

HOUSE BILL No. 4437

March 5, 1997, Introduced by Reps. DeHart, Schermesser, Callahan, Kelly, Parks, Hanley, Hale, Varga, Scott and McBryde and referred to the Committee on Colleges and Universities.

A bill to amend 1964 PA 208, entitled

"An act to grant scholarships to students enrolled in postsecondary education institutions; and to provide for the administration of the scholarship program,"

by amending sections 3, 4, and 11 (MCL 390.973, 390.974, and 390.981), section 3 as amended by 1980 PA 500 and section 4 as amended by 1986 PA 270, and by adding section 4a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) The authority shall conduct a competitive exam-
2 ination among eligible applicants for state competitive scholar-
3 ships at times and places as determined by the authority. The
4 authority may designate a competitive examination to be adminis-
5 tered among eligible applicants for state competitive
6 scholarships. The examination scores AND HIGH SCHOOL GRADE POINT
7 AVERAGE necessary to qualify for the competitive scholarship
8 shall be established annually by the authority according to the

1 funding available to meet the award levels established pursuant
2 to section 6. HOWEVER, THE MINIMUM HIGH SCHOOL GRADE POINT AVER-
3 AGE NECESSARY TO QUALIFY SHALL BE AT LEAST 3.5 ON A 4.0 SCALE OR
4 THE EQUIVALENT ON ANOTHER SCALE, AS DETERMINED BY THE AUTHORITY.

5 (2) The authority may also use OTHER MEASURES OF scholastic
6 achievement in determining award winners and shall issue appro-
7 priate certificates of recognition to persons awarded
8 scholarships. The authority shall grant annual renewal of schol-
9 arships AS PROVIDED UNDER THIS ACT.

10 (3) Rules for the conduct of examinations for the award of
11 scholarships, FOR DETERMINING HIGH SCHOOL GRADE POINT AVERAGE,
12 and FOR the procedures for the awarding of annual renewal schol-
13 arships shall be promulgated by the authority, AS THE AUTHORITY
14 CONSIDERS NECESSARY, pursuant to ~~Act No. 306 of the Public Acts~~
15 ~~of 1969, as amended, being sections 24.201 to 24.315 of the~~
16 ~~Michigan Compiled Laws~~ THE ADMINISTRATIVE PROCEDURES ACT OF
17 1969, 1969 PA 306, MCL 24.201 TO 24.328. The authority shall
18 define postsecondary institutions in the rules promulgated.

19 Sec. 4. (1) An applicant is eligible for the award of a
20 first-year scholarship if the authority finds that the applicant
21 MEETS ALL OF THE FOLLOWING:

22 (a) Has resided continuously in this state for the preceding
23 12 months and is not considered a resident of any other state.

24 (b) Has graduated from a high school, or is a student in
25 good standing in a high school who will graduate at the end of
26 the academic year, or an individual who has passed a graduate
27 equivalency examination approved by the state board of education,

1 or, if not a high school graduate, is recommended favorably by an
2 appropriate educational institution as defined in rules promul-
3 gated by the authority.

4 (c) Except for the applicant for a graduate scholarship,
5 ~~based upon the state competitive scholarship examination,~~ the
6 applicant shows promise of satisfactorily completing a course of
7 study at an approved postsecondary institution of the applicant's
8 choice in this state. AN APPLICANT SHALL BE CONSIDERED TO SHOW
9 THIS PROMISE IF THE APPLICANT IS DETERMINED BY THE AUTHORITY
10 EITHER TO HAVE ATTAINED THE NECESSARY SCORES ESTABLISHED BY THE
11 AUTHORITY ON THE STATE COMPETITIVE SCHOLARSHIP EXAMINATION OR TO
12 HAVE ACHIEVED THE NECESSARY HIGH SCHOOL GRADE POINT AVERAGE
13 ESTABLISHED BY THE AUTHORITY. For an applicant for a graduate
14 scholarship, the authority shall determine the examination stan-
15 dards for eligibility.

16 (d) Has complied with this act and the rules promulgated
17 under this act by the authority.

18 (e) Is not incarcerated in a corrections institution.

19 (2) An applicant who the authority determines is eligible
20 for award of a scholarship under this act shall complete using
21 the scholarship within 10 years after his or her eligibility is
22 determined.

23 SEC. 4A. (1) BEGINNING IN THE 1997-98 ACADEMIC YEAR, AND
24 THROUGH THE 2003-2004 ACADEMIC YEAR, AN APPLICANT WHO DID NOT
25 QUALIFY FOR A FIRST-YEAR SCHOLARSHIP UNDER SECTION 4(1)(C) MAY
26 QUALIFY FOR A SCHOLARSHIP UNDER THIS ACT IF THE AUTHORITY
27 DETERMINES THAT THE APPLICANT MEETS ALL OF THE FOLLOWING:

1 (A) MEETS THE REQUIREMENTS UNDER SECTION 4(1) OTHER THAN THE
2 REQUIREMENTS OF SECTION 4(1)(C).

3 (B) HAS COMPLETED AT LEAST 1 FULL ACADEMIC YEAR IN A COURSE
4 OF STUDY AT AN APPROVED POSTSECONDARY INSTITUTION.

5 (C) HAS ACHIEVED THE NECESSARY POSTSECONDARY GRADE POINT
6 AVERAGE ESTABLISHED BY THE AUTHORITY UNDER SUBSECTION (2).

7 (2) FOR THE 1997-98 THROUGH 2003-2004 ACADEMIC YEARS, THE
8 AUTHORITY ANNUALLY SHALL ESTABLISH A POSTSECONDARY GRADE POINT
9 AVERAGE NECESSARY TO QUALIFY FOR A SCHOLARSHIP UNDER THIS SECTION
10 ACCORDING TO THE FUNDING AVAILABLE TO MEET THE AWARD LEVELS
11 ESTABLISHED PURSUANT TO SECTION 6. HOWEVER, THE MINIMUM POSTSEC-
12 ONDARY GRADE POINT AVERAGE NECESSARY TO QUALIFY SHALL BE AT LEAST
13 3.5 ON A 4.0 SCALE OR THE EQUIVALENT ON ANOTHER SCALE, AS DETER-
14 MINED BY THE AUTHORITY.

15 (3) AN INDIVIDUAL WHO RECEIVES A SCHOLARSHIP UNDER THIS SEC-
16 TION IS ELIGIBLE TO RECEIVE A SCHOLARSHIP UNDER THIS ACT ONLY
17 AFTER HIS OR HER ELIGIBILITY HAS BEEN DETERMINED UNDER THIS SEC-
18 TION AND SHALL COMPLETE USING THE SCHOLARSHIP WITHIN 8 YEARS
19 AFTER HIS OR HER ELIGIBILITY HAS BEEN DETERMINED.

20 (4) A SCHOLARSHIP UNDER THIS SECTION IS FOR A PERIOD OF 1
21 ACADEMIC YEAR AND MAY BE RENEWED ACCORDING TO THE TERMS AND CON-
22 DITIONS PRESCRIBED UNDER SECTION 5 FOR RENEWAL OF A FIRST-YEAR
23 SCHOLARSHIP.

24 (5) THE PROVISIONS OF SECTION 7 APPLY TO SCHOLARSHIPS UNDER
25 THIS SECTION.

1 (6) THE AMOUNT OF A SCHOLARSHIP UNDER THIS SECTION AND THE
2 NUMBER OF SCHOLARSHIPS AWARDED UNDER THIS SECTION SHALL BE
3 DETERMINED AS PROVIDED IN SECTIONS 5 AND 6.

4 Sec. 11. (1) Four scholarships shall be allotted to each
5 class "A" high school, 3 to each class "B" high school, 2 to each
6 class "C" high school, and 1 to each class "D" high school.
7 Scholarships allotted to a high school shall be awarded to those
8 students having the highest competitive examination score OR
9 HIGHEST HIGH SCHOOL GRADE POINT AVERAGE, AS DESIGNATED BY THE
10 HIGH SCHOOL, and otherwise meeting all eligibility requirements
11 of this act, including that of demonstrating financial need. The
12 awarding of scholarships through this procedure shall be imple-
13 mented only after sufficient additional funds are appropriated so
14 as to not displace any student eligible for an award through the
15 other awarding procedures established by this act. A HIGH SCHOOL
16 SHALL DESIGNATE THE CRITERIA IT CHOOSES FOR ITS ALLOTMENT OF
17 SCHOLARSHIPS UNDER THIS SECTION BEFORE THE BEGINNING OF THE
18 SCHOOL YEAR IN WHICH THE SCHOLARSHIPS WILL BE AWARDED.
19 (2) The remaining scholarships shall be awarded on a state-
20 wide, competitive basis.