  
26 number of credit hours for which a student enrolls in an academic  
27 year, and dividing the product by 30 if the nursing program uses

1 semester credits or by 45 if the nursing program uses term credits.

2 (2) A scholarship described in subsection (1) shall not exceed  
3 an amount equal to the recipient's eligible costs minus any other  
4 grants or scholarships the recipient receives in any academic year  
5 in a nursing program.

6 (3) An individual shall not receive scholarship assistance for  
7 more than 4 academic years.

8 **(4) SCHOLARSHIPS UNDER THIS SECTION ARE SUBJECT TO THE**  
9 **RESTRICTIONS DESCRIBED IN SECTION 4(2) AND (3).**

10 Sec. 6. (1) Recipients of scholarship assistance under this  
11 act shall continue to receive scholarship payments only during  
12 periods that the authority finds that the recipient is both of the  
13 following:

14 (a) Enrolled as a full-time or part-time student in a nursing  
15 program.

16 (b) Maintaining satisfactory progress as determined by the  
17 eligible institution.

18 **(2) SCHOLARSHIPS UNDER THIS SECTION ARE SUBJECT TO THE**  
19 **RESTRICTIONS DESCRIBED IN SECTION 4(2) AND (3).**

20 Sec. 8. (1) The department of treasury shall establish and  
21 administer a restricted account in the general fund for the  
22 Michigan nursing scholarship program. The department of treasury  
23 shall credit to the account money appropriated from the Michigan  
24 merit award trust fund established in section ~~3 of the Michigan~~  
25 ~~merit award scholarship act, 1999 PA 94, MCL 390.1453-9~~ **OF THE**  
26 **MICHIGAN TRUST FUND ACT, 2000 PA 489, MCL 12.259**, or received from  
27 any other source including, but not limited to, amounts repaid to

1 the authority on scholarships awarded under this act and earnings  
2 in the account. The department of treasury shall use the money in  
3 the account only to provide money to the authority for scholarships  
4 awarded under this act.

5 (2) Money in the account at the end of a fiscal year shall not  
6 revert to the general fund but shall be carried over in the account  
7 to the next fiscal year.

8 (3) ON SEPTEMBER 30, 2009, ANY RESTRICTED FUNDS OR OTHER MONEY  
9 HELD BY THE AUTHORITY FOR PURPOSES OF THIS ACT SHALL REVERT TO THE  
10 GENERAL FUND. ANY MONEY RECEIVED BY THE AUTHORITY UNDER SECTION 7  
11 FOR REPAYMENT OF SCHOLARSHIPS ON OR AFTER SEPTEMBER 30, 2009 SHALL  
12 BE PAID INTO THE GENERAL FUND.

13 Enacting section 1. The Michigan nursing scholarship act, 2002  
14 PA 591, MCL 390.1181 to 390.1189, is repealed effective October 1,  
15 2019.

16 Enacting section 2. This amendatory act does not take effect  
17 unless Senate Bill No.\_\_\_\_ or House Bill No.\_\_\_\_ (request no.  
18 00505'09) of the 95th Legislature is enacted into law.