

HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 98

A bill to amend 2008 PA 549, entitled  
"Michigan promise zone authority act,"  
by amending section 4 (MCL 390.1664), as added by 2016 PA 9.

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

1           Sec. 4. (1) If a governing body determines that it is  
2 necessary for the best interests of the public to promote access to  
3 postsecondary education, the governing body may, by resolution,  
4 declare its intention to establish a promise zone.

5           (2) A governing body shall set a date for a public hearing on  
6 the adoption of a proposed resolution establishing a promise zone.  
7 Notice of the public hearing shall be published twice in a  
8 newspaper of general circulation in the eligible entity, at least  
9 20 and not more than 40 days before the date of the hearing. Notice  
10 of the hearing shall be posted in at least 20 conspicuous and

1 public places in the eligible entity at least 20 days before the  
2 hearing. The notice shall state the date, time, and place of the  
3 hearing and shall describe the proposed promise zone, the details  
4 of the promise of financial assistance, and the criteria for  
5 eligibility to receive that financial assistance.

6 (3) ~~Not less than~~ **AT LEAST** 30 days after the public hearing,  
7 if the governing body of an eligible entity intends to proceed with  
8 the establishment of a promise zone, it shall submit an application  
9 to the department of treasury seeking approval to establish the  
10 promise zone.

11 (4) The department of treasury shall review an application  
12 submitted under subsection (3) and shall determine if the governing  
13 body of the eligible entity that submitted the application is  
14 eligible to establish a promise zone under this act. If so, the  
15 department of treasury shall certify the eligibility of that  
16 governing body to establish a promise zone. The department of  
17 treasury shall review the applications submitted under subsection  
18 (3) on a first-come, first-served basis and shall not certify more  
19 than ~~10~~ **15** governing bodies of eligible entities as eligible to  
20 establish a promise zone under this act.

21 (5) If the department of treasury certifies that the governing  
22 body of the eligible entity is eligible to create a promise zone,  
23 the governing body shall, by resolution, establish a promise zone.

24 (6) Within 90 days after a governing body approves a  
25 resolution to establish a promise zone, a local school district may  
26 by resolution elect not to participate in the establishment of a  
27 promise zone by the governing body of the eligible entity in which

1 the local school district is located. The resolution shall include  
2 a provision that the local school district will establish a  
3 separate promise zone under this act. If the local school district  
4 does not establish a promise zone within a reasonable period of  
5 time, the department of treasury may include that local school  
6 district in the promise zone established by the eligible entity in  
7 which the local school district is located.

8 (7) If a governing body of an eligible entity by resolution  
9 dissolves a promise zone established under subsection (5), the  
10 department of treasury's certification authorizing that promise  
11 zone under subsection (4) is terminated and does not count toward  
12 the limit of ~~10~~**15** certifications under subsection (4).