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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4266

03/12/2026 Authored by Allen, Robbins, Schwartz and Rarick The bill was read for the first time and referred to the Committee on Higher Education Finance and Policy

1.1 A bill for an act
1.2 relating to higher education; modifying the lowest recognized family responsibility
1.3 amount for purposes of determining state grant awards; amending Minnesota
1.4 Statutes 2025 Supplement, sections 136A.101, subdivision 5a; 136A.121,
1.5 subdivision 7a.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2025 Supplement, section 136A.101, subdivision 5a, is
1.8 amended to read:

1.9 Subd. 5a. Assigned family responsibility. "Assigned family responsibility" means the
1.10 amount of a family's contribution to a student's cost of attendance, as determined by a federal
1.11 need analysis. For dependent students, the assigned family responsibility is 95 percent of
1.12 the parental contribution. If the parental contribution is between \$0 and negative \$1,500,
1.13 the assigned family responsibility is 50 percent of the parental contribution. If the parental
1.14 contribution is less than negative \$1,500, the recognized parental contribution is negative
1.15 \$1,500. For independent students with dependents other than a spouse, the assigned family
1.16 responsibility is 71 percent of the student contribution. For independent students without
1.17 dependents other than a spouse, the assigned family responsibility is 35 percent of the student
1.18 contribution. If the student contribution is between \$0 and negative \$1,500, the assigned
1.19 family responsibility is 50 percent of the student contribution. If the student contribution is
1.20 less than negative \$1,500, the recognized student contribution is negative \$1,500. If the
1.21 student or parental contribution is less than \$0, the assigned family responsibility is \$0. For
1.22 a student registering for less than full time, the office shall prorate the assigned family
1.23 responsibility using the ratio of the number of credits the student is enrolled in to the number
1.24 of credits for full-time enrollment.

2.1 Sec. 2. Minnesota Statutes 2025 Supplement, section 136A.121, subdivision 7a, is amended
2.2 to read:

2.3 Subd. 7a. **Surplus appropriation.** ~~(a)~~ If the amount appropriated is determined by the
2.4 office to be more than sufficient to fund projected grant demand in the second year of the
2.5 biennium, the office may:

2.6 ~~(1)~~ increase the living and miscellaneous expense allowance in the second year of the
2.7 biennium by up to an amount that retains sufficient appropriations to fund the projected
2.8 grant demand; ~~or~~.

2.9 ~~(2) when calculating assigned family responsibility, recognize a negative parental~~
2.10 ~~contribution or student contribution that is less than negative \$1,500 to a value that is equal~~
2.11 ~~to the lowest student contribution provided under the federal needs analysis.~~

2.12 ~~(b)~~ The ~~adjustments in paragraph (a)~~ adjustment may be made one or more times. In
2.13 making the determination that there are more than sufficient funds, the office shall balance
2.14 the need for sufficient resources to meet the projected demand for grants with the goal of
2.15 fully allocating the appropriation for state grants. An increase in the living and miscellaneous
2.16 expense allowance ~~or a modified assigned family responsibility~~ under this subdivision does
2.17 not carry forward into a subsequent biennium.

2.18 Sec. 3. **EFFECTIVE DATE.**

2.19 This act is effective the day following final enactment and applies to state grant awards
2.20 beginning in the summer 2026 academic term.