



Senate Fiscal Agency
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House Bill 4199 (as reported without amendment)
Sponsor: Representative Jennifer Conlin
Committee: Veterans and Emergency Services

CONTENT

The bill would amend the Michigan National Guard Tuition Assistance Act to do the following:

- Allow the Adjutant General to establish a policy allowing the spouse of an eligible person or other specified dependents to use an eligible person's tuition assistance established under the Act.
- Require the Adjutant General to spend money from the Michigan National Guard Tuition Assistance Fund to provide tuition assistance or reimbursement to the spouse of an eligible person or other specified dependents.
- Increase the cap on the Fund from \$10 million to \$15 million.

MCL 32.433 & 32.434

BRIEF RATIONALE

A popular tool for recruitment and retention of Michigan National Guard members is the tuition support they receive to pay for their educations. Some believe extending this tuition support to the spouses and children of National Guard members would further improve recruitment and retention. Accordingly, it has been suggested that the tuition support be extended to these dependents and that the Fund's cap be increased by \$5 million for this extension.

PREVIOUS LEGISLATION

(Please note: The information in this summary provides a cursory overview of previous legislation and its progress. It does not provide a comprehensive account of all previous legislative efforts on the relevant subject matter.)

This bill is similar to Senate Bill 104 from the 2021-2022 Legislative Session, which passed the Senate but received no further action.

Legislative Analyst: Alex Krabill

FISCAL IMPACT

The bill would have a negative fiscal impact on the Department of Military and Veterans Affairs, requiring up to an additional \$5.0 million General Fund/General Purpose (GF/GP) annually to fulfill the bill's provisions; however, that cost would depend upon how many additional program participants were generated by the bill, a figure not possible to know at this time. The fiscal year (FY) 2022-23 budget for the Department provides \$6,521,900 GF/GP for the Michigan National Guard Tuition Assistance Program in its current form, applicable only to Guard members themselves. To cover the full potential costs to expand program coverage to spouses or dependents eligibility, this annual appropriation would need to be increased to approximately \$11,521,900 GF/GP, though that number is likely to be less, and it is possible that the Michigan National Guard Tuition Assistance Fund balances could cover all the costs of those increased participants, at least initially.

The bill also would increase the cap on the allowable balance of the Fund from \$10 million to \$15 million. The Fund balance is used to ensure that money is provided for continuation of support for new program participants in future years. The Department reports that the Fund is near its allowed capacity, and that increasing its cap would help to fulfill program commitments through the course of a participant's eligibility.

Date Completed: 4-19-23

Fiscal Analyst: Bruce R. Baker

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.