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BILL ANALYSIS



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Senate Bill 382 (as introduced 6-10-25)
Senate Bill 383 (as introduced 6-10-25)
Sponsor: Senator Sarah E. Anthony
Committee: Appropriations

Date Completed: 9-24-25

CONTENT

Senate Bill 382 would create the Michigan Achievement Scholarship Act. The bill would codify most program guidelines for the existing Michigan Achievement Scholarship (MAS), which currently exists in Sec. 248 of the School Aid Act, in a new public act. As written, the portions of the program described in the bill are functionally identical to the existing program under Sec. 248 of the School Aid Act.

Senate Bill 383 would create the Michigan Achievement Skills Scholarship Act. The bill would codify most program guidelines for the existing Michigan Achievement Skills Scholarship, which currently exists in Sec. 248a of the School Aid Act, in a new public act. As written, the portions of the program described in the bill are functionally identical to the existing program under Sec. 248a of the School Aid Act.

A description of the MAS and Michigan Achievement Skills Scholarship programs is provided below. The bills would not substantively change either program relative to current law.

Michigan Achievement Scholarship

Under current law and the bill, the MAS provides last-dollar scholarship awards to Michigan residents who attend a public or private four-year college or university, a community college, or a tribal college. To qualify for an award under MAS, a student must satisfy the following criteria:

- Graduate from high school or receive a graduate equivalency certificate in 2023 or after.
- Maintain Michigan residency.
- Students who are not enrolled at a community or tribal college, and who did not receive an MAS award in academic year 2023-24, must have a student aid index of 30,000 or less as determined by the student's Free Application for Federal Student Aid. Students who attend a community or tribal college are not subject to a financial need assessment to receive an award toward their tuition and fee charges.
- Enroll in a public or private four-year college or university, a community college, or a tribal college on a full-time basis within 15 months after high school graduation or receiving a graduate equivalency certificate.
- Maintain satisfactory academic progress.
- Must not be in default on a Federal student loan.

Under current law (and the bill), a student who attends a community or tribal college may receive an MAS award for up to three years, and a student who attends public or private four-year colleges and university may receive a MAS award for up to five years. The program allows a student to transfer from a two-year college or from a program under the Michigan Achievement Skills Scholarship to a four-year college or university while maintaining MAS eligibility. A student who transfers may receive a MAS award for up to five years in total.

The maximum MAS award depends on the type of institution the student attends. A student attending a four-year public or private college or university is eligible to receive a maximum annual award of \$5,500, up to that student's cost of attendance, less all other gift aid. A student attending a community or tribal college is eligible to receive a maximum award equal to that student's tuition and mandatory fees, calculated using the institution's in-district rate, less all other gift aid. A student at a community or tribal college who is Pell-eligible also is eligible to receive an additional award of \$1,000 that the student may use toward any cost of attendance.

Michigan Achievement Skills Scholarship

Under current law and the bill, the Michigan Achievement Skills Scholarship provides last-dollar scholarship awards to Michigan residents who participate in a career-oriented, nonprofit, nationally accredited skilled trades training program that is approved for Federal financial aid. Students who receive a Skills Scholarship award are eligible to receive up to \$2,000 per year for up to two years to offset tuition costs for the program.

To qualify for an award under the program, and applicant must meet the following criteria:

- Maintain Michigan residency for at least one year.
- Graduate from high school or receive a graduate equivalency certificate in 2023 or later.
- Not have previously earned an associate or baccalaureate degree.
- Not have previously earned a credential using an award under the Michigan Achievement Skills Scholarship program.

FISCAL IMPACT

Because the MAS and Michigan Achievement Skills Scholarship currently exist in the School Aid Act in a functionally identical form to the programs described under the bills, Senate Bills 382 and 383 would have no fiscal impact on State or local units of government.

For background, MAS and the Skills Scholarship are funded with an annual, ongoing, \$300.0 million General Fund/General Purpose transfer to the Postsecondary Scholarship Fund (PSF). The PSF is used to provide the fund source for the appropriations for these programs in the School Aid Act. Because MAS was structured to begin eligibility with the high school graduating class of 2023, costs associated with the program are projected to increase through fiscal year (FY) 2027-28 when the high school class of 2023 either will have graduated from college or timed out of the program. After FY 2027-28, MAS costs are projected to stabilize at approximately \$600.0 million per year.

Costs for the Michigan Achievement Skills Scholarship also are projected to increase over time, but they are currently limited to \$10.0 million per year by the appropriation for the program. Unlike MAS, cost increases for the Skills Scholarship are likely related to increased awareness and participation in the program. Generally, these programs are short in duration so there are not multiple cohorts of high school graduates whose use of the program overlaps.

Program cost figures for both programs affected by the bills, as well as projections for FY 2024-25 through 2027-28, are provided in Table 1.

Table 1

Michigan Achievement Scholarship and Skills Scholarship Costs (FY 2023-24 actual; FY 2024-25 actual, unaudited; FY 2025-26 through 2027-28 projections)					
Institution Type	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Community and Tribal Colleges	\$12,942,563	\$46,559,510	\$69,000,000	\$80,000,000	\$82,000,000
4-year Private Colleges and Universities	13,331,258	36,574,708	52,000,000	67,000,000	78,000,000
4-year Public Universities	84,175,383	183,654,743	266,000,000	355,000,000	420,000,000
Skills Scholarship	274,585	3,880,405	6,000,000	8,000,000	10,000,000
TOTAL	\$110,723,789	\$270,669,366	\$393,000,000	\$510,000,000	\$590,000,000

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.