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BILL ANALYSIS

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Senate Bill 1376 (Substitute S-1)
Sponsor: Senator Bob Emerson
Committee: Appropriations

Date Completed: 9-14-04

CONTENT

The bill would amend the Michigan Merit Award Scholarship Act to eliminate the \$1,000 Merit Award scholarships for students enrolled outside the State of Michigan for the high school graduating class of 2005.

MCL 390.1457

FISCAL IMPACT

The bill would allow the State to save approximately \$4.5 million by eliminating the \$1,000 awards for students enrolled outside the State of Michigan. This estimate is based on actual data from the high school graduating class of 2003, which had 51,638 total awardees, including 4,537 enrolled in schools outside the State.

The Michigan Merit Awards are funded from the Michigan Merit Award Trust Fund which was created when the State received its share of the national tobacco settlement in 1999. Any dollars not appropriated and spent on Merit Awards are to remain in the Merit Award Trust Fund and be available for other purposes, as determined by law. The provisions of this bill would affect the State budget for fiscal year 2005-06.

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.