

**HOUSE SUBSTITUTE FOR
SENATE BILL NO. 268**

A bill to establish certain financial aid programs for certain residents of this state seeking associate degrees or industry-recognized certificates or credentials from certain educational and jobs training programs; to provide for the administration of the financial aid programs; and to prescribe certain powers and duties of certain state officers, agencies, and departments.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. (1) This act shall be known and may be cited as the
2 "Michigan reconnect grant act".

3 (2) The reconnect program and reconnect initiative created
4 respectively in this act and the Michigan reconnect grant recipient
5 act are intended to provide last-dollar financial assistance to
6 individuals age 25 and older seeking associate degrees or industry-

1 recognized certificates or credentials; to provide those
2 individuals with greater access to the education and skills needed
3 to succeed in, and meet the demands of, an evolving economy in
4 which there is continuing demand for a talented local workforce;
5 and to achieve the goal of increasing the number of residents ages
6 25 to 64 with a college degree or skill certificate or credential
7 to 60% by 2030.

8 Sec. 3. As used in this act:

9 (a) "Center" means the center for educational performance and
10 information created in section 94a of the school aid act of 1979,
11 1979 PA 94, MCL 388.1694a.

12 (b) "Department" means the department of labor and economic
13 opportunity.

14 (c) "Eligible institution" means a postsecondary educational
15 institution that meets all of the following:

16 (i) Is an accredited public community college in this state.

17 (ii) Complies with applicable restraints on fee and tuition
18 rate increases, if any, provided for in article II of the school
19 aid act of 1979, 1979 PA 94, MCL 388.1801 to 388.1830.

20 (iii) Participates in quality assurance protocols established by
21 the department for purposes of accurately tracking student outcomes
22 described in section 5(g) and (h).

23 (iv) Submits a written report of all of the following
24 information to the department by not later than October 1, 2020 and
25 each year thereafter by not later than June 30:

26 (A) The institution's goals, expressed numerically, for
27 student persistence and credential completion.

28 (B) An inventory of the institution's currently implemented
29 strategies to improve student success outcomes, including guided

1 pathways, proactive advising, and remediation. Regarding
2 remediation, the report must detail the institution's current
3 policy for determining whether a student is to be placed in
4 developmental or credit-bearing courses.

5 (C) Policies for converting prior learning into community
6 college credit wherever possible, including, but not limited to,
7 prior learning demonstrated by coursework completed at the
8 institution or any other postsecondary educational institution,
9 including coursework completed in the distant past, or by college
10 level equivalent courses, college level equivalent credit
11 examinations, military training, education, or certification, or
12 other relevant work or life experience. As used in this sub-
13 subparagraph, "college level equivalent courses" and "college level
14 equivalent credit examinations" mean those terms as described in
15 section 1472 of the revised school code, 1976 PA 451, MCL 380.1472.

16 (v) By not later than January 1, 2022, for Michigan reconnect
17 grant students who need academic remediation, provides accelerated
18 courses aimed at enabling those students to raise their skills to
19 college level and complete credit-bearing courses. To meet this
20 criterion, an eligible institution must provide a remediation
21 program that follows 1 of the following:

22 (A) A corequisite model under which a student concurrently
23 enrolls in a developmental education course and a freshman-level
24 course in the same subject area for each subject area needing
25 remediation, to be completed concurrently. An institution providing
26 a remediation program that follows the model described in this sub-
27 subparagraph or sub-subparagraph (B) or (C) remains eligible
28 whether or not it charges tuition or fees for the program.

29 (B) A compression model under which a student enrolls in 2 or

1 more courses, either a combination of developmental and college-
2 level courses or 2 or more levels of developmental courses, within
3 a single semester, to be completed sequentially.

4 (C) A modularization model under which the content of 1 or
5 more developmental courses is divided into discrete sections with a
6 student assigned to complete only the modules that he or she needs
7 to qualify for the associated college-level gateway course required
8 in his or her program of study.

9 (D) An independent model of the institution's own choosing. To
10 be eligible under this sub-subparagraph, the institution must
11 provide the remediation program at no charge to students or the
12 Michigan reconnect grant program.

13 (vi) Provides reasonable accommodations to Michigan reconnect
14 grant students with disabilities as required by section 504 of
15 title V of the rehabilitation act of 1973, 29 USC 794, and subtitle
16 A of title II of the Americans with disabilities act of 1990, 42
17 USC 12131 to 12134.

18 (vii) Designates an individual employed by the institution as
19 the institution's primary contact with the department for purposes
20 of coordinating the administration of the Michigan reconnect grant
21 program in accordance with this act.

22 (d) "Gift aid" means federal Pell grants under 20 USC 1070a
23 and tuition incentive program benefits under section 256 of the
24 school aid act of 1979, 1979 PA 94, MCL 388.1856. The term does not
25 include any of the following:

26 (i) Student loans.

27 (ii) Work-study awards.

28 (iii) Qualified withdrawals made from education savings accounts
29 to pay higher education expenses pursuant to the Michigan education

1 savings program act, 2000 PA 161, MCL 390.1471 to 390.1486.

2 (iv) Higher education expenses paid under the Michigan
3 educational trust program, pursuant to the Michigan education trust
4 act, 1986 PA 316, MCL 390.1421 to 390.1442.

5 (v) Higher education expenses paid under the Michigan promise
6 zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679.

7 (e) "Industry-recognized certificate or credential" means a
8 certificate or credential that is portable and is sought or
9 accepted by multiple employers within an industry for purposes of
10 recruitment, hiring, or promotion.

11 (f) "Michigan reconnect grant student" means a student
12 admitted to and enrolled in an eligible institution and receiving a
13 Michigan reconnect grant under this act.

14 Sec. 5. The Michigan reconnect grant program is created in the
15 department for the purpose of providing Michigan reconnect grants
16 to individuals eligible for those grants under the Michigan
17 reconnect grant recipient act. The department shall do all of the
18 following:

19 (a) Develop and administer the program.

20 (b) Create and maintain a program website.

21 (c) Create and maintain a marketing campaign for the program.

22 (d) Operate a help desk for the program.

23 (e) Create and maintain a network of navigators to help
24 Michigan reconnect grant students navigate the path to college,
25 supporting but not supplanting the programming and assistance
26 offered by community colleges.

27 (f) Provide Michigan reconnect grant students with information
28 about skills in demand and related compensation in the local labor
29 market.

1 (g) Partner with the center to report, in a user-friendly
2 format, credential completion outcomes of Michigan reconnect grant
3 students.

4 (h) To facilitate the reporting of valid and reliable
5 longitudinal data under subdivision (g), ensure that all eligible
6 institutions and other individuals and entities that participate in
7 the implementation of the Michigan reconnect grant program use the
8 unique statewide student identification codes issued by the center
9 to track Michigan reconnect grant students in accordance with
10 section 94a of the school aid act of 1979, 1979 PA 94, MCL
11 388.1694a.

12 (i) Select and convene a workgroup to study developmental
13 education placement policies appropriate for eligible institutions,
14 subject to all of the following:

15 (i) The workgroup must include representatives from the
16 governor's office, the legislature, eligible institutions, the
17 department of education, secondary schools, nonprofit
18 organizations, the United States Department of Labor's Office of
19 Apprenticeship and the business community.

20 (ii) Not later than 9 months after the effective date of this
21 act, the workgroup shall provide the department with written
22 recommendations that will assist the department in doing all of the
23 following:

24 (A) Identify placement practices and policies that ensure
25 students know when remediation is required, what types of academic
26 and nonacademic supports will be available during remediation, and
27 when they can expect to complete credit-bearing English and
28 mathematics courses. Policies must emphasize placement in college-
29 level courses for as many students as possible, with students

1 requiring remediation being placed in appropriate programs. For
2 purposes of this sub-subparagraph, on and after January 1, 2022, a
3 remediation program is appropriate only if it complies with section
4 3(c)(v).

5 (B) Encourage eligible institutions across this state to adopt
6 consistent placement policies.

7 (C) Clearly communicate sound policies for course placement
8 and options for remedial courses.

9 (iii) Following the department's acceptance of the workgroup's
10 recommendations under subparagraph (ii), the workgroup shall
11 disband.

12 (j) Not later than 6 months after the effective date of this
13 act, organize regional meetings of labor market stakeholders,
14 including business organizations, trade unions, community colleges,
15 Michigan works agencies, private training providers, and regional
16 workforce and economic development representatives, to plan
17 effective ways to ensure that occupational certificates provided by
18 eligible institutions provide skills in demand in the regional
19 labor market.

20 (k) As part of the department's responsibility to better
21 connect education and training demands in the labor market with
22 qualified degree, training, and apprenticeship programs, facilitate
23 efforts by businesses, unions, and community colleges to
24 effectively match skills provided with those in demand.

25 (l) By not later than February 1 each year, beginning in 2021,
26 provide a written report detailing the progress of the Michigan
27 reconnect grant program to the chairpersons of the standing
28 committees and the appropriations subcommittees of the house of
29 representatives and senate having jurisdiction over legislation or

1 oversight of appropriations pertaining to workforce development.
2 The report, at minimum, must include all of the following
3 information for the immediately preceding academic year:

4 (i) The total amount of Michigan reconnect grants awarded to
5 Michigan reconnect grant students.

6 (ii) The total amount of funding used for oversight and
7 implementation of the Michigan reconnect grant program, including,
8 but not limited to, total funding used for each of the following:

9 (A) Full-time equated positions.

10 (B) System improvements.

11 (C) Training costs.

12 (iii) The total amount of funding used for program support
13 services, including, but not limited to, total funding used for
14 each of the following:

15 (A) Full-time equated positions.

16 (B) Case management.

17 (C) Technical assistance.

18 (iv) The total amount of funding used for marketing.

19 (v) The total number of navigators employed by the department;
20 the total number of navigators assigned to each eligible
21 institution; and the number of Michigan reconnect grant students
22 assigned to each navigator, organized by eligible institution.

23 (vi) The total number of eligible institutions to which
24 Michigan reconnect grants were paid for credit to student accounts
25 under section 17 of the Michigan reconnect grant recipient act; a
26 list of the names of those eligible institutions; and the total
27 number and amount of Michigan reconnect grants that were awarded,
28 organized by eligible institution.

29 (vii) The total number of individuals who applied for Michigan

1 reconnect grants; the total number of individuals awarded those
2 grants; and the total number of grant recipients who earned either
3 an associate degree or industry-recognized certificate or
4 credential.

5 (viii) Any other relevant information, as determined by the
6 department.

7 Sec. 7. Subject to appropriation, the department may expend
8 Michigan reconnect grant program money to award grants and support
9 its other duties as described in section 5.

10 Sec. 9. Except as otherwise provided in this section, the
11 department shall promulgate rules to implement section 5(h) only,
12 pursuant to the administrative procedures act of 1969, 1969 PA 306,
13 MCL 24.201 to 24.328. However, any data reporting system and
14 penalties for noncompliance established by the department must be
15 narrowly tailored to the purposes described in section 5(h). To
16 facilitate implementation of the Michigan reconnect grant program
17 prior to final rules being adopted, the department may develop and
18 administer the data reporting system under the Michigan reconnect
19 grant program in accordance with its proposed rules or other policy
20 or directive of the department established pursuant to this act.

21 Enacting section 1. This act does not take effect unless all
22 of the following bills of the 100th Legislature are enacted into
23 law:

24 (a) House Bill No. 5576.

25 (b) House Bill No. 5580.