

**SUBSTITUTE FOR
SENATE BILL NO. 383**

A bill to create a financial aid program for certain residents of this state who attend certain occupational training programs in this state; to provide for the administration of the financial aid program; to provide for the promulgation of rules; and to provide for the powers and duties of certain state officers and entities.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. (1) This act may be cited as the "Michigan achievement
2 skills scholarship act".

3 (2) The Michigan achievement skills scholarship created in
4 this act and, subject to appropriation, funded in article III of
5 the state school aid act of 1979, 1979 PA 94, MCL 388.1836 to
6 388.1891, is intended to provide scholarship assistance to certain
7 residents of this state attending certain occupational training

1 programs in this state, and to provide scholarship recipients with
2 greater access to career training and skills needed to succeed in
3 and meet the demands of this state's evolving economy and
4 workforce.

5 Sec. 3. As used in this act:

6 (a) "Department" means the department of lifelong education,
7 advancement, and potential.

8 (b) "High school equivalency certificate" means that term as
9 defined in section 4 of the school aid act of 1979, 1979 PA 94, MCL
10 388.1604.

11 (c) "Qualified occupational training program" means that term
12 as defined in section 13 of the Michigan reconnect grant recipient
13 act, 2020 PA 68, MCL 390.1713, or a program that provides not less
14 than 150 clock hours of instructional time over a period of not
15 less than 8 weeks in career-oriented skilled trades instruction in
16 maritime trades at an independent nonprofit institution
17 incorporated in this state that is nationally accredited and
18 approved for federal financial aid.

19 Sec. 5. (1) The department shall administer the Michigan
20 achievement skills scholarship pursuant to this act, the Michigan
21 achievement scholarship act, article III of the state school aid
22 act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891, and the
23 administrative procedures of the department.

24 (2) Payments for Michigan achievement skills scholarships are
25 subject to appropriation under article III of the state school aid
26 act of 1979, 1979 PA 94, MCL 388.1836 to 388.1891.

27 Sec. 7. To receive the skills scholarship described in this
28 act, a qualified occupational training program participant must
29 meet all of the following:

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

3 (b) Have graduated with a high school diploma or certificate
4 of completion or achieved a high school equivalency certificate in
5 2023 or after.

6 (c) Be a first-time enrollee at a qualified occupational
7 training program within 15 months after high school graduation or
8 attainment of a high school equivalency certificate or have
9 received a Michigan achievement skills scholarship or Michigan
10 achievement scholarship in a previous academic year. For the
11 purposes of this subdivision, participation in a dual enrollment,
12 early college, or other similar program while attending high school
13 does not disqualify an individual from being considered a first-
14 time enrollee.

15 (d) Not have previously earned an associate or baccalaureate
16 degree.

17 (e) Not have previously earned a degree, certificate, or other
18 credential using a skills scholarship awarded under this act.

19 (f) Timely complete a Michigan achievement skills scholarship
20 application in a form and manner determined by the department.

21 Sec. 9. In connection with its administration of the Michigan
22 achievement skills scholarship, the department shall do all of the
23 following:

24 (a) Develop and implement a process by which those seeking to
25 participate in the Michigan achievement skills scholarship as
26 training institutions offering qualified occupational training
27 programs must apply to the department.

28 (b) Approve as a qualified occupational training program a
29 program for which an application is submitted under subdivision (a)

1 that meets all of the criteria to qualify as a qualified
2 occupational training program, and post these criteria to the
3 department's website.

4 (c) Ensure that an applicant under subdivision (a) is first
5 included on this state's eligible training provider list before
6 each of the applicant's programs receives separate approval from
7 the department as being a qualified occupational training program.

8 (d) Require that training institutions accepted to participate
9 in the Michigan achievement skills scholarship comply with data
10 requests from the department as a condition of continued
11 participation. For purposes of this subdivision, the department
12 shall require institutions operating apprenticeship programs
13 subject to this section to provide data that tracks relevant work
14 experience required to verify a program participant's status as an
15 apprentice.

16 (e) Maintain on its website a list of all qualified
17 occupational training program options available to potential skills
18 scholarship recipients.

19 (f) Award skills scholarships in accordance with section 248a
20 of the state school aid act of 1979, 1979 PA 94, MCL 388.1848a. A
21 skills scholarship must not exceed the full amount of the tuition
22 charged for the training program. A program participant may receive
23 a skills scholarship under this act for a maximum of 2 academic
24 years.

25 (g) Inform each recipient of a skills scholarship that subject
26 to the eligibility requirements in the Michigan achievement
27 scholarship act, the recipient will remain eligible for the
28 Michigan achievement scholarship for a maximum of 5 years, less any
29 period of eligibility used for a skills scholarship awarded under

1 this act.

2 (h) By February 15 of each year, provide a written report,
3 organized by qualified occupational training programs, to the house
4 and senate appropriations subcommittees on higher education, the
5 house and senate fiscal agencies, and the state budget director
6 that includes the following information for the previous academic
7 year:

8 (i) The number of program participants who qualified for a
9 Michigan achievement skills scholarship.

10 (ii) The number of program participants who received a Michigan
11 achievement skills scholarship.

12 (iii) The average Michigan achievement skills scholarship award
13 per program participant, delineated by qualified occupational
14 training program.

15 Sec. 11. It is the intent of the legislature that a training
16 institution whose participants receive skills scholarships under
17 this act will not make changes to scholarship or financial aid
18 programs offered by that training institution that have the goal or
19 net effect of shifting the cost burden of those programs to the
20 program described in this act. A training institution shall not do
21 either of the following as a result of an individual's receipt of a
22 scholarship under this act:

23 (a) Adjust tuition rates or tuition discounts.

24 (b) Change its tuition costs.

25 Sec. 13. (1) Except as otherwise provided in subsection (2),
26 the department may promulgate rules to implement this act pursuant
27 to the administrative procedures act of 1969, 1969 PA 306, MCL
28 24.201 to 24.328.

29 (2) The department shall not apply any program participant

1 eligibility criteria not listed in section 7.

2 Enacting section 1. This act does not take effect unless
3 Senate Bill No. _____ (request no. S00944'25) or House Bill No. _____
4 (request no. H00944'25) of the 103rd Legislature is enacted into
5 law.