

SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION

S.F. No. 4667

(SENATE AUTHORS: FATEH)

| DATE | D-PG | OFFICIAL STATUS |
|------------|-------|--|
| 03/07/2024 | 12042 | Introduction and first reading Referred to Higher Education |

1.1

A bill for an act

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relating to higher education; requiring the Office of Higher Education to develop

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a standardized financial aid letter; proposing coding for new law in Minnesota

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Statutes, chapter 136A.

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

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Section 1. [136A.1285] FINANCIAL AID AWARD LETTER.

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Subdivision 1. Establishment. The Office of Higher Education shall develop and

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implement a standardized financial aid award letter format to be used by all colleges and

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universities eligible to receive state financial aid. The award letter must be consumer friendly,

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simple, and easy to understand.

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Subd. 2. Content. At a minimum, the award letter must include:

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(1) information on the student's estimated cost of attendance with a disclaimer that actual

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costs depend on decisions made by the student. The estimate must be based on the most

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current costs of tuition and fees, room and board, books and supplies, transportation, and

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miscellaneous personal expenses for the period covered by the financial aid award letter;

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(2) the amount of financial aid for the period covered by the award letter that the student

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does not have to repay, such as scholarships and grant aid;

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(3) the estimated net cost of attendance that the student is expected to pay to attend the

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institution for the period covered by the award letter, with a disclaimer that actual costs

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depend on decisions made by the student. The estimated net cost of attendance is equal to

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the cost of attendance described in clause (1), minus the amount of grant aid described in

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clause (2);

2.1 (4) work study assistance, including a disclosure that the aid must be earned by the
2.2 student and a disclosure that the assistance offered is subject to the availability of employment
2.3 opportunities;

2.4 (5) the types of loans and amounts of loans offered to the student, a disclosure that such
2.5 loans must be repaid, a disclosure that the student can borrow less than the recommended
2.6 loan amount, interest rates for each loan, the expected monthly payment and total expected
2.7 repayment amount assuming a ten-year repayment plan and normal time to completion of
2.8 the student's degree, and a disclosure that the student may be eligible for extended or
2.9 income-driven repayment plans that allow the borrower to make lower monthly payments
2.10 but that longer repayment plans may result in the student paying more money over the life
2.11 of the loans;

2.12 (6) where a student or the student's family can seek additional information regarding the
2.13 financial aid offered, including contact information for the institution's financial aid office
2.14 and the United States Department of Education's website on financial aid;

2.15 (7) the deadline and summary for accepting the financial aid offered; and

2.16 (8) the academic period covered by the financial aid offer form and a clear indication
2.17 whether the aid offered is based on full-time or part-time enrollment.

2.18 Subd. 3. **Implementation.** The Office of Higher Education must develop and implement
2.19 the standardized award letter by the start of academic year 2025-2026.