FOSTERING FUTURES SCHOLARSHIP TRUST FUND ACT

Act 525 of 2008

AN ACT to establish the fostering futures scholarship trust fund in the department of treasury; to provide for the distribution of the money from the fund; to prescribe the powers and duties of certain agencies and officials; and to provide for appropriations.

History: 2008, Act 525, Imd. Eff. Jan. 13, 2009 ;-- Am. 2014, Act 530, Imd. Eff. Jan. 14, 2015

The People of the State of Michigan enact:

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722.1021 Short title.

Sec. 1.

This act shall be known and may be cited as the "fostering futures scholarship trust fund act".

History: 2008, Act 525, Imd. Eff. Jan. 13, 2009 ;-- Am. 2014, Act 530, Imd. Eff. Jan. 14, 2015

722.1022 Definitions.

Sec. 2.

As used in this act:

(a) "Department" means the department of treasury.

(b) "Trust fund" means the fostering futures scholarship trust fund created in section 3.

History: 2008, Act 525, Imd. Eff. Jan. 13, 2009 ;-- Am. 2014, Act 530, Imd. Eff. Jan. 14, 2015

722.1023 Fostering futures scholarship trust fund; creation; administration; crediting amounts; interest and earnings; investment; availability of money for disbursement; expenditures; appropriation; money remaining at close of year; administrative costs; limitation.

Sec. 3.

(1) The fostering futures scholarship trust fund is created in the state treasury as a charitable and educational endowment fund. Money in the trust fund shall be expended only as provided in this section. The department shall be the administrator of the trust fund for auditing purposes and all powers, purposes, and duties of the trust fund shall be exercised by the department.

(2) The state treasurer shall credit to the trust fund any amounts received under section 9 and interest and earnings accrued from the saving and investment of that money.

(3) The state treasurer shall direct the investment of the trust fund. The state treasurer has the same authority to invest the assets of the trust fund as is granted to an investment fiduciary under the public employee retirement system investment act, 1965 PA 314, MCL 38.1132 to

38.1141. The state treasurer shall comply with the divestment from terror act, 2008 PA 234, MCL 129.291 to 129.301, in making investments under this act.

(4) Except as provided in subsections (6) and (7), all money contributed to the fund annually, plus 5% of the 12-quarter rolling average of the fund, including unrealized gains and losses, shall be available for disbursement upon the authorization of the department as provided in section 10.

(5) Money in the trust fund shall be available for disbursement upon appropriation.

(6) No money shall be expended from the trust fund until the date that the deposits credited into the trust fund from all sources as provided under this section equal or exceed $500,000.00. No money shall be expended from the trust fund if the amount in the trust fund is less than $500,000.00 or if the expenditure will cause the amount remaining in the trust fund to be less than $500,000.00.

(7) No appropriations shall be made from the trust fund until the date that the deposits credited into the trust fund from all sources equal or exceed $500,000.00. No money shall be appropriated from the trust fund if the amount in the trust fund is less than $500,000.00 or if the appropriation will cause the amount remaining in the trust fund to be less than $500,000.00.

(8) All expenses authorized under this act or necessary to implement this act shall only be funded by the trust fund created in this section.

(9) Money in the trust fund at the close of the year shall remain in the trust fund and shall not lapse to the general fund.

(10) The trust fund administrative costs shall not exceed 15% of the amount in the trust fund over $500,000.00.

History: 2008, Act 525, Imd. Eff. Jan. 13, 2009 ;-- Am. 2014, Act 530, Imd. Eff. Jan. 14, 2015 ;-- Am. 2016, Act 139, Eff. Aug. 24, 2016

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722.1024 Repealed. 2014, Act 530, Imd. Eff. Jan. 14, 2015.

Compiler's Notes: The repealed section pertained to creation of state foster care trust fund board.

722.1025 Repealed. 2014, Act 530, Imd. Eff. Jan. 14, 2015.

Compiler's Notes: The repealed section pertained to qualifications and terms of state foster care trust fund board.

722.1026 Repealed. 2014, Act 530, Imd. Eff. Jan. 14, 2015.

Compiler's Notes: The repealed section pertained to business conducted under open meetings act and availability of writings under freedom of information act.

722.1027 Repealed. 2014, Act 530, Imd. Eff. Jan. 14, 2015.

Compiler's Notes: The repealed section pertained to duties of state foster care trust fund board.

722.1027a Opportunities to make contributions; collaboration with higher education institution to assist foster care students with unmet financial education needs; use of money; contracts.

Sec. 7a.

(1) The department shall work with the department of human services to serve to provide an opportunity for individuals and organizations to make contributions to go toward providing scholarships to eligible current and former foster care students.

(2) The department shall collaborate with any institution of higher education in this state as determined by the department to assist current and former foster care students who have unmet financial education needs and assist in the effort to create sustainable futures for those foster care students.

(3) Any money provided by the department under this act shall only be used for tuition, fees, room, board, books, supplies, and equipment required for enrollment.

(4) The department may enter into contracts with public or private agencies to fulfill the requirements of this act.

History: Add. 2014, Act 530, Imd. Eff. Jan. 14, 2015

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722.1027b Fostering futures scholarship; eligibility.

Sec. 7b.

A foster care student is eligible for a fostering futures scholarship if all of the following apply:

(a) Due to child abuse or child neglect, the foster care student was in foster care after his or her thirteenth birthday.

(b) The foster care student is attending an institution of higher education in this state as determined by the department.

(c) The foster care student has an unmet financial education need.

(d) The foster care student has completed the application and provided the department with the required documentation.

(e) The foster care student maintains satisfactory academic progress as determined by the department.

History: Add. 2014, Act 530, Imd. Eff. Jan. 14, 2015

722.1028 Repealed. 2014, Act 530, Imd. Eff. Jan. 14, 2015.

Compiler's Notes: The repealed section pertained to recommendations made by state foster care trust fund board.

722.1029 Department; powers; deposit of money in fund.

Sec. 9.

(1) The department may do any of the following:

(a) Accept federal money granted by congress or executive order for the purposes of this act as well as gifts, grants, bequests, and donations from individuals, private organizations, or foundations. The acceptance and use of federal money does not commit state money and does

not place an obligation upon the legislature to continue the purposes for which the federal money is made available.

(b) Plan, manage, or conduct a campaign to solicit gifts, bequests, grants, or donations of money or property, or pledges of gifts, bequests, grants, or donations.

(2) The department shall credit to the trust fund all amounts appropriated for the trust fund under section 435 of the income tax act of 1967, 1967 PA 281, MCL 206.435.

(3) Money received in the manner described in subsections (1) and (2) shall be transmitted to the state treasurer for deposit in the trust fund.

History: 2008, Act 525, Imd. Eff. Jan. 13, 2009 ;-- Am. 2014, Act 530, Imd. Eff. Jan. 14, 2015 ;-- Am. 2018, Act 253, Imd. Eff. June 28, 2018

722.1030 Disbursement; limitation.

Sec. 10.

(1) The department may authorize the disbursement of available money from the trust fund, upon legislative appropriations, as provided in section 3, to fund actual and necessary operating expenses that the department incurs in performing its duties under this act. Authorizations for disbursement of trust fund money under this section shall be kept at a minimum in furtherance of the primary purpose of the trust fund.

(2) Trust fund money shall not be disbursed to a foster care student until after that foster care student has exhausted all other known available restricted grants for qualified educational expenses for postsecondary education provided by a federal, state, or local governmental entity, as determined by the department, except for funds provided under the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679.

(3) Money provided by the department on behalf of a foster care student under this act shall not exceed the cost of that foster care student's tuition, fees, room, board, books, supplies, and equipment required for enrollment at the institution of higher education as determined by the department.

History: 2008, Act 525, Imd. Eff. Jan. 13, 2009 ;-- Am. 2014, Act 530, Imd. Eff. Jan. 14, 2015

722.1031 Annual accounting of revenues and expenditures; report.

Sec. 11.

(1) The department shall annually prepare an accounting of revenues and expenditures from the trust fund. This accounting shall be prepared using generally accepted accounting principles and in a manner that will provide detailed and itemized information regarding the revenues and expenditures of the trust fund. This accounting shall be provided to the senate and house of representatives appropriations committees.

(2) To the extent practical, the department shall annually prepare an accounting of revenues and expenditures from the trust fund for persons who have donated to the fund. This accounting does not need to be as detailed as the accounting required under subsection (1), but shall include general information about the amount of revenue raised, the types of expenditures made, and what the expenditures were made for.

(3) The department shall annually provide to the house and senate appropriations committee chairs a report that includes all of the following information:

(a) The number of foster children who utilized the fostering futures scholarship program in the year the report is prepared.

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(b) The number of foster children who received money from the fostering futures scholarship program and completed a college education in the year the report is prepared.

(c) The amount of money provided annually from the fostering futures scholarship program to each foster child in the year that the report is prepared.

(d) The administrative costs for the fostering futures scholarship program for the year that the report is prepared.

History: 2008, Act 525, Imd. Eff. Jan. 13, 2009 ;-- Am. 2014, Act 530, Imd. Eff. Jan. 14, 2015

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