

dition to that penalty, it may be dissolved; and, if a foreign or non-resident corporation, in addition to that penalty, its right to do business in this state may be declared forfeited.

Subd. 2. It shall not be a violation of this section for a political party, as defined in Minnesota Statutes 1967, Section 200.02, to form a non-profit corporation for the sole purpose of holding real property to be used exclusively as such political party's headquarters.

Approved June 9, 1969.

CHAPTER 1144—H. F. No. 968

[Coded in Part]

An act relating to education; creating a system of state grants-in-aid to college and vocational students; amending Minnesota Statutes 1967, Chapter 136A, by adding a section; amending Minnesota Statutes 1967, Sections 136A.10, Subdivisions 4 and 5; 136A.11, Subdivision 4; 136A.12, Subdivision 2, and by adding a subdivision; and 136A.13.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1967, Chapter 136A, is amended by adding a section to read:

[136A.095] Education; grants-in-aid for college and vocational students. *The legislature has found and hereby declares that the identification of young men and women of the state who are economically disadvantaged and the encouragement of their educational development in eligible institutions of their choosing are in the best interests of the state and of the students.*

Sec. 2. Minnesota Statutes 1967, Section 136A.10, Subdivision 4, is amended to read:

Subd. 4. "Eligible institution" means an institution of higher education located in this state which provides an organized course of instruction of at least two years duration in the sciences or liberal arts, including performing and visual arts, or a combination of these, at the collegiate level which either (1) is operated by this state, or (2) is operated publicly or privately, not for profit, and as determined by the commission, maintains academic standards substantially equivalent to those of comparable institutions operated in this state *or an*

Changes or additions indicated by italics, deletions by ~~strikeout~~.

area vocational-technical school or other vocational school approved by the commission.

Sec. 3. Minnesota Statutes 1967, Section 136A.10, Subdivision 5, is amended to read:

Subd. 5. "Basic educational costs" include:

(1) Tuition at the resident rate charged to all students in the college *or vocational school* attended by the scholarship *or grant-in-aid* recipient.

(2) General fees, incidental and basic fees normally charged all students in the college *or vocational school* attended by the scholarship *or grant-in-aid* recipient.

(3) A standard book or supply allowance of \$100.

Sec. 4. Minnesota Statutes 1967, Section 136A.11, Subdivision 4, is amended to read:

Subd. 4. Subject to its directives and review, the commission may delegate to the director the responsibility for issuance of public information concerning provisions of sections 136A.09 to 136A.13, for design of the scholarship *and grant-in-aid* application ~~form forms~~, for prescribing procedures for submission of applications for scholarships *and grants-in-aid*, and for selection of qualified recipients of scholarship *and grant-in-aid* benefits provided for by sections 136A.09 to 136A.13.

Sec. 5. Minnesota Statutes 1967, Section 136A.12, is amended by adding a subdivision to read:

Subd. 2. Eligibility for grants-in-aid. An applicant shall be eligible to compete for a grant-in-aid, regardless of the applicant's sex, creed, race, color, national origin, or ancestry, under the provisions of sections 136A.09 to 136A.13 if the commission finds that applicant:

(1) *is a citizen of the United States;*

(2) *is a resident of the state of Minnesota;*

(3) *will begin his college or vocational school work prior to his 25th birthday;*

(4) *is a graduate of a secondary school or its equivalent and has met all the requirements for admission as a full time student to an eligible college or vocational school of his choice as defined in sections 136A.09 to 136A.13;*

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(5) *has not had any previous post high school college training or equivalent;*

(6) *has met such criteria pertaining to financial need as the commission shall make by regulation.*

Sec. 6. Minnesota Statutes 1967, Section 136A.12, Subdivision 2, is amended to read:

Subd. ~~2~~ 3. **Allocation and amount.** (1) Scholarships and grants-in-aid shall be awarded annually *on a funds available basis* to those first year students who meet the commission's requirements.

(2) A financial stipend shall accompany ~~the~~ scholarship ~~award~~ awards if the scholarship winner demonstrates financial need and will attend an eligible institution. The determination of financial need shall take into account basic educational costs as defined herein and shall be made by a college scholarship service or equivalent service under criteria established by the commission. Financial stipends shall range from a maximum of \$800 to a minimum of \$20, but in no event shall exceed basic educational costs as defined herein at the institution of his choice. Scholarship winners who do not demonstrate financial need under criteria prescribed by the commission shall be awarded honorary scholarships.

(3) *A financial stipend based on financial need shall accompany grants-in-aid. The determination of financial need shall take into account basic educational costs as defined herein and shall be made by a college grant-in-aid service or equivalent service under criteria established by the commission. Financial stipends shall range from a maximum of \$800 to a minimum of \$200, but in no event shall exceed basic educational costs as defined herein at the institution of the recipient's choice.*

~~(3)~~ (4) In dispensing available funds in a given year, priority shall be given on the following basis:

Renewal scholarships and grants-in-aid.

Thereafter, until the funds are exhausted, to first year ~~winners~~ recipients, on the basis of their rank *in the case of scholarships, and on the basis of need in the case of grants-in-aid*, as determined by standards prescribed by the commission.

~~(4)~~ (5) Each scholarship or grant-in-aid shall be awarded for one academic year but shall be renewable until a total of eight semesters or twelve quarters or their equivalent have been covered, or a baccalaureate degree obtained, whichever occurs first within five years from entrance into the program.

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(5) (6) Each scholarship *or grant-in-aid* shall be renewable, contingent on continued residency in Minnesota, United States citizenship, satisfactory academic standing and recommendation of the college *or vocational school* and, in the case of financial assistance, evidence of continued need.

(6) (7) The student must apply for renewal of his scholarship *or grant-in-aid* each year.

(7) (8) The student must continue to attend an eligible institution.

(8) (9) All scholarship winners shall be notified of their award by the commission and shall be given appropriate evidence of the award.

(10) *All grant-in-aid recipients shall be duly notified thereof by the commission.*

(9) (11) Financial scholarships *and grants-in-aid* awarded under the terms of sections 136A.09 to 136A.13 shall be applied to basic educational costs in the following order; tuition, fees and books, and supplies. Unpaid portions of such awards shall revert to the commission scholarship *or grant-in-aid* account.

Sec. 7. Minnesota Statutes 1967, Section 136A.13, is amended to read:

136A.13 **Accounting and records.** Subdivision 1. **Accounts.** The commission shall establish and maintain appropriate scholarship *and grant-in-aid* accounts and related records of each recipient of a scholarship *or grant-in-aid* awarded.

Subd. 2. **Rules; payment and accounting.** The commission shall provide by rule the method of payment of the scholarships *and grants-in-aid* awarded hereunder and prescribe a system of accounting to be kept by the institution selected by a recipient.

Subd. 3. **Certification to state auditor.** Upon proper verification for payment of a scholarship *or grant-in-aid* as defined herein, the commission shall certify to the state auditor the amount of the current payment to be made to the scholarship winner *or grant-in-aid recipient* in conformance with the rule of the commission governing the method of payment.

Passed by the Senate May 26, 1969.

Approved June 9, 1969.

Changes or additions indicated by *italics*, deletions by ~~strikeout~~.