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BILL ANALYSIS

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Senate Bill 1371 (Substitute S-1 as reported)
Sponsor: Senator Michael Switalski
Committee: Appropriations

CONTENT

The bill would amend the Michigan Nursing Scholarship Act to add a master's degree in nursing program to the definition of "nursing program" and to expand the definition of "eligible employment" to include teaching in a nursing program. This would allow students enrolled in master's degree nursing programs to be eligible for nursing scholarships and to teach nursing after receiving their master's degree. Currently, only students enrolled in a registered nurse or licensed practical nurse training program are eligible for a nursing scholarship.

Public Act 591 of 2002 established the Michigan Nursing Scholarship Program, which is funded from the Michigan Merit Award Trust Fund. Funding for the Program is appropriated in the annual Higher Education budget bill, and the Program is administered by the Michigan Higher Education Assistance Authority in the Department of Treasury. State funds are allocated to individual colleges and universities, which then award the scholarships. All degree- or certificate-granting public or independent nonprofit Michigan colleges and universities that participate in Title IV Federal aid programs are eligible to receive funds.

To be eligible for a Michigan Nursing Scholarship, a student must be a Michigan resident and be enrolled at least half-time in an associate degree of nursing, bachelor of science in nursing, or licensed practical nursing program that leads to licensure in the State of Michigan. A scholarship recipient may receive a \$4,000 scholarship for one academic year of full-time enrollment, or a partial scholarship for part-time enrollment. Scholarships are renewable based on the availability of funds and continued student eligibility, but no student may receive the award for more than four academic years.

Each scholarship recipient is required to sign an agreement that states his or her intent to pursue nursing as a career and to be employed as a nurse in Michigan after the recipient is licensed. If a student does not comply with the scholarship agreement, repayment of the scholarship, plus interest, is required.

MCL 390.1182

FISCAL IMPACT

As part of the FY 2006-07 budget target agreements, \$250,000 was added to the \$4.0 million Nursing Scholarship and Grant Programs line item to allow master's degree programs in nursing to be funded. The \$4.25 million Nursing Program is included in the FY 2006-07 Higher Education appropriation act, Public Act 340 of 2006. Section 312 of the appropriation act directs the Michigan Higher Education Assistance Authority to include a master's degree program as eligible for the funds appropriated in Part 1 of the Act. This bill would provide the statutory change necessary to implement Section 312 as well as the budget target agreement.

Date Completed: 9-13-06

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