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House Bill 4199 (as passed by the House)
Sponsor: Representative Jennifer Conlin
House Committee: Military, Veterans and Homeland Security
Senate Committee: Veterans and Emergency Services

Date Completed: 4-17-23

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 specified dependents of an eligible person 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 specified dependents of an eligible person.**
- **Increase the cap on the Fund from \$10 million to \$15 million.**

The Act creates the Michigan National Guard Tuition Assistance Program and requires the Adjutant General to administer the Program. An eligible person may apply for tuition assistance from the Program before enrolling in an eligible educational institution. The bill would allow the Adjutant General to establish a policy that authorized one or more of the following individuals who were family members of an eligible person to utilize the eligible person's tuition assistance established under the Act in a manner prescribed by the Adjutant General and consistent with the Act:

- A lawfully married spouse.
- A dependent child, stepchild, or legally adopted child who had graduated high school or obtained a high school diploma equivalent certificate, or who had turned 18 years old, and who would have to use the tuition assistance before turning 26 years old.

("Eligible person" means a member of the Michigan national guard who meets all the following conditions:

- Is in active service.
- Is not absent without leave or under charges described in the Michigan Code of Military Justice.
- Any other criteria determined by the Adjutant General consistent with Michigan National Guard recruiting and retention requirements.)

The Act also creates the Michigan National Guard Tuition Assistance Fund within the State Treasury and requires the Adjutant General to spend money from the Fund to provide tuition assistance to an eligible person or to reimburse an eligible person for tuition at an eligible educational institution. The bill would require the Adjutant General to spend money from the Fund as described above for a lawfully married spouse of an eligible person or one or more of an eligible person's dependents listed above.

In addition, the Act prohibits the Fund from exceeding \$10 million, requiring any balance above \$10 million to lapse to the General Fund. The bill would increase the Michigan National Guard Tuition Assistance Fund's cap from \$10 million to \$15 million.

MCL 32.433 & 32.434

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.

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.