

MICHIGAN RECONNECT GRANT RECIPIENT ACT

Act 68 of 2020

AN ACT 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.

History: 2020, Act 68, Imd. Eff. Apr. 2, 2020

The People of the State of Michigan enact:

390.1711 Short title; intent.

Sec. 11.

(1) This act may be cited as the "Michigan reconnect grant recipient act".

(2) The reconnect initiative and the reconnect program created respectively in this act and the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to 390.1709, are intended to provide last-dollar financial assistance to individuals age 25 and older seeking associate degrees or industry-recognized certificates or credentials; to provide those individuals with greater access to the education and skills needed to succeed in, and meet the demands of, an evolving economy in which there is continuing demand for a talented local workforce; to drive innovations specific to adult learners in this state's community colleges; to mitigate educational equity gaps in the furtherance of individual prosperity; and to achieve the goal of increasing the number of residents ages 25 to 64 with a college degree or skill certificate or credential to 60% by 2030.

History: 2020, Act 68, Imd. Eff. Apr. 2, 2020 ;-- Am. 2022, Act 252, Eff. Mar. 29, 2023

390.1713 Definitions.

Sec. 13.

As used in this act:

- (a) "Department" means the department of labor and economic opportunity.
- (b) "Eligible institution" means that term as defined in the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to 390.1709.
- (c) "Gift aid" means federal Pell grants under 20 USC 1070a and tuition incentive program benefits under section 256 of the school aid act of 1979, 1979 PA 94, MCL 388.1856. The term does not include any of the following:
 - (i) Student loans.
 - (ii) Work-study awards.
 - (iii) Qualified withdrawals made from education savings accounts to pay higher education expenses pursuant to the Michigan education savings program act, 2000 PA 161, MCL 390.1471 to 390.1486.
 - (iv) Higher education expenses paid under the Michigan educational trust program, pursuant to the Michigan education trust act, 1986 PA 316, MCL 390.1421 to 390.1442.
 - (v) Higher education expenses paid under the Michigan promise zone authority act, 2008 PA 549, MCL 390.1661 to 390.1679.
 - (vi) Financial aid from any source that is used for nontuition expenses.
- (d) "Industry-recognized certificate or credential" means that term as defined in the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to 390.1709.
- (e) "Michigan reconnect grant" means a grant awarded under the Michigan reconnect grant program.

(f) "Michigan reconnect grant program" means the grant program created under section 5 of the Michigan reconnect grant act, 2020 PA 84, MCL 390.1705.

(g) "Michigan reconnect grant student" means that term as defined in the Michigan reconnect grant act, 2020 PA 84, MCL 390.1701 to 390.1709.

(h) "Pell-eligible program" means a program eligible for grant funding under 20 USC 1070a.

(i) "Qualified occupational training program" means a career training program approved by the department that meets all of the following:

(i) Provides not less than 150, and not more than 600, clock hours of instructional time over a period of not less than 8 weeks and not more than 15 weeks. This subparagraph does not apply to a career training program that provides didactic instruction leading to an industry-recognized credential in health care that prepares program completers for high-demand occupations.

(ii) Provides training aligned with the requirements of high-skill, high-wage, or in-demand industry sectors for occupations in this state as determined by the department in consultation with the Bureau of Labor Market Information and Strategic Initiatives.

(iii) Is included on this state's eligible training provider list located in the department.

(iv) Provides a student, upon completion of the program, with a recognized postsecondary credential that is stackable and portable across multiple employers and geographic areas.

(v) Has demonstrated that, within 6 months after completing the program, the median income of students who complete the program is at least 20% greater than the median income of all program enrollees 6 months before starting the program. This subparagraph does not apply to a career training program that provides didactic instruction leading to an industry-recognized credential in health care that prepares program completers for high-demand occupations.

(vi) For a job training program that prepares students for a professional license or certification exam, has demonstrated that students who complete the program are qualified to take and pass the licensure or certification exam.

(vii) Has been in operation for at least 1 year.

(viii) For programs offered by institutions of higher education, includes institutional credit articulation for a student in a noncredit job training program.

(ix) If the course of study is provided by an apprenticeship program, the program must be registered with the United States Department of Labor under the national apprenticeship act, 29 USC 50 et seq.

History: 2020, Act 68, Imd. Eff. Apr. 2, 2020 ;-- Am. 2022, Act 252, Eff. Mar. 29, 2023

390.1715 Michigan reconnect grant; recipient eligibility requirements.

Sec. 15.

To establish initial eligibility for a Michigan reconnect grant, an individual must meet all of the following conditions by the date of his or her enrollment described in subdivision (d):

(a) Be at least 25 years old.

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

(c) Have graduated from high school with a diploma or certificate of completion or achieved a high school equivalency certificate. As used in this subdivision, "high school equivalency certificate" means that term as defined in section 4 of the school aid act of 1979, 1979 PA 94, MCL 388.1604.

(d) Be admitted to, and enrolled in, a Pell-eligible program at an eligible institution leading to an associate degree or industry-recognized certificate or credential.

(e) Not have previously earned an associate or baccalaureate degree.

(f) Timely complete a Michigan reconnect grant application in a form and manner determined by the department.

(g) Timely file the Free Application for Federal Student Aid for the enrollment period described in subdivision (d).

(h) Timely apply for all available gift aid for the enrollment period described in subdivision (d).

History: 2020, Act 68, Imd. Eff. Apr. 2, 2020 ;-- Am. 2022, Act 252, Eff. Mar. 29, 2023

390.1716 Michigan reconnect grant; continued eligibility requirements.

Sec. 16.

To establish continuing eligibility for a Michigan reconnect grant at an eligible institution, an individual must meet all of the following conditions:

- (a) Continue to be a resident of this state.
- (b) Except as otherwise provided in section 18(1), maintain enrollment in a Pell-eligible program at an eligible institution leading to an associate degree or industry-recognized certificate or credential and earn at least 12 credits after each academic year period, once the individual begins an academic year.
- (c) Maintain satisfactory academic progress as determined by the eligible institution or a 2.0 grade point average since becoming a Michigan reconnect grant student.
- (d) Timely file the Free Application for Federal Student Aid for each academic year in which he or she applies for a Michigan reconnect grant.
- (e) Timely apply for all available gift aid for each academic year in which he or she applies for a Michigan reconnect grant.

History: 2020, Act 68, Imd. Eff. Apr. 2, 2020 ;-- Am. 2022, Act 252, Eff. Mar. 29, 2023

390.1717 Amount of grant; limitation; distribution.

Sec. 17.

(1) The amount of a Michigan reconnect grant awarded to a Michigan reconnect grant student under this act must not exceed the following, as applicable:

(a) For a student attending an eligible institution who is eligible for that institution's in-district tuition rate, the student's tuition and mandatory fees minus the student's gift aid.

(b) For a student attending an eligible institution who is not eligible for that institution's in-district tuition rate, the cost of tuition at the in-district resident rate and mandatory fees.

(2) If awarded, Michigan reconnect grant money must be paid to the eligible institution for credit to the student's account.

History: 2020, Act 68, Imd. Eff. Apr. 2, 2020 ;-- Am. 2022, Act 252, Eff. Mar. 29, 2023

390.1718 Leave of absence; medical or family hardship; term of eligibility; transfers; repayment.

Sec. 18.

(1) A Michigan reconnect grant student who, with the approval of the eligible institution, takes a leave of absence from the eligible institution due to a medical or family hardship may, subject to department approval, continue to receive the grant upon resuming the student's education at an eligible institution if the student continues to meet all applicable eligibility requirements. A leave of absence under this subsection does not disrupt the minimum-credit requirement under section 16(b) and does not count toward the 4-year limitation described in subsection (2)(a).

(2) A student is eligible for a Michigan reconnect grant until the occurrence of either of the following:

- (a) Subject to subsection (1), 4 years have passed since the student became a Michigan reconnect grant student.
- (b) The student has earned an associate degree. For purposes of this subdivision, a student who has earned a certificate or credential at an eligible institution remains eligible for the Michigan reconnect grant if he or she has not yet earned an associate degree.
- (3) A student who participates in the Michigan reconnect grant program may transfer from 1 eligible institution to another eligible institution without loss of the grant so long as the student continues to meet all eligibility requirements for the grant.
- (4) Repayment of any Michigan reconnect grant money received by a Michigan reconnect grant student who withdraws from a course of study or degree program must be determined in accordance with the department of treasury's state program procedures manual for financial aid professionals.

History: 2020, Act 68, Imd. Eff. Apr. 2, 2020 ;-- Am. 2022, Act 252, Eff. Mar. 29, 2023

390.1719 Rules.

Sec. 19.

Except as otherwise provided under this section, the department shall promulgate rules to implement section 15 only, pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. However, the department's rule-making authority is limited to developing the form for the Michigan reconnect grant application and prescribing the time and manner of its completion, as provided in section 15(f), and applying the initial eligibility criteria listed in section 15(a) to (e), (g), and (h). The department shall not apply any initial eligibility criteria not listed in section 15. To facilitate implementation of the Michigan reconnect grant program prior to final rules being adopted, the department may develop and administer the Michigan reconnect grant application in accordance with its proposed rules or other policy or directive of the department established pursuant to this act.

History: 2020, Act 68, Imd. Eff. Apr. 2, 2020

390.1721 Reconnect short-term training program; creation and implementation; skills scholarship requirements; rules.

Sec. 21.

(1) The reconnect short-term training program is created in the department for the purpose of providing skills scholarships to individuals eligible for those scholarships under this section. The department shall do all of the following:

- (a) Develop and implement a process by which those seeking to participate in the reconnect short-term training program as a training institution offering qualified occupational training programs must apply to the department.
- (b) Approve as a qualified occupational training program a program for which an application is submitted under subdivision (a) that meets all of the criteria in section 13(i), and post these criteria to the department's website.
- (c) Require that training institutions accepted to participate in the reconnect short-term training program comply with data requests from the department as a condition to continued participation. For purposes of this subdivision, the department shall require institutions operating apprenticeship programs subject to this act to provide data that tracks relevant work experience required to verify a student's status as an apprentice.
- (d) Maintain on its website a list of all qualified occupational training program options available to potential skills scholarship recipients.
- (e) Award skills scholarships, subject to all of the following:
 - (i) A skills scholarship is a 1-time grant not to exceed \$1,500.00 to contribute to tuition costs for a qualified occupational training program at a training institution, both of which are approved under this section, for a training

program participant who meets the requirements of subparagraph (ii). A skills scholarship must not exceed the full amount of the tuition charged for the training program.

(ii) To receive the skills scholarship described in subparagraph (i), a qualified occupational training program participant must meet all of the following:

- (A) Be at least 25 years old.
- (B) Be a resident of this state for at least the immediately preceding year.
- (C) Have graduated from high school with a diploma or certificate of completion or achieved a high school equivalency certificate. As used in this sub-subparagraph, "high school equivalency certificate" means that term as defined in section 4 of the school aid act of 1979, 1979 PA 94, MCL 388.1604.
- (D) Not have previously earned an associate or baccalaureate degree.
- (E) Timely complete a reconnect short-term training program scholarship application in a form and manner determined by the department.

(iii) The department may award skills scholarships under this section only until money appropriated to the reconnect short-term training program has been fully committed.

(f) Inform each recipient of a skills scholarship that he or she will remain eligible for the Michigan reconnect grant program to pursue an associate degree or occupational certificate upon completion of a qualified occupational training program at a training institution, and that community colleges will work to convert the coursework completed at that training institution into community college credit wherever possible.

(2) Except as otherwise provided under subsection (3), the department shall promulgate rules to implement subsection (1)(a), (b), and (c) only, pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, subject to all of the following:

- (a) Under subsection (1)(a), the department is limited to developing the form for the application described in subsection (1)(a) and prescribing the time and manner of its completion.
- (b) Under subsection (1)(b), the department is limited to applying the eligibility criteria described in subsection (1)(b) and shall not apply any other eligibility criteria.
- (c) Under subsection (1)(c), the department is limited to requiring compliance with data requests as described in subsection (1)(c).

(3) To facilitate implementation of the Michigan reconnect grant program prior to final rules being adopted, the department may develop and administer the reconnect short-term training program in accordance with its proposed rules or other policy or directive of the department established pursuant to this act.

History: 2020, Act 68, Imd. Eff. Apr. 2, 2020 ;-- Am. 2022, Act 252, Eff. Mar. 29, 2023

390.1723 Annual report to legislature.

Sec. 23.

The department shall annually submit a written report to both houses of the legislature that explains the results of the initiative. The report must include all of the following for the immediately preceding year:

- (a) The total number of applicants that sought approval as training institutions under section 21(1)(a) and (b); the total number of institutions approved; a list of the names of those approved institutions; and the total number and amount of skills scholarships that were awarded by each approved institution.
- (b) The total number of programs for which applications were submitted for approval as qualified occupational training programs under section 21(1)(a) and (b); the total number of programs approved; a list of the names or short descriptions of each of those approved programs; and the total number and amount of skills scholarships that were awarded for each approved program.
- (c) The total number of individuals who applied for skills scholarships under section 21(1)(e)(ii); the total number of individuals awarded skills scholarships; and the total number of skills scholarships recipients who completed qualified occupational training programs.
- (d) Any other relevant information, as determined by the department.

History: 2020, Act 68, Imd. Eff. Apr. 2, 2020 ;-- Am. 2022, Act 252, Eff. Mar. 29, 2023

