

SENATE BILL NO. 498

June 02, 2021, Introduced by Senators POLEHANKI, HOLLIER, MCCANN, WOJNO, BULLOCK, ALEXANDER, CHANG, GEISS, BRINKS, HERTEL, ANANICH, MCMORROW, IRWIN and BAYER and referred to the Committee on Education and Career Readiness.

A bill to establish a tuition assistance program for certain undergraduate students in this state attending certain colleges, universities, and junior and community colleges; to provide for the administration of the tuition assistance program; 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. This act shall be known and may be cited as the
2 "Michigan opportunity initiative act".

1 Sec. 2. As used in this act:

2 (a) "Continuous enrollment" means enrollment in at least 2
3 semesters or the equivalent in terms or quarters, as determined by
4 the department, during each academic year for a number of
5 consecutive academic years.

6 (b) "Department" means the department of labor and economic
7 opportunity.

8 (c) "Eligible community college" means an accredited junior or
9 community college that meets all of the following:

10 (i) Is a junior or community college established under the
11 community college act of 1966, 1966 PA 331, MCL 389.1 to 389.195,
12 or part 25 of the revised school code, 1976 PA 451, MCL 380.1601 to
13 380.1607, or is an independent nonprofit junior or community
14 college in this state.

15 (ii) Participates in the Michigan transfer agreement program
16 referred to in sections 210b and 265a of the school aid act of
17 1979, 1979 PA 94, MCL 388.1810b and 388.1865a, or other similar
18 program, as required by the department.

19 (iii) Participates in the success-coach program described in
20 section 4(h).

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

24 (d) "Eligible university" means an institution that meets both
25 of the following:

26 (i) Is one of the following:

27 (A) A state university described in section 4, 5, or 6 of
28 article VIII of the state constitution of 1963.

29 (B) An independent nonprofit college or university in this

1 state that grants 4-year degrees.

2 (ii) Complies with applicable restraints on fee and tuition
3 rate increases, if any, provided for in article III of the school
4 aid act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891.

5 (e) "Full-time student" means a student enrolled in at least
6 20 semester credit hours in an academic year or the equivalent
7 number of term or quarter credit hours in an academic year, as
8 determined by the department.

9 (f) "Gift aid" means scholarships or grants, other than
10 financial assistance provided under the Michigan promise zone
11 authority act, 2008 PA 549, MCL 390.1661 to 390.1679, from sources
12 that do not require repayment. The term does not include student
13 loans, work-study awards, or qualified withdrawals made from
14 education savings accounts to pay higher education expenses
15 pursuant to the Michigan education savings program act, 2000 PA
16 161, MCL 390.1471 to 390.1486.

17 (g) "High school equivalency certificate" means that term as
18 defined in section 4 of the school aid act of 1979, 1979 PA 94, MCL
19 388.1604.

20 (h) "Michigan opportunity initiative student" means a student
21 admitted to and enrolled in an eligible community college or
22 eligible university and receiving tuition assistance under this
23 act.

24 Sec. 3. The department shall administer the Michigan
25 opportunity initiative program in the following phases:

26 (a) Phase I, as provided for in section 4, which the
27 department shall implement not more than 30 days after the
28 effective date of this act.

29 (b) Phase II, as provided for in section 5, which the

1 department shall implement after Phase I is underway on a date to
2 be determined by the department.

3 Sec. 4. The department shall administer Phase I of the
4 Michigan opportunity initiative program, subject to the following:

5 (a) To be eligible for tuition assistance in Phase I of the
6 program, an individual must meet all of the following conditions by
7 the date of his or her college enrollment described in subparagraph

8 (iii):

9 (i) Be a resident of this state for at least the immediately
10 preceding year.

11 (ii) Have graduated from high school with a diploma or
12 certificate of completion or achieved a high school equivalency
13 certificate.

14 (iii) Be enrolled as a full-time student in a degree or
15 certificate program at an eligible community college not later than
16 the academic year following his or her completion of high school or
17 receipt of a high school equivalency certificate.

18 (b) Students applying for tuition assistance in Phase I of the
19 program must complete a Michigan opportunity initiative application
20 for their initial year of enrollment in accordance with a schedule
21 determined by the department. Students must also complete the Free
22 Application for Federal Student Aid each academic year in which
23 they seek to receive tuition assistance in Phase I of the program.

24 (c) To continue to receive tuition assistance in Phase I of
25 the program, a student must do all of the following:

26 (i) Except as otherwise provided in subdivision (e), maintain
27 continuous enrollment as a full-time student in a degree or
28 certificate program at an eligible community college.

29 (ii) Maintain satisfactory academic standing as determined by

1 the eligible community college and department rules.

2 (iii) Participate in the success-coaches program described in
3 subdivision (h).

4 (d) Subject to appropriation, the annual amount of tuition
5 assistance to be awarded to a student in Phase I of the program is
6 equal to a student's cost of tuition and mandatory fees at the
7 eligible community college attended less all other gift aid. Gift
8 aid must be credited first to the student's tuition and mandatory
9 fees. If awarded, tuition assistance must be paid to the eligible
10 community college for credit to the student's account.

11 (e) A Michigan opportunity initiative student participating in
12 Phase I of the program who takes a leave of absence from an
13 eligible community college due to a medical or family hardship may,
14 subject to department approval, continue to receive tuition
15 assistance upon resuming the student's education at an eligible
16 community college if the student continues to meet all applicable
17 eligibility requirements. A leave of absence under this subdivision
18 does not disrupt the requirement of continuous enrollment under
19 subdivision (c) (i) and does not count toward the 3-year limitation
20 described in subdivision (f) (i).

21 (f) A student is eligible for tuition assistance in Phase I of
22 the program until the occurrence of either of the following:

23 (i) Subject to subdivision (e), 3 years have passed since the
24 student became a Michigan opportunity initiative student at an
25 eligible community college.

26 (ii) The student has earned 60 semester credits or the
27 equivalent number of term or quarter credits at an eligible
28 community college, as determined by the department.

29 (g) A student who participates in Phase I of the Michigan

1 opportunity initiative program may transfer from 1 eligible
2 community college to another eligible community college and
3 continue in the program if the student continues to meet all
4 eligibility requirements.

5 (h) The department shall establish a success-coach program at
6 each eligible community college that participates in Phase I of the
7 Michigan opportunity initiative program. The success-coach program
8 must include campus-based advisors who will provide Michigan
9 opportunity initiative students at eligible community colleges with
10 support services aimed at helping students succeed with their
11 studies and formulate and follow effective academic and career
12 plans. The department shall determine the qualifications for these
13 advisors, their job duties, processes for hiring and training them,
14 the number needed for a satisfactory coach-to-student ratio, and
15 other requirements related to the success-coach program.

16 Sec. 5. The department shall administer Phase II of the
17 Michigan opportunity initiative program, subject to the following:

18 (a) To be eligible for tuition assistance in Phase II of the
19 program, an individual must meet all of the following conditions by
20 the date of his or her university enrollment described in
21 subparagraph (iii):

22 (i) Be a resident of this state for at least the immediately
23 preceding year.

24 (ii) Have graduated from high school with a diploma or
25 certificate of completion or achieved a high school equivalency
26 certificate.

27 (iii) Be enrolled in a 4-year degree program as a full-time
28 student at an eligible university not later than the academic year
29 following his or her completion of high school or receipt of a high

1 school equivalency certificate.

2 (iv) Have earned a 3.0 grade point average in high school or
3 the equivalent of a 3.0 test score on the high school equivalency
4 test taken to obtain the high school equivalency certificate as
5 defined in section 2(g), as determined by the department.

6 (v) Be a member of a household with an annual household income
7 of not more than \$80,000.00 under rules promulgated by the
8 department.

9 (b) Students applying for tuition assistance in Phase II of
10 the program must complete a Michigan opportunity initiative
11 application for their initial year of enrollment in accordance with
12 a schedule determined by the department. Students must also
13 complete the Free Application for Federal Student Aid each academic
14 year in which they seek to receive tuition assistance in Phase II
15 of the program.

16 (c) To continue to receive tuition assistance in Phase II of
17 the program, a student must do all of the following:

18 (i) Except as otherwise provided in subdivision (f), maintain
19 continuous enrollment in a 4-year degree program as a full-time
20 student at an eligible university.

21 (ii) Maintain satisfactory academic standing as determined by
22 the eligible university and department rules.

23 (iii) Continue to be a member of a household with an annual
24 household income of not more than \$80,000.00 under rules
25 promulgated by the department.

26 (d) The annual amount of tuition assistance to be awarded to a
27 student in Phase II of the program must not exceed the lesser of
28 the following:

29 (i) The cost of the student's tuition and mandatory fees at the

1 eligible university attended less all other gift aid.

2 (ii) \$2,500.00.

3 (e) Awards of tuition assistance in Phase II of the program
4 are subject to appropriation and must be awarded on a first-come,
5 first-served basis if insufficient funds are appropriated for all
6 eligible students. If awarded, tuition assistance must be paid to
7 the eligible university for credit to the student's account.

8 (f) A Michigan opportunity initiative student participating in
9 Phase II of the program who takes a leave of absence from an
10 eligible university due to a medical or family hardship may,
11 subject to department approval, continue to receive tuition
12 assistance upon resuming the student's education at an eligible
13 university if the student continues to meet all applicable
14 eligibility requirements. A leave of absence under this subdivision
15 does not disrupt the requirement of continuous enrollment under
16 subdivision (c) (i) and does not count toward the 2-year limitation
17 described in subdivision (g) (i).

18 (g) A student is eligible for tuition assistance in Phase II
19 of the program until the occurrence of either of the following:

20 (i) Subject to subdivision (f), 2 years have passed since the
21 student became a Michigan opportunity initiative student at an
22 eligible university.

23 (ii) The student has earned 60 semester credits or the
24 equivalent number of term or quarter credits, as determined by the
25 department.

26 (h) A student who participates in Phase II of the Michigan
27 opportunity initiative program may transfer from 1 eligible
28 university to another eligible university and continue in the
29 program so long as the student continues to meet all eligibility

1 requirements.

2 Sec. 6. The department shall promulgate rules to implement
3 this act pursuant to the administrative procedures act of 1969,
4 1969 PA 306, MCL 24.201 to 24.328.

5 Enacting section 1. It is the intent of the legislature that
6 money in the talent investment fund created in section 8a of the
7 higher education loan authority act, 1975 PA 222, MCL 390.1158a,
8 will be expended, upon appropriation, for the purpose of funding
9 the Michigan opportunity initiative program established in the
10 Michigan opportunity initiative act, in accordance with section 8a
11 of the higher education loan authority act, 1975 PA 222, MCL
12 390.1158a, which states that money in the talent investment fund,
13 upon appropriation, must be expended "for the purpose of enhancing
14 the economic talent of Michigan residents, increasing access to
15 academic and technical credentials or certifications, improving
16 educational opportunities, or other purposes as provided by law".