

**POSTSECONDARY ENROLLMENT OPTIONS ACT (EXCERPT)**  
**Act 160 of 1996**

**388.514 Student eligibility; letter signed by student's principal; application for enrollment; notice to be sent by postsecondary institution; bill detailing eligible charges; payment by school district or department of treasury; late fee; attendance verification; refund; availability of correspondence; books as school property; section inapplicable to certain courses; transportation and parking costs not required; guidelines prorated percentage of average foundation allowance.**

Sec. 4.

(1) The school district or state approved nonpublic school in which an eligible student is enrolled shall provide to the eligible student a letter signed by the student's principal indicating the student's eligibility under this act.

(2) An eligible student may apply to an eligible postsecondary institution to enroll in 1 or more eligible courses offered by that eligible postsecondary institution and, if accepted, may enroll in 1 or more of those courses.

(3) For an eligible student enrolled in a school district, within a reasonable time after registration, the eligible postsecondary institution shall send written notice to the eligible student and his or her school district. For an eligible student enrolled in a state approved nonpublic school, within a reasonable time after registration, the eligible postsecondary institution shall send written notice to the eligible student and his or her state approved nonpublic school and to the department. The notice must indicate the course or courses and hours of enrollment of that eligible student. The eligible postsecondary institution shall notify the eligible student about tuition, fees, books, materials, and other related charges, as determined by the postsecondary institution, in the customary manner used by the eligible postsecondary institution, and shall notify the eligible student of the estimated amount of the eligible charges that will be billed to the school district or the department, as applicable, under subsection (4).

(4) For an eligible student enrolled in a school district, unless otherwise agreed between the eligible postsecondary institution and the school district, after the expiration of the institution's drop/add period for the course, an eligible postsecondary institution shall send a bill to the eligible student's school district detailing the eligible charges for each eligible course in which the eligible student is enrolled under this act. For an eligible student who is enrolled in a state approved nonpublic school, after the expiration of the eligible postsecondary institution's drop/add period for the course, both of the following apply:

(a) The eligible postsecondary institution shall send a bill to the department detailing the eligible charges for each eligible course in which the eligible student is enrolled under this act.

(b) The department shall determine the amount of the eligible charges to be paid by the department of treasury to the eligible postsecondary institution on behalf of the eligible student under this act and shall deliver this information to the department of treasury by appropriate electronic means.

(5) For an eligible student enrolled in a school district, upon receiving the bill under subsection (4), the school district shall cause to be paid to the eligible postsecondary institution on behalf of the eligible student an amount equal to the lesser of the amount of the eligible charges or the prorated percentage of the statewide pupil-weighted average foundation allowance, as calculated under this subsection and section 20 of the state school aid act of 1979, 1979 PA 94, MCL 388.1620, for all school districts for the state fiscal year that begins on October 1 immediately preceding the academic year of enrollment in the eligible postsecondary institution, with the proration based on the proportion of the school year that the eligible student attends the eligible postsecondary institution. In determining the proportion of the school year that an eligible student attends an eligible postsecondary institution under this subsection, a school district shall take into account, according to guidelines published by the department under subsection (16), an eligible student's attendance at an eligible postsecondary institution for an eligible course that occurs in whole or in part when the school district is not in session during the summer immediately following that regularly scheduled school year. However, in the calculation of the statewide pupil-weighted average foundation allowance for the purposes of this subsection, if a school district's foundation allowance is above the target foundation allowance under section 20 of the state school aid act of 1979, 1979 PA 94, MCL 388.1620, then the school district's foundation allowance must be considered to be the target foundation allowance. Not later than September 1 of each year, the department shall notify the department of treasury of the amount of the statewide pupil-weighted average foundation allowance as calculated for the purposes of this subsection. A school district may pay more money to an eligible postsecondary institution on behalf of an eligible student than is required under this act, and may use local school operating revenue for that purpose. The eligible student is responsible for payment of the remainder of the costs associated with his or her postsecondary enrollment that exceed the amount the school district is required to pay under this act and that are not paid by the school district. As used in this subsection, "local school operating revenue" means that term as defined in section 20 of the state school aid act of 1979, 1979 PA 94, MCL 388.1620.

(6) For an eligible student who is enrolled in a state approved nonpublic school, upon receiving from the department under subsection (4) the amount of the eligible charges to be paid on behalf of the eligible student, the

department of treasury shall cause to be paid to the eligible postsecondary institution on behalf of the eligible student an amount equal to the lesser of the amount of the eligible charges or the prorated percentage of the statewide pupil-weighted average foundation allowance, as calculated under this subsection and section 20 of the state school aid act of 1979, 1979 PA 94, MCL 388.1620, for all school districts for the state fiscal year that begins on October 1 immediately preceding the academic year of enrollment in the eligible postsecondary institution, with the proration based on the proportion of the school year that the eligible student attends the eligible postsecondary institution. In determining the proportion of the school year that an eligible student attends an eligible postsecondary institution under this subsection, the department shall take into account, according to guidelines published by the department under subsection (16), an eligible student's attendance at an eligible postsecondary institution for an eligible course that occurs in whole or in part when the state approved nonpublic school is not in session during the summer immediately following that regularly scheduled school year. However, in the calculation of the statewide pupil-weighted average foundation allowance for the purposes of this subsection, if a school district's foundation allowance is above the target foundation allowance under section 20 of the state school aid act of 1979, 1979 PA 94, MCL 388.1620, then the school district's foundation allowance must be considered to be the target foundation allowance. Not later than September 1 of each year, the department shall notify the department of treasury of the amount of the statewide pupil-weighted average foundation allowance as calculated for the purposes of this subsection. The eligible student is responsible for payment of the remainder of the costs associated with his or her postsecondary enrollment that exceed the amount the department of treasury is required to pay under this act and that are not paid by the department of treasury.

(7) An eligible postsecondary institution shall not charge a late fee to an eligible student, a school district, the department, or the department of treasury for a payment that is made in compliance with the timetable prescribed under this act even if the payment would otherwise be considered late by the postsecondary institution.

(8) A school district, state approved nonpublic school, or the department may require an eligible student to provide, on a form supplied by the school district, state approved nonpublic school, or the department, reasonable verification that the eligible student is regularly attending a postsecondary course.

(9) For an eligible student who is enrolled in a school district and who enrolls in an eligible course under this act, if the student does not complete the eligible course or, if the student enrolls in an eligible course for postsecondary credit only and the student does not successfully complete the eligible course, as determined by the eligible postsecondary institution, and if the school district has paid money for the course on behalf of the student, both of the following apply:

(a) The eligible postsecondary institution shall forward to the school district any funds that are refundable due to noncompletion of the course. The school district shall then forward to the eligible student any refunded money in excess of the amount paid by the school district for the course on behalf of the eligible student.

(b) The eligible student shall repay to the school district any funds that were expended by the school district for the course that are not refunded to the school district by the eligible postsecondary institution. If the eligible student does not repay this money, the school district may impose sanctions against the eligible student as determined by school district policy. This subdivision does not apply to an eligible student who does not complete the course due to a family or medical emergency, as determined by the eligible postsecondary institution.

(10) For an eligible student who is enrolled in a state approved nonpublic school, and who enrolls in an eligible course under this act, if the eligible student does not complete the eligible course or, if the eligible student enrolls in an eligible course for postsecondary credit only and the eligible student does not successfully complete the eligible course, as determined by the eligible postsecondary institution, and if the department of treasury has paid money for the course on behalf of the eligible student, both of the following apply:

(a) The eligible postsecondary institution shall forward to the department of treasury any funds that are refundable due to noncompletion of the course. If applicable, the eligible postsecondary institution shall then refund to the eligible student any funds that are refundable due to noncompletion of the course and are in excess of the amount paid by the department of treasury for the course on behalf of the eligible student.

(b) The eligible student shall repay to the department of treasury any funds that were expended by the department of treasury for the course that are not refunded to the department of treasury by the eligible postsecondary institution. This subdivision does not apply to an eligible student who does not complete the course due to a family or medical emergency, as determined by the eligible postsecondary institution.

(11) A school district, state approved nonpublic school, the department, or the department of treasury shall make available to an eligible student copies of all correspondence in the possession of the school district, state approved nonpublic school, department, or department of treasury regarding the eligible student's participation in postsecondary enrollment under this act. The school district, state approved nonpublic school, department, or department of treasury shall keep correspondence described in this subsection for at least 1 year.

(12) If a school district pays for books for an eligible student for a postsecondary course under this section, the books are the property of the school district and must be turned over to the school district after the eligible student completes the course.

(13) This section does not apply to any postsecondary courses in which an eligible student is enrolled in addition to being enrolled full-time in that eligible student's school district or state approved nonpublic school; to a

postsecondary course an eligible student is retaking after failing to achieve a satisfactory grade; or to a course contrary to the eligibility provisions of this act. In determining full-time enrollment in a school district under this section or a school district's full-time equated membership under the state school aid act of 1979, 1979 PA 94, MCL 388.1601 to 388.1897, for a pupil enrolled in a postsecondary institution under this act, the pupil's enrollment in both the school district and the postsecondary institution must be counted as enrollment in the school district and a pupil is not considered to be enrolled in a school district less than full-time solely because of the effect of the pupil's postsecondary enrollment, including necessary travel time, on the number of class hours provided by the school district to the pupil. In determining full-time enrollment in a state approved nonpublic school under this section for a student enrolled in a postsecondary institution under this act, the student's enrollment in both the state approved nonpublic school and the postsecondary institution must be counted as enrollment in the state approved nonpublic school and a student is not considered to be enrolled in a state approved nonpublic school less than full-time solely because of the effect of the student's postsecondary enrollment under this act, including necessary travel time, on the number of class hours provided by the state approved nonpublic school to the student.

(14) This act does not require a school district or the department of treasury to pay or otherwise provide financial support for transportation or parking costs necessary for an eligible student to participate in postsecondary enrollment under this act. A school district, state approved nonpublic school, or this state is not liable for any injury incurred by an eligible student that is related to transportation necessary for the eligible student to participate in postsecondary enrollment under this act.

(15) The legislature shall appropriate funds to the department of treasury for making payments required to be made by the department of treasury under this act.

(16) By September 1, 2020, the department shall publish guidelines regarding how to determine the prorated percentage of the statewide pupil-weighted average foundation allowance under subsections (5) and (6). By September 1, 2021 and by September 1 each year thereafter, the department shall update and republish the guidelines described under this subsection.

**History:** 1996, Act 160, Imd. Eff. Apr. 8, 1996 ;-- Am. 2012, Act 134, Eff. July 1, 2012 ;-- Am. 2020, Act 131, Imd. Eff. July 8, 2020