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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **1142**

February 19, 2007

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The bill was read for the first time and referred to the Committee on Finance

1.1 A bill for an act
1.2 relating to higher education; modifying the state grant program; appropriating
1.3 money; amending Minnesota Statutes 2006, sections 136A.121, subdivisions 5,
1.4 6; 136A.125, subdivision 4.

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

1.6 Section 1. Minnesota Statutes 2006, section 136A.121, subdivision 5, is amended to
1.7 read:

1.8 Subd. 5. **Grant stipends.** The grant stipend shall be based on a sharing of
1.9 responsibility for covering the recognized cost of attendance by the applicant, the
1.10 applicant's family, and the government. The amount of a financial stipend must not
1.11 exceed a grant applicant's recognized cost of attendance, as defined in subdivision 6, after
1.12 deducting the following:

- 1.13 (1) the assigned student responsibility of at least ~~46~~ 40 percent of the cost of
 - 1.14 attending the institution of the applicant's choosing;
 - 1.15 (2) the assigned family responsibility as defined in section 136A.101; and
 - 1.16 (3) the amount of a federal Pell grant award for which the grant applicant is eligible.
- 1.17 The minimum financial stipend is \$100 per academic year.

1.18 Sec. 2. Minnesota Statutes 2006, section 136A.121, subdivision 6, is amended to read:

1.19 Subd. 6. **Cost of attendance.** (a) The recognized cost of attendance consists of
1.20 allowances specified in law for living and miscellaneous expenses, and an allowance for
1.21 tuition and fees equal to the lesser of the average tuition and fees charged by the institution,
1.22 or the tuition and fee maximums ~~established in law~~. The tuition and fee maximum for a
1.23 student enrolled in a four-year program is the average of undergraduate tuition and fees in

2.1 the University of Minnesota system for the academic year of the grant. The tuition and
 2.2 fees maximum for a student enrolled in a two-year program shall be set in law.

2.3 (b) For a student registering for less than full time, the office shall prorate the tuition
 2.4 and fees component of the cost of attendance to the actual number of credits for which the
 2.5 student is enrolled. The living and miscellaneous allowance shall not be prorated.

2.6 The recognized cost of attendance for a student who is confined to a Minnesota
 2.7 correctional institution shall consist of the tuition and fee component in paragraph (a),
 2.8 with no allowance for living and miscellaneous expenses.

2.9 For the purpose of this subdivision, "fees" include only those fees that are mandatory
 2.10 and charged to full-time resident students attending the institution. Fees do not include
 2.11 charges for tools, equipment, computers, or other similar materials where the student
 2.12 retains ownership. Fees include charges for these materials if the institution retains
 2.13 ownership. Fees do not include optional or punitive fees.

2.14 Sec. 3. Minnesota Statutes 2006, section 136A.125, subdivision 4, is amended to read:

2.15 Subd. 4. **Amount and length of grants.** The amount of a child care grant must be
 2.16 based on:

- 2.17 (1) the income of the applicant and the applicant's spouse;
 2.18 (2) the number in the applicant's family, as defined by the office; and
 2.19 (3) the number of eligible children in the applicant's family.

2.20 The maximum award to the applicant shall be ~~\$2,300~~ \$3,600 for each eligible child
 2.21 per academic year, except that the campus financial aid officer may apply to the office for
 2.22 approval to increase grants by up to ten percent to compensate for higher market charges
 2.23 for infant care in a community. The office shall develop policies to determine community
 2.24 market costs and review institutional requests for compensatory grant increases to ensure
 2.25 need and equal treatment. The office shall prepare a chart to show the amount of a grant
 2.26 that will be awarded per child based on the factors in this subdivision. The chart shall
 2.27 include a range of income and family size.

2.28 Sec. 4. **STATE GRANT PROGRAM; TWO-YEAR PROGRAM TUITION AND**
 2.29 **FEE CAP.**

2.30 For the biennium ending June 30, 2009, the tuition and fee maximum for the state
 2.31 grant program under Minnesota Statutes, section 136A.121, shall be \$..... the first year
 2.32 and \$..... the second year for students enrolled in two-year programs.

2.33 Sec. 5. **APPROPRIATION; CHILD CARE GRANTS.**

- 3.1 \$..... is appropriated from the general fund to the Minnesota Office of Higher
3.2 Education for the biennium ending June 30, 2009, for the purposes of the child care grant
3.3 program created by Minnesota Statutes, section 136A.125.