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Senate Bills 625 through 628 (as enrolled)
Senate Bills 661 and 662 (as enrolled)
Sponsor: Senator Nancy Cassis (S.B. 625)
Senator Gerald Van Woerkom (S.B. 626)
Senator Jason E. Allen (S.B. 627, 661, & 662)
Senator Irma Clark-Coleman (S.B. 628)

Senate Committee: Education
House Committee: Higher Education

Date Completed: 5-18-05

PUBLIC ACTS 180-183 of 2004
PUBLIC ACTS 184 & 145 of 2004

CONTENT

The bills amended various acts to prevent the State from awarding scholarships and grants to students who are enrolled in an institution of higher education whose primary purpose is to prepare students for ordination or appointment as a member of the clergy. Previously, the State could not award scholarships and grants to students enrolled in a program leading to a degree in theology, divinity, or religious education.

All of the bills, except Senate Bill 662, took effect on July 1, 2004. Senate Bill 662 took effect on June 15, 2004.

Senate Bills 625, 627, and 661

Senate Bill 625 amended Public Act 102 of 1986, which provides for grants to part-time, independent students with financial need. Senate Bill 627 amended the Legislative Merit Award Program Act, which requires the Michigan Higher Education Assistance Authority annually to award \$1,000 scholarships to students based on their performance on a national examination and without regard to their financial circumstances. Senate Bill 661 amended Public Act 105 of 1978, which provides for tuition differential grants to students enrolled in independent, nonprofit colleges or universities.

Previously, under these statutes, a student was ineligible for a grant or scholarship if he or she was enrolled in a program leading to a degree in theology, divinity, or religious

education. The bills, instead, provide that a student is ineligible if he or she is enrolled in an institution whose primary purpose is to prepare students for ordination or appointment as a member of the clergy of a church, denomination, or religious association, order, or sect.

Senate Bill 626

The bill amended Public Act 208 of 1964, which provides for a State competitive scholarship program to award scholarships to students with financial need and academic promise, based on their performance on a competitive exam. Previously, a scholarship award could not be made to a student enrolled in a program of study leading to a degree in theology, divinity, or religious education. The bill, instead, prohibits a student from using a scholarship award at an institution whose primary purpose is to prepare students for ordination or appointment as a member of the clergy of a church, denomination, or religious association, order, or sect.

Senate Bill 628

The bill amended Public Act 273 of 1986, which provides for the Michigan Educational Opportunity Grant Program to award up to \$1,000 per student per year to postsecondary schools to help eligible students meet educational expenses. Under the bill, a grant may not be made under the Act to a student who is enrolled in an institution whose primary purpose is to prepare students for ordination or appointment as a member of the clergy of a

church, denomination, or religious association, order, or sect. Previously, a grant could not be made to a student enrolled in a program of study leading to a degree in theology, divinity, or religious education.

Senate Bill 662

The bill amended Public Act 75 of 1974, which provides for reimbursement to approved independent, nonprofit colleges and universities for a certain amount for each degree they confer on their students. The Act requires the State Board of Education, upon application, to reimburse these schools according to a schedule of amounts determined annually by the Legislature for degrees granted during the prior fiscal year. Previously, the Act excluded a degree conferred in theology, divinity, or religious education from this computation. The bill excludes from the computation a degree conferred by an institution whose primary purpose is to prepare students for ordination or appointment as a member of the clergy of a church, denomination, or religious association, order, or sect.

MCL 390.1283 (S.B. 625)
390.977 (S.B. 626)
390.1304 (S.B. 627)
390.1403 (S.B. 628)
390.1274 (S.B. 661)
390.1023 (S.B. 662)

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bills will have no fiscal impact on State or local government.

The State appropriations for most of these programs are included in the annual Higher Education appropriation act. The Legislative Merit Award Program, the Tuition Differential Program, and the General Degree and Allied Health Degree Reimbursement Programs have not been funded in the State budget since fiscal years (FYs) 1980-81, 1984-85, and 2002-03, respectively. For FY 2004-05, a total of \$44.9 million is appropriated for the financial aid programs affected by these bills. With the exception of the Dental Degree Reimbursement Program (in which the dollars are a grant to the University of Detroit-Mercy for its southeastern Michigan dental clinics), the funds for these programs are distributed primarily based on the amount of the State appropriation and the financial need of the

student. The addition of theology and divinity as eligible programs for State financial aid grants will not require additional State appropriations, but depending on the number of newly eligible students, may lower the amounts available to other eligible students.

Fiscal Analyst: Ellen Jeffries

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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.