

# SENATE BILL No. 1020

February 25, 2004, Introduced by Senator JOHNSON and referred to the Committee on Appropriations.

A bill to amend 1999 PA 94, entitled "Michigan merit award scholarship act," by amending section 8 (MCL 390.1458), as amended by 2003 PA 186.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 8. (1) ~~A~~ Michigan merit award scholarship **money**  
2 shall be used only to pay for eligible costs.

3       (2) The board shall determine the manner and form of  
4 application for payment of a Michigan merit award scholarship by  
5 a student eligible under section 7 and the procedure for payment  
6 to the student or to ~~the~~ **an** approved postsecondary educational  
7 institution on the student's behalf, ~~—~~ **subject to 1 of the**  
8 **following, as applicable:**

9       (a) As determined by the board, upon the request of a student  
10 or parent or legal guardian of a minor student, the board may pay  
11 a Michigan merit award scholarship in 2 consecutive annual

1 installments rather than 1 lump sum for a student who graduates  
2 from high school or passes the general educational development  
3 (GED) test or approved graduate equivalency examination before  
4 March 1, 2003.

5       **(b)** For each student who graduates from high school or passes  
6 the general educational development (GED) test or approved  
7 graduate equivalency examination on or after March 1, 2003 **and**  
8 **before March 1, 2004**, the board shall pay a Michigan merit award  
9 scholarship in 2 consecutive annual installments, beginning in  
10 the state fiscal year for which the student is otherwise eligible  
11 under section 7. The first installment shall not exceed 50% of  
12 the award amount, and the second installment shall consist of the  
13 remaining award amount. Verification that the student has met  
14 the enrollment criteria under section 7(4)(c) is required prior  
15 to issuance of the second installment.

16       **(c)** For each student who graduates from high school or passes  
17 the general educational development (GED) test or approved  
18 graduate equivalency examination on or after March 1, 2004, the  
19 board shall pay a Michigan merit award scholarship in 2  
20 consecutive annual installments, beginning in the state fiscal  
21 year that begins after the beginning of the academic year for  
22 which the student is otherwise eligible under section 7. The  
23 first installment shall not exceed 50% of the award amount, and  
24 the second installment shall consist of the remaining award  
25 amount. Verification that the student has met the enrollment  
26 criteria under section 7(4)(c) is required prior to issuance of  
27 the second installment.

1           (3) ~~—(2)—~~ An approved postsecondary educational institution  
2 shall not consider a Michigan merit award scholarship in  
3 determining a student's eligibility for a financial aid program  
4 administered by this state. It is the intent of the legislature  
5 that an approved postsecondary educational institution not reduce  
6 institutionally-funded student aid because of the Michigan merit  
7 award scholarship program.

8           (4) ~~—(3)—~~ Before payment of a Michigan merit award  
9 scholarship to a student or **an** approved postsecondary educational  
10 institution, the student shall certify or affirm in writing to  
11 the board each of the following:

12           (a) That the student is enrolled at an approved postsecondary  
13 educational institution.

14           (b) The name of the approved postsecondary educational  
15 institution in which the student is enrolled.

16           (c) That the student agrees to use the Michigan merit award  
17 scholarship only for eligible costs.

18           (d) That the student has not been convicted of a felony  
19 involving an assault, physical injury, or death.

20           (e) That the student graduated from high school or passed the  
21 general educational development (GED) test or approved graduate  
22 equivalency examination within 1 of the following time periods:

23           (i) If the student graduated from high school or passed the  
24 test or examination before March 1, 2002, within the 7-year  
25 period preceding the date of the student's application to receive  
26 his or her Michigan merit award scholarship.

27           (ii) If the student graduated on or after March 1, 2002,

1 within the 4-year period preceding the date of the student's  
2 application to receive his or her Michigan merit award  
3 scholarship, or within a period equal to 4 years plus the number  
4 of days the student served as a member of the United States armed  
5 forces or peace corps if the student became a member of the  
6 United States armed forces or peace corps during this 4-year  
7 period and served for 4 years or less. The board may also extend  
8 the 4-year period if the board determines that an extension is  
9 warranted because of an illness or disability of the student or  
10 in the student's immediate family or another family emergency.

11 (5) ~~(4)~~ The board shall not begin disbursing funds for a  
12 Michigan merit award scholarship to a student or an approved  
13 postsecondary educational institution on behalf of the student  
14 unless it receives the request or application for payment,  
15 including the written certification or affirmation described in  
16 this section, from the student on or before 1 of the following  
17 dates, for disbursement in that academic year:

18 (a) In the 2002-2003 academic year, January 15.

19 (b) In the 2003-2004 academic year, September 15 if the  
20 student received notification of eligibility prior to August 1.

21 (c) In the 2003-2004 academic year, November 15 if the  
22 student received notification of eligibility on or after August  
23 1.

24 (d) In any other academic year, ~~September~~ **October** 15.