STATE COMPETITIVE SCHOLARSHIPS
Act 208 of 1964

AN ACT to grant scholarships to students enrolled in postsecondary education institutions; and to provide for the administration of the scholarship program.

History: 1964, Act 208, Imd. Eff. May 22, 1964;—Am. 1979, Act 48, Imd. Eff. July 7, 1979.

The People of the State of Michigan enact:

390.971 State competitive scholarships; establishment; purpose.

Sec. 1. State competitive scholarships are established by the state to foster the pursuit of postsecondary education and awarded to students showing promise of satisfactory completion of postsecondary study through competitive examinations and a continued satisfactory academic record in a course of study in an eligible postsecondary institution in this state.

History: 1964, Act 208, Imd. Eff. May 22, 1964;—Am. 1979, Act 48, Imd. Eff. July 7, 1979.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities of the Michigan higher education assistance authority, the Michigan higher education student loan authority, and the office of student financial assistance services in the department of education to the department of treasury, see E.R.O. No. 1995-2, compiled at MCL 12.181 of the Michigan Compiled Laws.

For transfer of powers and duties of Michigan higher education assistance authority to department of treasury, see E.R.O. No. 2010-2, compiled at MCL 124.194.

390.972 State competitive scholarships; administration of program.

Sec. 2. The administration of this scholarship program shall rest with the higher education assistance authority created by Act No. 77 of the Public Acts of 1960, being sections 390.951 to 390.960 of the Compiled Laws of 1948.

History: 1964, Act 208, Imd. Eff. May 22, 1964.

Compiler's note: For transfer of authority, powers, duties, functions, and responsibilities of the Michigan higher education assistance authority, the Michigan higher education student loan authority, and the office of student financial assistance services in the department of education to the department of treasury, see E.R.O. No. 1995-2, compiled at MCL 12.181 of the Michigan Compiled Laws.

For transfer of powers and duties of Michigan higher education assistance authority to department of treasury, see E.R.O. No. 2010-2, compiled at MCL 124.194.

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390.973 Competitive examinations; qualifying scores; scholastic achievement; certificates of recognition; renewal of scholarships; rules.

Sec. 3. (1) The authority shall conduct a competitive examination among eligible applicants for state competitive scholarships at times and places as determined by the authority. The authority may designate a competitive examination to be administered among eligible applicants for state competitive scholarships. The examination scores necessary to qualify for the competitive scholarship shall be established annually by the authority according to the funding available to meet the award levels established pursuant to section 6.

(2) The authority may also use scholastic achievement in determining award winners and shall issue appropriate certificates of recognition to persons awarded scholarships. The authority shall grant annual renewal of scholarships.

(3) Rules for the conduct of examinations for the award of scholarships and the procedures for the awarding of annual renewal scholarships shall be promulgated by the authority pursuant to Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.315 of the Michigan Compiled Laws. The authority shall define postsecondary institutions in the rules promulgated.

History: 1964, Act 208, Imd. Eff. May 22, 1964;—Am. 1966, Act 103, Imd. Eff. June 22, 1966;—Am. 1979, Act 48, Imd. Eff. July 7, 1979;—Am. 1980, Act 500, Eff. July 1, 1981.

Administrative rules: R 390.1551 et seq. of the Michigan Administrative Code.

390.974 Eligibility of applicant for award of first-year scholarship; duration of scholarship.

Sec. 4. (1) An applicant is eligible for the award of a first-year scholarship if the authority finds that the applicant:

(a) Has resided continuously in this state for the preceding 12 months and is not considered a resident of any other state.

(b) Has graduated from a high school, or is a student in good standing in a high school who will graduate at the end of the academic year, or an individual who has passed a graduate equivalency examination approved by the state board of education, or, if not a high school graduate, is recommended favorably by an appropriate educational institution as defined in rules promulgated by the authority.

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(c) Except for the applicant for a graduate scholarship, based upon the state competitive scholarship examination, the applicant shows promise of satisfactorily completing a course of study at an approved postsecondary institution of the applicant's choice in this state. For an applicant for a graduate scholarship, the authority shall determine the examination standards for eligibility.

(d) Has complied with this act and the rules promulgated under this act by the authority.

(e) Is not incarcerated in a corrections institution.

(2) An applicant who the authority determines is eligible for award of a scholarship under this act shall complete using the scholarship within 10 years after his or her eligibility is determined.

History: 1964, Act 208, Imd. Eff. May 22, 1964;—Am. 1966, Act 141, Imd. Eff. June 24, 1966;—Am. 1976, Act 428, Imd. Eff. Jan. 11, 1977;—Am. 1979, Act 48, Imd. Eff. July 7, 1979;—Am. 1980, Act 500, Eff. July 1, 1981;—Am. 1986, Act 270, Eff. Mar. 31, 1987.

Administrative rules: R 390.1551 et seq. of the Michigan Administrative Code.

390.975 First-year scholarships; number awarded; renewal; duration; limitation on appropriation; award of residual scholarships.

Sec. 5. (1) There shall be awarded for each academic year the number of first-year scholarships that may be financed through available money. Of this number not less than 3 scholarships shall be awarded to residents of each legislative district, and the balance of the scholarships shall be awarded to residents of the state at large.

(2) Each scholarship described in subsection (1) shall be renewed by the authority upon application of the student awarded the first-year scholarship without further examination if the applicant remains eligible under sections 4 and 6 and is in compliance with rules promulgated by the authority.

(3) A scholarship may be renewed for not more than 10 semesters or its equivalent in trimesters or quarters of undergraduate education, or the equivalent as determined by the authority for less than full-time but more than half-time students.

(4) Beginning after October 1, 1988, a scholarship may be awarded for not more than 6 semesters or its equivalent in trimesters, quarters or terms of graduate education, or the equivalent as determined by the authority for less than full-time but more than half-time students. Money shall not be appropriated for purposes of this subsection for any fiscal year unless the amount appropriated under this act for that fiscal year for state competitive scholarships for undergraduate education equals or exceeds the amount appropriated for the state competitive scholarship program for the fiscal year ending September 30, 1987.

(5) A residual scholarship shall be awarded to a qualifying applicant who does not receive an initial scholarship award, but who may be eligible for an award later in the year or during an academic year when initial recipients relinquish their scholarship awards.

History: 1964, Act 208, Imd. Eff. May 22, 1964;—Am. 1966, Act 103, Imd. Eff. June 22, 1966;—Am. 1970, Act 65, Imd. Eff. July 10, 1970;—Am. 1976, Act 428, Imd. Eff. Jan. 11, 1977;—Am. 1979, Act 48, Imd. Eff. July 7, 1979;—Am. 1980, Act 500, Eff. July 1, 1981;—Am. 1986, Act 270, Eff. Mar. 31, 1987.

Administrative rules: R 390.1551 et seq. of the Michigan Administrative Code.

390.975a State competitive scholarships; award of honorary scholarships, publication of names.

Sec. 5a. The authority may award honorary scholarship certificates to those applicants who would otherwise be eligible for a scholarship under this act but because of the lack of financial need are not eligible for a monetary scholarship. The names of the recipients of such awards shall be published the same as the names of the winners of monetary scholarships.

History: Add. 1966, Act 186, Imd. Eff. July 1, 1966.

390.976 Duration and amount of first-year scholarship.

Sec. 6. Each first-year scholarship is for a period of 1 academic year and the scholarship award shall not exceed the amount of tuition and fees for the full academic year as reported by the approved institution in which the applicant is enrolled, or an amount as the authority finds appropriate in relation to the applicant's own financial resources other than wages that may be due the applicant for part-time work performed by the applicant during the academic year, whichever is the lesser. For the purposes of determining the dollar amount of the scholarship, the financial resources of the applicant shall include the cash or equivalent resources of the applicant's parents available for the postsecondary education of the applicant, and allowance shall be made for other members of the applicant's family enrolled in an approved institution of postsecondary education, pursuant to rules adopted by the authority. If the amount of appropriated funds is insufficient to provide each student with the scholarship amount for which the student is eligible, the authority shall establish a maximum scholarship level for that academic year. Renewal scholarships shall not be less than the initial

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first-year scholarship awards unless predicated by changes in student or family financial resources.

History: 1964, Act 208, Imd. Eff. May 22, 1964;—Am. 1966, Act 141, Imd. Eff. June 24, 1966;—Am. 1973, Act 27, Eff. July 1, 1973;—Am. 1977, Act 294, Imd. Eff. Dec. 29, 1977;—Am. 1979, Act 48, Imd. Eff. July 7, 1979;—Am. 1980, Act 500, Eff. July 1, 1981.

390.977 Choice of institution or course of study; exception; accepting or continuing enrollment; notice; reports.

Sec. 7. (1) An applicant awarded a first-year scholarship or a renewal scholarship is not restricted in the choice of the institution in this state which he or she desires to attend if the institution is an eligible postsecondary institution under rules promulgated by the Michigan higher education assistance authority, except that a student shall not use 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. An applicant awarded a first-year scholarship or a renewal scholarship is not restricted in the choice of the course of study he or she wishes to pursue.

(2) An approved institution chosen by the applicant is not required to accept the applicant for enrollment, or once having admitted the applicant, to continue the applicant's enrollment. The approved institution accepting the enrollment of a state competitive scholarship award winner shall notify the authority of the recipient's enrollment and shall submit annually to the authority reports which are required and necessary to administer this act.

History: 1964, Act 208, Imd. Eff. May 22, 1964;—Am. 1965, Act 153, Imd. Eff. July 12, 1965;—Am. 1979, Act 48, Imd. Eff. July 7, 1979;—Am. 1980, Act 500, Eff. July 1, 1981;—Am. 2004, Act 181, Imd. Eff. July 1, 2004.

390.978 Basis for award.

Sec. 8. State competitive scholarships shall be awarded by the authority on the basis of merit and financial need and without regard to race, sex, religion, color, or national origin.

History: 1964, Act 208, Imd. Eff. May 22, 1964;—Am. 1980, Act 500, Eff. July 1, 1981.

390.979 Rules; reports by applicants; certification; payments.

Sec. 9. The authority shall promulgate rules prescribing the reports to be made by the applicants awarded state competitive scholarships or annual renewal scholarships and the postsecondary institutions enrolling the applicants. Before payment of a state competitive scholarship or annual renewal scholarship is made to the applicant, the applicant shall certify in writing the name of the approved institution in which the applicant is enrolled and the applicant's intention to use the scholarship to pay for the tuition and fees to the approved institution. Prorated payments shall be made at the beginning of each semester or term to the student or to the postsecondary institution for credit to the student's account.

History: 1964, Act 208, Imd. Eff. May 22, 1964;—Am. 1966, Act 103, Imd. Eff. June 22, 1966;—Am. 1979, Act 48, Imd. Eff. July 7, 1979;—Am. 1980, Act 500, Eff. July 1, 1981.

390.980 Higher education assistance authority; acceptance of gifts, annual reports.

Sec. 10. The authority may accept gifts, grants, bequests, donations and devises, from whatever sources, of real, personal or mixed property and moneys for the purposes described in this act. The authority shall prepare an annual report of all gifts, grants, bequests, donations and devises for the governor and the legislature.

History: 1964, Act 208, Imd. Eff. May 22, 1964.

390.981 Allotment of scholarships to high schools; eligibility of students; implementation of awarding procedure; award of remaining scholarships.

Sec. 11. (1) Four scholarships shall be allotted to each class “A” high school, 3 to each class “B” high school, 2 to each class “C” high school, and 1 to each class “D” high school. Scholarships allotted to a high school shall be awarded to those students having the highest competitive examination score and otherwise meeting all eligibility requirements of this act, including that of demonstrating financial need. The awarding of scholarships through this procedure shall be implemented only after sufficient additional funds are appropriated so as to not displace any student eligible for an award through the other awarding procedures established by this act.

(2) The remaining scholarships shall be awarded on a statewide, competitive basis.

History: Add. 1976, Act 415, Imd. Eff. Jan. 9, 1977.

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