

SENATE BILL NO. 542

September 11, 2025, Introduced by Senator KLINEFELT and referred to Committee on Appropriations.

A bill to amend 2014 PA 259, entitled
"Michigan national guard tuition assistance act,"
by amending sections 3 and 4 (MCL 32.433 and 32.434), as amended by
2023 PA 33.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) The Michigan National Guard tuition assistance
2 program is created within the department of military and veterans
3 affairs.

4 (2) The adjutant general shall administer the tuition
5 assistance program and prescribe forms and procedures to

1 effectively carry out the tuition assistance program.

2 (3) An eligible person may apply for tuition assistance from
3 the tuition assistance program before enrolling in an eligible
4 educational institution. The adjutant general shall approve the
5 application if the applicant is an eligible person and if there is
6 sufficient money in the fund to cover the amount of tuition
7 assistance determined to be available under this subsection by the
8 adjutant general in that academic year. The adjutant general shall
9 determine the amount of tuition assistance that may be provided
10 under this subsection in any academic year. The amount of tuition
11 assistance determined by the adjutant general under this subsection
12 applies to all eligible persons.

13 (4) If an eligible person has enrolled in an eligible
14 educational institution and has not applied for and received
15 tuition assistance from the tuition assistance program, the
16 eligible person may apply for tuition assistance for tuition paid
17 to the eligible educational institution in that current academic
18 year. The adjutant general shall approve the application if the
19 applicant is an eligible person and if there is sufficient money in
20 the ~~fund~~ **Michigan National Guard member benefits fund created in**
21 **the Michigan National Guard member benefits fund act** to cover the
22 amount of tuition assistance determined to be available under this
23 subsection by the adjutant general in that academic year. The
24 adjutant general shall determine the amount of tuition assistance
25 that may be provided under this subsection in any academic year.
26 The amount of tuition assistance determined by the adjutant general
27 under this subsection applies to all eligible persons.

28 (5) The tuition assistance program applies to any course of
29 study that is intended to culminate in vocational or technical

1 training, a certificate, or the eligible person's first associate
2 degree, bachelor's degree, or master's degree.

3 (6) The adjutant general may make a tuition assistance
4 distribution under this section to either the eligible person or
5 the eligible education institution, and may determine when the
6 distribution is made.

7 (7) Upon completion of a course of study, an eligible person
8 who successfully applied for tuition assistance under subsection
9 (3) or (4) must provide evidence of attendance and completion of
10 the course of study with a minimum grade point average of 2.0 on a
11 4.0 scale, as applicable, in that current semester, in a manner
12 prescribed by the adjutant general.

13 (8) If an eligible person who received tuition assistance
14 under subsection (3) or who received reimbursement for the cost of
15 tuition under subsection (4) did not complete the course of study
16 for which it was granted, that eligible person must reimburse the
17 fund in an amount and in a manner prescribed by the adjutant
18 general unless the eligible person was deployed in a state or
19 federal status that resulted in the eligible person's inability to
20 complete the course of study. In that case, the matter must be
21 determined by the adjutant general.

22 (9) The adjutant general may establish a policy that allows 1
23 or more of the following individuals who are family members of an
24 eligible person to utilize the eligible person's tuition assistance
25 established under this act, in a manner prescribed by the adjutant
26 general and consistent with the requirements of this act that are
27 applicable to the eligible person:

28 (a) A lawfully married spouse.

29 (b) A dependent child, stepchild, or legally adopted child who

1 has graduated high school or obtained a high school diploma
2 equivalent certificate, or who has turned 18 years of age, and who
3 must use the eligible person's tuition assistance before turning 26
4 years of age.

5 Sec. 4. (1) The Michigan National Guard tuition assistance
6 fund is created within the state treasury.

7 (2) The state treasurer may receive money or other assets from
8 any source for deposit into the fund. The state treasurer shall
9 direct the investment of the fund. The state treasurer shall credit
10 to the fund interest and earnings from the fund.

11 (3) The balance of money in the fund must not exceed
12 \$15,000,000.00. Any balance of money in the fund in excess of
13 \$15,000,000.00 lapses to the general fund. Money in the fund at the
14 close of the fiscal year remains in the fund and, except as
15 otherwise provided in this subsection, does not lapse to the
16 general fund. **The unencumbered balance remaining in the fund at the**
17 **end of the fiscal year ending September 30, 2025 must be**
18 **transferred by the state treasurer to the Michigan National Guard**
19 **member benefits fund created in the Michigan National Guard member**
20 **benefits fund act.**

21 (4) The department of military and veterans affairs is the
22 administrator of the fund for auditing purposes.

23 (5) The adjutant general shall expend money from the fund, **on**
24 **appropriation**, to provide tuition assistance to an eligible person,
25 or other individual described in section 3(9), for the cost of
26 tuition to an eligible educational institution under section 3(3)
27 or to reimburse an eligible person, or other individual described
28 in section 3(9), for the cost of tuition paid to an eligible
29 educational institution under section 3(4) for a course of study

1 completed by the eligible person, or other individual described in
2 section 3(9).

3 Enacting section 1. This amendatory act does not take effect
4 unless all of the following bills of the 103rd Legislature are
5 enacted into law:

6 (a) Senate Bill No. 541.

7

8 (b) Senate Bill No. 540.