HOUSE SUBSTITUTE FOR SENATE BILL NO. 542

A bill to amend 2014 PA 259, entitled "Michigan national guard tuition assistance act," by amending sections 3 and 4 (MCL 32.433 and 32.434), as amended by 2023 PA 33.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 3. (1) The Michigan National Guard tuition assistance
- 2 program is created within the department of military and veterans
- 3 affairs.
- 4 (2) The adjutant general shall administer the tuition
- 5 assistance program and prescribe forms and procedures to
- 6 effectively carry out the tuition assistance program.
- 7 (3) An eligible person may apply for tuition assistance from
- 8 the tuition assistance program before enrolling in an eligible

- 1 educational institution. The adjutant general shall approve the
- 2 application if the applicant is an eligible person and if there is
- 3 sufficient money in the fund to cover the amount of tuition
- 4 assistance determined to be available under this subsection by the
- 5 adjutant general in that academic year. The adjutant general shall
- 6 determine the amount of tuition assistance that may be provided
- 7 under this subsection in any academic year. The amount of tuition
- 8 assistance determined by the adjutant general under this subsection
- 9 applies to all eligible persons.
- 10 (4) If an eligible person has enrolled in an eligible
- 11 educational institution and has not applied for and received
- 12 tuition assistance from the tuition assistance program, the
- 13 eligible person may apply for tuition assistance for tuition paid
- 14 to the eligible educational institution in that current academic
- 15 year. The adjutant general shall approve the application if the
- 16 applicant is an eligible person and if there is sufficient money in
- 17 the fund Michigan National Guard member benefits fund created in
- 18 the Michigan National Guard member benefits fund act to cover the
- 19 amount of tuition assistance determined to be available under this
- 20 subsection by the adjutant general in that academic year. The
- 21 adjutant general shall determine the amount of tuition assistance
- 22 that may be provided under this subsection in any academic year.
- 23 The amount of tuition assistance determined by the adjutant general
- 24 under this subsection applies to all eligible persons.
- 25 (5) The tuition assistance program applies to any course of
- 26 study that is intended to culminate in vocational or technical
- 27 training, a certificate, or the eligible person's first associate
- 28 degree, bachelor's degree, or master's degree.
- 29 (6) The adjutant general may make a tuition assistance

- 1 distribution under this section to either the eligible person or
- 2 the eligible education institution, and may determine when the
- 3 distribution is made.
- 4 (7) Upon completion of a course of study, an eligible person
- 5 who successfully applied for tuition assistance under subsection
- 6 (3) or (4) must provide evidence of attendance and completion of
- 7 the course of study with a minimum grade point average of 2.0 on a
- 8 4.0 scale, as applicable, in that current semester, in a manner
- 9 prescribed by the adjutant general.
- 10 (8) If an eligible person who received tuition assistance
- 11 under subsection (3) or who received reimbursement for the cost of
- 12 tuition under subsection (4) did not complete the course of study
- 13 for which it was granted, that eligible person must reimburse the
- 14 fund in an amount and in a manner prescribed by the adjutant
- 15 general unless the eligible person was deployed in a state or
- 16 federal status that resulted in the eligible person's inability to
- 17 complete the course of study. In that case, the matter must be
- 18 determined by the adjutant general.
- 19 (9) The adjutant general may establish a policy that allows 1
- 20 or more of the following individuals who are family members of an
- 21 eligible person to utilize the eligible person's tuition assistance
- 22 established under this act, in a manner prescribed by the adjutant
- 23 general and consistent with the requirements of this act that are
- 24 applicable to the eligible person:
- 25 (a) A lawfully married spouse.
- 26 (b) A dependent child, stepchild, or legally adopted child who
- 27 has graduated high school or obtained a high school diploma
- 28 equivalent certificate, or who has turned 18 years of age, and who
- 29 must use the eligible person's tuition assistance before turning 26

- 1 years of age.
- 2 Sec. 4. (1) The Michigan National Guard tuition assistance
- 3 fund is created within the state treasury.
- 4 (2) The state treasurer may receive money or other assets from
- 5 any source for deposit into the fund. The state treasurer shall
- 6 direct the investment of the fund. The state treasurer shall credit
- 7 to the fund interest and earnings from the fund.
- 8 (3) The balance of money in the fund must not exceed
- 9 \$15,000,000.00. Any balance of money in the fund in excess of
- 10 \$15,000,000.00 lapses to the general fund. Money in the fund at the
- 11 close of the fiscal year remains in the fund and, except as
- 12 otherwise provided in this subsection, does not lapse to the
- 13 general fund. The unencumbered balance remaining in the fund at the
- 14 end of the fiscal year ending September 30, 2025 must be
- 15 transferred to the Michigan National Guard member benefits fund
- 16 created in the Michigan National Guard member benefits fund act.
- 17 (4) The department of military and veterans affairs is the
- 18 administrator of the fund for auditing purposes.
- 19 (5) The adjutant general shall expend money from the fund, on
- 20 appropriation, to provide tuition assistance to an eligible person,
- 21 or other individual described in section 3(9), for the cost of
- 22 tuition to an eligible educational institution under section 3(3)
- 23 or to reimburse an eligible person, or other individual described
- 24 in section 3(9), for the cost of tuition paid to an eligible
- 25 educational institution under section 3(4) for a course of study
- 26 completed by the eligible person, or other individual described in
- 27 section 3(9).
- 28 Enacting section 1. This amendatory act does not take effect
- 29 unless all of the following bills of the 103rd Legislature are

- 1 enacted into law:
- 2 (a) Senate Bill No. 540.
- 3 (b) House Bill No. 4962.