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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 783

01/25/2023 Authored by Pelowski, Noor, Xiong, Hassan, Sencer-Mura and others
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; creating a free college grant program to cover the full
1.3 cost of tuition and fees at state colleges; requiring a report; appropriating money;
1.4 proposing 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.0205 FREE COLLEGE GRANTS.

1.7 Subdivision 1. Program established. The commissioner shall establish a free college
1.8 grant program to pay for the remaining financial needs of students attending state colleges.

1.9 Subd. 2. Eligibility. A student is eligible for a free college grant if the student:

1.10 (1) receives a state grant award under section 136A.121; and

1.11 (2) is enrolled at a Minnesota state college.

1.12 Subd. 3. Award amounts. (a) The amount of the free college grant is equal to:

1.13 (1) the eligible student's allowance for tuition and fees under section 136A.121,
1.14 subdivision 6, after deducting:

1.15 (i) the amount of a federal Pell Grant award for which the grant applicant is eligible;

1.16 (ii) the amount of the state grant;

1.17 (iii) the amount of any other state or federal gift aid received;

1.18 (iv) the sum of all institutional grants, scholarships, tuition waivers, and tuition remission
1.19 amounts; and

1.20 (v) the sum of all Tribal or private grants or scholarships;

- 2.1 (2) multiplied by:
- 2.2 (i) 100 percent if the student reports a family adjusted gross income less than \$100,000;
- 2.3 (ii) 75 percent if the student reports a family adjusted gross income greater than or equal
- 2.4 to \$100,000 and less than or equal to \$125,000;
- 2.5 (iii) 50 percent if the student reports a family adjusted gross income greater than \$125,000
- 2.6 and less than or equal to \$150,000; or
- 2.7 (iv) 0 percent if the student reports a family adjusted gross income greater than \$150,000.
- 2.8 (b) Eligible students are encouraged to apply for all other sources of financial aid.

2.9 Subd. 4. **Administration.** The commissioner shall administer the free college grant  
 2.10 program consistent with the state grant program under section 136A.121. Any provisions  
 2.11 of section 136A.121 that do not conflict with this section apply to the free college grant  
 2.12 program.

2.13 Subd. 5. **Report.** The commissioner shall include spending projections for the free  
 2.14 college grant program in the report required under section 136A.121, subdivision 19.

2.15 Sec. 2. **APPROPRIATION; FREE COLLEGE GRANTS.**

2.16 \$..... in fiscal year 2024 and \$..... in fiscal year 2025 are appropriated from the general  
 2.17 fund to the commissioner of the Office of Higher Education for the free college grant  
 2.18 program under section 1. Of this amount:

- 2.19 (1) \$..... is for administering the program; and
- 2.20 (2) \$..... is for promotion of the program and student outreach efforts.