

Legislative Analysis



MICHIGAN ACHIEVEMENT SKILLS SCHOLARSHIP

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Senate Bill 383 (S-1) as passed by the Senate

Sponsor: Sen. Sarah Anthony

Senate Committee: Appropriations

House Committee: Appropriations

Complete to 10-2-25

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

Senate Bill 383 would create a new act, the Michigan Achievement Skills Scholarship Act, to provide scholarship assistance to certain Michigan residents attending certain occupational training programs in Michigan. The Michigan Achievement Skills Scholarship was created by 2022 PA 212 in section 248a of the State School Aid Act. The bill would recodify the provisions of section 248a, with changes, in a new public act. Section 248a would continue as law alongside the act created by the bill; the bill cites some of its provisions.¹

The Michigan Achievement Skills Scholarship would be administered by the Department of Lifelong Education, Advancement, and Potential under the bill, the Michigan Achievement Scholarship Act (Senate Bill 382), Article III of the State School Aid Act, and the department's administrative procedures. Payments for the scholarships would be subject to appropriation under the State School Aid Act.

Participant eligibility criteria

An individual would have to meet all of the following to be eligible for a scholarship under the bill:

- Timely complete a Michigan Achievement Skills Scholarship application in a form and manner determined by the Department of Lifelong Education, Advancement, and Potential.
- Be a resident of Michigan for at least the immediately preceding year.
- Have graduated with a high school diploma or certificate of completion or achieved a high school equivalency (e.g., G.E.D) certificate in 2023 or after.
- Either of the following:
 - Be a first-time enrollee at a *qualified occupational training program* within 15 months after high school graduation or attainment of a high school equivalency certificate. (Participation in a dual enrollment, early college, or other similar program while attending high school would not disqualify an individual from being considered a first-time enrollee.)
 - Have received a Michigan Achievement Skills Scholarship or Michigan Achievement Scholarship in a previous academic year.
- Not have previously earned an associate or baccalaureate degree.
- Not have previously earned a degree, certificate, or other credential using a Michigan Achievement Skills Scholarship that was awarded under the bill.

¹ See <https://www.michigan.gov/mistudentaid/programs/michigan-achievement-scholarship/career-training> and <https://www.legislature.mi.gov/Laws/MCL?objectName=MCL-388-1848a>

Qualified occupational training program would mean either of the following:

- A *qualified occupational training program* as defined in the Michigan Reconnect Grant Recipient Act, which is a career training program approved by the Department of Lifelong Education, Advancement, and Potential that meets all of the following:
 - Provides at least 150, but not more than 600, clock hours of instructional time over a period of at least eight, but not more than 15, weeks. This requirement would not apply to a career training program that provides didactic instruction leading to an industry-recognized credential in health care that prepares program completers for high-demand occupations.
 - Provides training aligned with the requirements of high-skill, high-wage, or in-demand industry sectors for occupations in this state as determined by the Department of Lifelong Education, Advancement, and Potential in consultation with the Bureau of Labor Market Information and Strategic Initiatives.
 - Is included on the state's eligible training provider list located in the Department of Lifelong Education, Advancement, and Potential.
 - Provides a student, upon completion of the program, with a recognized postsecondary credential that is stackable and portable across multiple employers and geographic areas.
 - Has demonstrated that the median income of students who complete the program is, within six months after completing the program, at least 20% greater than the median income of all program enrollees six months before starting the program. This requirement would not apply to a career training program that provides didactic instruction leading to an industry-recognized credential in health care that prepares program completers for high-demand occupations.
 - For a job training program that prepares students for a professional license or certification exam, has demonstrated that students who complete the program are qualified to take and pass the exam.
 - Has been in operation for at least one year.
 - For a program offered by institutions of higher education, includes institutional credit articulation for a student in a noncredit job training program.
 - For a course of study provided by an apprenticeship program, is registered with the United States Department of Labor under the National Apprenticeship Act.²
- A program that provides at least 150 clock hours of instructional time over a period of at least eight weeks in career-oriented skilled trades instruction in maritime trades at an independent nonprofit institution incorporated in this state that is nationally accredited and approved for federal financial aid.

² <https://www.law.cornell.edu/uscode/text/29/chapter-4C>

Scholarship awards

The Department of Lifelong Education, Advancement, and Potential would have to award Michigan Achievement Skills Scholarship in accordance with section 248a of the State School Aid Act. (Currently under that section, a scholarship is a grant of up to \$2,000 per year to contribute to tuition costs of an eligible training program participant for an approved qualified occupational training program at an approved training institution.) A skills scholarship could not exceed the full amount of the tuition charged for the training program. A program participant could receive a Michigan Achievement Skills Scholarship under the bill for a maximum of two academic years.

The Department of Lifelong Education, Advancement, and Potential would have to inform each scholarship recipient that, subject to the eligibility requirements in the Michigan Achievement Scholarship Act (Senate Bill 382), the recipient will remain eligible for the Michigan Achievement Scholarship under that act for a maximum of five years, less any period of eligibility used for a Michigan Achievement Skills Scholarship that was awarded under the bill.

Approval of qualified programs

The Department of Lifelong Education, Advancement, and Potential would have to do all of the following:

- Develop and implement an application process for those seeking to participate as training institutions offering qualified occupational training programs.
- Develop criteria to qualify as a qualified occupational training program, post the criteria to the department's website, and approve applicant programs that meet all of the criteria to qualify.
- Ensure that an applicant institution is first included on the state's eligible training provider list before each of its programs receives separate approval as a qualified occupational training program.
- Require that training institutions accepted to participate in the scholarship comply with data requests from the department as a condition of continued participation. The department would have to require such institutions to provide data that tracks relevant work experience required to verify a program participant's status as an apprentice.
- Maintain on its website a list of all qualified occupational training program options available to potential skills scholarship recipients.

The bill (without specifying sanctions or penalties) would prohibit a training institution from doing either of the following as a result of an individual's receipt of a scholarship:

- Adjusting tuition rates or tuition discounts.
- Changing its tuition costs.

The bill would state that it is legislative intent that a training institution whose participants receive scholarships under the bill will not make changes to their scholarship or financial aid programs with the goal or net effect of shifting the cost burden of those programs to the Michigan Achievement Skills Scholarship program.

Report

The Department of Lifelong Education, Advancement, and Potential would have to provide a written report to the House and Senate appropriations subcommittees on higher education, the

House and Senate fiscal agencies, and the state budget director by February 15 of each year. The report would have to include the following information, organized by qualified occupational training program, for the previous academic year:

- The number of program participants who qualified for, and the number who received, a Michigan achievement skills scholarship.
- The average scholarship award per program participant, delineated by qualified occupational training program.

Rules

The Department of Lifelong Education, Advancement, and Potential could develop and issue rules to implement the bill, but those rules could not apply any program participant eligibility criteria other than as described above.

The bill can take effect only if either Senate Bill 382 or House Bill 4955 (each of which would recodify the Michigan Achievement Scholarship) is also enacted.³

FISCAL IMPACT:

The bill would result in fiscal costs to state government, although these costs are already imposed through the Michigan Achievement Skills Scholarship created in the State School Aid Act. Over \$274,000 was awarded to 144 students in FY 2023-24, which was the first year of the skills scholarship program. Current expenditures for the skills scholarship program are estimated to be between \$300,000 and \$650,000 for FY 2024-25. Anticipated scholarship expenditures are expected to increase as current high school students become more aware of the skills scholarship program.

Current FY 2024-25 funding levels for the Michigan Achievement Skills Scholarship are \$10.0 million, and are included as part of the overall funding appropriation for the Michigan Achievement Scholarship.

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.

³ <https://www.legislature.mi.gov/Bills/Bill?ObjectName=2025-SB-0382>