

# SENATE BILL NO. 463

August 24, 2023, Introduced by Senator CAMILLERI and referred to the Committee on Education.

A bill to amend 1976 PA 451, entitled  
"The revised school code,"  
(MCL 380.1 to 380.1852) by adding section 1278e.

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

1           **Sec. 1278e. (1) Subject to subsection (2), beginning in the**  
2           **2024-2025 school year, in addition to the requirements under**  
3           **sections 1278a and 1278b, the board of a school district or board**  
4           **of directors of a public school academy shall not award a high**  
5           **school diploma to a pupil unless either of the following applies to**

1 the pupil:

2 (a) The pupil has submitted the FAFSA to the United States  
3 Department of Education.

4 (b) The pupil's parent or legal guardian, or, if the pupil is  
5 18 years of age or older or is an emancipated minor, the pupil has  
6 submitted a parental waiver to the school district or public school  
7 academy, through a standard form prescribed by the department,  
8 exempting the pupil from the requirement under subdivision (a).

9 (2) The board of a school district or the board of directors  
10 of a public school academy shall exempt the pupil from the  
11 requirements in subsection (1) by granting the pupil a hardship  
12 waiver if either of the following is met:

13 (a) The pupil is ineligible to submit the FAFSA.

14 (b) All of the following are met:

15 (i) The pupil's parent or legal guardian refuses or cannot sign  
16 the parental waiver.

17 (ii) The pupil is unable to submit the FAFSA as an independent  
18 student.

19 (iii) The pupil agrees to opt out of completing the FAFSA.

20 (iv) Other than the requirements in subsection (1), the pupil  
21 has met all of the requirements for a high school diploma under  
22 this act.

23 (v) A school administrator of the pupil's high school  
24 demonstrates to the board of the school district or the board of  
25 directors of the public school academy, in a form and manner  
26 prescribed by the board or board of directors, that good-faith  
27 efforts have been made to assist the pupil or the pupil's parent or  
28 legal guardian in meeting the requirement in subsection (1) (a) or  
29 (b).

1           (3) If a student or parent or legal guardian completes a  
2 parental waiver under subsection (1)(b) or receives a hardship  
3 waiver under subsection (2), the student and parent or legal  
4 guardian shall review and certify to the school district or public  
5 school academy in which the pupil is enrolled receipt of the  
6 informational packet made available to school districts and public  
7 school academies under section 1293.

8           (4) The board of a school district or the board of directors  
9 of a public school academy shall ensure that each pupil enrolled in  
10 the school district or public school academy receives assistance  
11 and information, as applicable, regarding all of the following at  
12 least once before grade 12:

13           (a) The importance of completing the FAFSA for accessing  
14 federal, state, institutional, and community-based financial aid to  
15 access and complete a college degree or postsecondary certificate.

16           (b) A list of available state-based financial aid made  
17 available through the FAFSA.

18           (c) How to properly complete and submit the FAFSA, including a  
19 breakdown of the information and documentation required for the  
20 completion and submission of the FAFSA.

21           (d) Information regarding the parental waiver described under  
22 subsection (1)(b).

23           (e) The FAFSA timeline and submission deadline.

24           (f) Definitions of terminology used in the FAFSA.

25           (g) Submission of the FAFSA directly to schools or scholarship  
26 programs.

27           (h) The process required for properly completing the FAFSA  
28 verification process.

29           (5) By July 15, 2025, and each July 15 thereafter, the board

1 of a school district or the board of directors of a public school  
2 academy that operates a high school shall report to the department,  
3 and the department shall make public and share with CEPI both of  
4 the following:

5 (a) The number of pupils enrolled in the school district or  
6 public school academy who submitted a parental waiver described  
7 under subsection (1)(b), disaggregated by school.

8 (b) The number of pupils enrolled in the school district or  
9 public school academy who were granted a hardship waiver described  
10 under subsection (2), disaggregated by school.

11 (6) By August 15, 2025, and each August 15 thereafter, for  
12 each school district and public school academy that operates a high  
13 school, the department of treasury, in consultation with the  
14 department, shall include all of the following information on its  
15 website:

16 (a) The percentage of pupils who submitted the FAFSA.

17 (b) The percentage of pupils who completed the FAFSA.

18 (c) The percentage of parental waivers submitted under  
19 subsection (1)(b).

20 (d) The percentage of hardship waivers that were granted under  
21 subsection (2).

22 (7) By not later than 2 weeks after the department of treasury  
23 posts the information under subsection (6) on its website, the  
24 department shall post the same information on its website.

25 (8) Subject to federal and state privacy laws, the department  
26 shall share data with the student financial services bureau within  
27 the department of treasury, and the student financial services  
28 bureau shall maintain the MiSSG data management system that must  
29 include uploaded pupil-level FAFSA data, including, at a minimum,

1 data points of the completed, submitted, or not submitted status;  
2 submission date; verification label; missing student signature  
3 label; missing parent signature label; and processed date. Before  
4 accessing the MiSSG data management system, the board of a school  
5 district or the board of directors of a public school academy shall  
6 ensure that both of the following are met:

7 (a) A school administrator shall submit a data user agreement  
8 to the student financial services bureau within the department of  
9 treasury and shall annually resubmit a data user agreement to  
10 maintain access to the system.

11 (b) A school administrator shall designate at least 1  
12 authorized high school user to access the system.

13 (9) As used in this section:

14 (a) "CEPI" means the center for educational performance and  
15 information created in section 94a of the state school aid act of  
16 1979, MCL 388.1694a.

17 (b) "FAFSA" means the Free Application for Federal Student  
18 Aid.

19 (c) "MiSSG data management system" means the department of  
20 treasury's Michigan student scholarships and grants data management  
21 system designed for access by pupils, authorized high school users,  
22 and financial aid administrators.