

Legislative Analysis



ELIGIBILITY FOR MICHIGAN COMPETITIVE SCHOLARSHIP

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 4055 (H-1) as reported from committee
Sponsor: Rep. Sarah Anthony
Committee: Education
Complete to 4-11-21

Analysis available at
<http://www.legislature.mi.gov>

BRIEF SUMMARY: House Bill 4055 would amend 1964 PA 208, the state competitive scholarships act, to allow scholastic achievement as an alternative to achieving the requisite score on a standardized test (currently the SAT) for purposes of scholarship eligibility.

FISCAL IMPACT: The bill would have an indeterminate impact on the state but could result in increased costs to the Michigan Competitive Scholarship (MCS) program. The number of eligible students for the program could increase due to the allowance of class grade point averages in replacement of a standardized test (currently the SAT). In addition, a student enrolled in a postsecondary institution for the 2020 spring semester or the 2020-21 academic year would be granted an extra year of scholarship eligibility, which could also result in increased cost to the state. However, the number of students that could benefit from either change cannot be determined at this time.

THE APPARENT PROBLEM:

Typically, the Department of Treasury uses a student's ACT or SAT scores, along with GPA, to determine eligibility for an MCS. However, school closures during spring 2020 due to COVID-19 affected students' ability to complete those assessments, thereby removing one of the necessary qualifications. The bill would allow academic achievement to be substituted for assessment score and also extend eligibility for a year for certain students to account for the unusual 2020 spring semester.

THE CONTENT OF THE BILL:

House Bill 4055 would amend the state competitive scholarships act to allow scholastic achievement as an alternative to achieving the requisite score on a standardized test (currently the SAT) for purposes of scholarship eligibility.

Currently, eligible students must demonstrate financial need, possess a high school diploma or the equivalent, and achieve a qualifying SAT score of at least 1200. Students must maintain a minimum cumulative GPA of 2.0 to be eligible for renewal.¹

Under the bill, for the 2020-21 academic year, scholastic achievement could be used as an alternative to achieving a minimum 1200 score on the SAT for purposes of scholarship eligibility.

¹ <https://www.michigan.gov/mistudentaid/0,4636,7-372--481214--,00.html>

Additionally, the act currently requires eligible students to use the scholarship within 10 years. Under the bill, students enrolled in eligible postsecondary institutions during the 2020 spring term and the 2020-21 academic year would instead have 11 years to use the scholarship after their eligibility was determined.

MCL 390.973 and 390.974

BACKGROUND:

House Bill 4055 is a reintroduction of House Bill 6172 of the 2019-20 legislative session. That bill was reported from the House Ways and Means committee following referral by the House Education committee.

ARGUMENTS:

For:

According to committee testimony, HB 4055 and a related bill, HB 4056, are intended to remove barriers to postsecondary educational opportunities for qualifying students. HB 4055 would ensure that an inability to complete the SAT during spring 2020 would not keep an otherwise qualified student from being awarded an MCS. It would also allow extra time to use financial aid, to address the disruption to schooling caused by COVID-19.

Against:

No one testified or voted against the bill in committee.

POSITIONS:

The following entities indicated support for the bill:

- Department of Treasury (3-2-21)
- Michigan Community College Association (MCCA) (3-2-21)
- Michigan Association of State Universities (3-2-21)
- Michigan Catholic Conference (3-2-21)
- Michigan Independent Colleges (3-2-21)
- American Association of University Women (3-9-21)
- Michigan College Access Network (3-9-21)
- Education Trust–Midwest (3-9-21)
- Michigan Education Association (3-9-21)

Legislative Analyst: Jenny McInerney
Fiscal Analyst: Perry Zielak

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