

SENATE
STATE OF MINNESOTA
NINETY-SECOND SESSION

S.F. No. 1306

(SENATE AUTHORS: RARICK)

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Introduction and first reading
Referred to Higher Education Finance and Policy

OFFICIAL STATUS

- 1.1 A bill for an act
- 1.2 relating to higher education; establishing grant and waiver programs for certain
- 1.3 students formerly in foster care; transferring money; requiring reports; proposing
- 1.4 coding for new law in Minnesota Statutes, chapter 136A.
- 1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6 Section 1. **[136A.1241] FOSTERING HIGHER EDUCATION GRANTS.**
- 1.7 Subdivision 1. **Definitions.** (a) The definitions in this subdivision apply to this section
- 1.8 and section 136A.1242.
- 1.9 (b) "Adoption" means adoption of an individual who has been in the care and custody
- 1.10 of a responsible social services agency or tribal social services agency and in foster care.
- 1.11 (c) "Cost of attendance" means tuition, fees, books and supplies, meal plan, and room
- 1.12 and board.
- 1.13 (d) "Eligible state institution" means an institution operated by the state or the Board of
- 1.14 Regents of the University of Minnesota.
- 1.15 (e) "Eligible private institution" means an institution eligible for state student aid under
- 1.16 section 136A.103, paragraph (a), clause (2).
- 1.17 (f) "Foster care" has the meaning given in section 260C.007, subdivision 18.
- 1.18 (g) "Responsible social services agency" has the meaning given in section 260C.007,
- 1.19 subdivision 27a.
- 1.20 (h) "Tribal social services agency" has the meaning given in section 260.755, subdivision
- 1.21 21.

2.1 Subd. 2. **Establishment.** (a) The office must establish a grant program for individuals
2.2 who satisfy the eligibility requirements under subdivision 3. Each eligible state institution
2.3 shall award a grant for undergraduate courses at the institution for an individual who is
2.4 eligible under subdivision 3. The grant amount equals the cost of attendance minus the
2.5 amount of any federal grants, state grants, or other scholarships or grants the individual
2.6 receives. An individual shall receive a fostering independence grant under this act for five
2.7 years, whether or not consecutive, or until the individual reaches 27 years of age, whichever
2.8 occurs first, as long as the individual remains eligible under subdivision 3.

2.9 (b) The fostering higher education account is established in the special revenue fund for
2.10 depositing money appropriated to or received by the commissioner for the program. Money
2.11 deposited in the account is appropriated to the commissioner, does not cancel, and is
2.12 continuously available for grants under this section.

2.13 Subd. 3. **Eligibility.** (a) In order to receive a grant under this section, an individual must:

2.14 (1) meet the definition of a resident student under section 136A.101, subdivision 8;

2.15 (2) be at least 13 years of age but under 27 years of age;

2.16 (3) after the individual's thirteenth birthday, be in or have been in foster care in Minnesota
2.17 before, on, or after the effective date of this section, including any of the following:

2.18 (i) placement in foster care at any time while 13 years of age or older;

2.19 (ii) adoption from foster care at any time after reaching 13 years of age; and

2.20 (iii) placement from foster care with a permanent legal custodian at any time after
2.21 reaching 13 years of age;

2.22 (4) have graduated from high school or completed the equivalent as approved by the
2.23 Department of Education;

2.24 (5) have been accepted for admission to, or be currently attending, an eligible state
2.25 institution;

2.26 (6) have submitted a FAFSA; and

2.27 (7) have maintained satisfactory progress after admission as defined by the eligible state
2.28 institution attended.

2.29 (b) Using available FAFSA data, the office shall identify eligible students and inform
2.30 them and the institutions they have applied to or are attending of their eligibility for the
2.31 grant. Eligibility for assistance in applying for the program or eligible state and private
2.32 institutions under this section begins before meeting the requirements of paragraph (a),

clauses (4) and (5), if it is anticipated that the requirement under paragraph (a), clause (4), will be fulfilled within the next 12 months.

Subd. 4. Accessibility. The office shall work with the Department of Education, the Department of Labor and Industry, and the Department of Human Services to assist individuals eligible for the program under subdivision 3 to apply for all available federal and state grants, including Chafee and Education and Training Voucher programs.

Subd. 5. Dissemination of information. The office, in conjunction with the Department of Human Services, shall, by January 1, 2022, and January 1 each year thereafter, prepare and provide the information to be disseminated by responsible social services agencies, tribal social services agencies, the office, the Department of Human Services, and eligible state and private institutions that:

(1) describes the availability of the program established under this section and section 136A.1242;

(2) explains how to participate in the program; and

(3) includes information on all available federal and state grants identified under subdivision 4.

Subd. 6. Assistance from eligible state institutions. An eligible state institution must assist an applicant or enrollee eligible under subdivision 3 by:

(1) providing technical assistance in completing admissions applications and financial aid applications;

(2) obtaining verification of eligibility for the program from the courts, the responsible social services agency, the tribal social services agency, or the Department of Human Services;

(3) accessing available federal and state financial aid resources and identifying further scholarship and grant opportunities; and

(4) providing information and referrals for on-campus support services and resources, including admissions, housing, financial aid, health, mental health, tutoring, career, academic advising, and other services.

Subd. 7. Allocation to institutions. (a) The office shall base yearly allocations on the need for funds using relevant factors as determined by the office in consultation with the institutions. Up to five percent, as determined by the office, of the money appropriated for purposes of this section may be added to a student's grant amount for the institution's

administrative expenses related to the program. An institution may carry forward ten percent of its annual administrative expenses to be used for expenses in subsequent academic years. Any amount above this, must be returned to the office for redistribution under paragraph (b).

(b) The office shall establish procedures to (1) continually monitor the use of funds throughout the year, (2) identify areas of unmet need for grants, and (3) redistribute available funds in a timely manner to meet the needs of eligible recipients.

Subd. 8. **Report.** (a) The office, in conjunction with the Department of Human Services, shall prepare an anonymized report to be submitted by January 15 of each year to the chairperson and minority chairperson of the legislative committees with jurisdiction over higher education and human services that contains:

(1) the number of students receiving grants;

(2) the retention rates of students receiving grants;

(3) impediments to retaining students receiving grants; and

(4) recommendations on ways to improve the delivery of services to students who are receiving grants and to address the impediments identified under clause (3).

(b) Eligible state institutions must submit the information necessary to compile the report in paragraph (a) in the form and manner requested by the commissioner.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and applies to grants awarded beginning the 2022-2023 academic year. The first report under subdivision 8 must be submitted by January 15, 2024.

Sec. 2. [136A.1242] FOSTERING HIGHER EDUCATION WAIVER.

Subdivision 1. **Waiver.** An eligible private institution must waive any cost of attendance in excess of the total of all federal grants, state grants, and other scholarships or grants an individual who would be eligible for the fostering higher education grant under section 136A.1241 receives.

Subd. 2. **Assistance from eligible private institutions.** An eligible private institution must assist an applicant or enrollee who would be eligible under section 136A.1241, subdivision 3, by:

(1) providing technical assistance in completing admissions applications and financial aid applications;

(2) obtaining verification of eligibility for the program from the courts, the responsible social services agency, the tribal social services agency, or the Department of Human Services;

(3) accessing available federal and state financial aid resources and identifying further scholarship and grant opportunities; and

(4) providing information and referrals for on-campus support services and resources, including admissions, housing, financial aid, health, mental health, tutoring, career, academic advising, and other services.

Subd. 3. **Report.** (a) The office, in conjunction with the Department of Human Services, shall prepare an anonymized report to be submitted by January 15 of each year to the chairperson and minority chairperson of the legislative committees with jurisdiction over higher education and human services that contains all of the following:

(1) the number of students receiving waivers;

(2) the retention rates of students receiving waivers;

(3) the amount waived by each eligible private institution;

(4) impediments to retaining students receiving waivers; and

(5) recommendations on ways to improve the delivery of services to students who are receiving waivers and to address the impediments identified under clause (4).

(b) Eligible private institutions must submit the information necessary to compile the report in paragraph (a) in the form and manner requested by the commissioner.

(c) The report required under this section may be combined with the report required under section 136A.1241.

EFFECTIVE DATE; APPLICATION. This section is effective the day following final enactment and applies beginning the 2022-2023 academic year. The first report under subdivision 3 must be submitted by January 15, 2024.

Sec. 3. TRANSFERS.

\$..... in fiscal year 2022 is transferred from the general fund to the fostering higher education account in the special revenue fund under Minnesota Statutes, section 136A.1241, subdivision 2. The base for this transfer is \$..... in fiscal year 2023 and \$..... in fiscal year 2024.