MICHIGAN ACHIEVEMENT SCHOLARSHIP

## Date: January 2023

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## Summary

The Michigan Achievement Scholarship (MAS) is a new scholarship program created in the <u>FY 2022-23</u> Higher Education budget. The program will both provide a set minimum grant amount and have a last-dollar component, which is defined as aid provided after all additional student aid is applied to tuition and fee costs, for 2023 Michigan high school graduates (or those who achieve equivalent certificates) attending an in-state institution of higher education or eligible training program full-time for the upcoming 2023-24 academic year.

## **Background**

Michigan students would have to meet the following criteria to be eligible for the MAS program:

- Graduate from high school or achieve equivalent certificate in 2023 or later.
- Complete the Free Application for Federal Student Aid (FAFSA).
- Have an expected family contribution of \$25,000 or less.
- Enroll full-time at an eligible in-state institution or private training program within 15 months of graduation or certificate obtainment.

The MAS will provide different award amounts depending on the type of in-state college, university, or training program a student chooses to attend:

## • Private training program

Eligible students awarded the MAS who choose to attend an in-state <u>private training program</u> in business management, construction, health care, information technology, or manufacturing will receive up to \$2,000 in skills grant funding for up to two years.

#### • Community college or tribal institution

Eligible students awarded the MAS who choose to attend an in-state community college or tribal institution will receive \$1,750 in grant funding plus the lesser of \$1,000 or last-dollar tuition and fees amount, for a potential scholarship total of up to \$2,750 for an academic year for up to three years.

#### • Independent college or university

Eligible students awarded the MAS who choose to attend an in-state nonprofit independent college or university will receive \$1,000 in grant funding plus the lesser of \$3,000 or last-dollar tuition and fees amount, for a potential scholarship total of up to \$4,000 for an academic year for up to five years.

## • Public university

Eligible students awarded the MAS who choose to attend an in-state public university will receive \$2,500 in grant funding plus the lesser of \$3,000 or last-dollar tuition and fees amount, for a potential scholarship total of up to \$5,500 for an academic year for up to five years.

#### **Recent Activity**

\$250.0 million was provided as an initial deposit for the MAS program in the FY 2022-23 Higher Education appropriations bill. <u>Supplemental</u> language defining both the MAS and the skills scholarship portion for private training grants contains <u>legislative intent language</u> that deposits into the MAS fund increase by \$50.0 million each year until reaching the full cost of the scholarship program, which is projected to be approximately \$560.0 million by FY 2027-28.

# The Bottom Line

The new Michigan Achievement Scholarship boosts the amount of financial aid offered by the state in an effort to reduce post-secondary education and training costs for eligible students. While the initial \$250.0 million appropriation gets the scholarship program started and should cover program costs for at least the first year, it will be up to future legislatures to continue to fund the program adequately to ensure it continues to be available for students through completion of a degree or certificate, as legislative intent language to do so is not binding on future legislatures.