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State of Minnesota
HOUSE OF REPRESENTATIVES
NINETIETH SESSION

H. F. No. 2594

04/07/2017 Authored by Pelowski; Hortman; Johnson, C.; Schultz; Pryor and others
The bill was read for the first time and referred to the Committee on Higher Education and Career Readiness Policy and Finance

1.1 A bill for an act
1.2 relating to higher education; appropriating money for a tuition freeze at Minnesota
1.3 State Colleges and Universities and the University of Minnesota; increasing state
1.4 grant awards; amending Minnesota Statutes 2016, sections 136A.101, subdivision
1.5 5a; 136A.121, subdivisions 5, 6.

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

1.7 Section 1. Minnesota Statutes 2016, section 136A.101, subdivision 5a, is amended to read:

1.8 Subd. 5a. **Assigned family responsibility.** "Assigned family responsibility" means the
1.9 amount of a family's contribution to a student's cost of attendance, as determined by a federal
1.10 need analysis. The assigned family responsibility is the appropriate amount in the following
1.11 clauses, minus \$500:

1.12 (1) for dependent students, the assigned family responsibility is 94 percent of the parental
1.13 contribution;

1.14 (2) for independent students with dependents other than a spouse, the assigned family
1.15 responsibility is 86 percent of the student contribution; and

1.16 (3) for independent students without dependents other than a spouse, the assigned family
1.17 responsibility is 50 percent of the student contribution.

1.18 Sec. 2. Minnesota Statutes 2016, section 136A.121, subdivision 5, is amended to read:

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

2.1 (1) the assigned student responsibility of at least 50 percent of the cost of attending the
2.2 institution of the applicant's choosing;

2.3 (2) the assigned family responsibility as defined in section 136A.101; and

2.4 (3) the amount of a federal Pell grant award for which the grant applicant is eligible,
2.5 unless the student is ineligible to receive a Pell grant under United States Code, title 20,
2.6 section 1091(a)(5) or (d).

2.7 The minimum financial stipend is \$100 per academic year.

2.8 Sec. 3. Minnesota Statutes 2016, section 136A.121, subdivision 6, is amended to read:

2.9 Subd. 6. **Cost of attendance.** (a) The recognized cost of attendance consists of: (1) an
2.10 allowance specified in law for living and miscellaneous expenses, and (2) an allowance for
2.11 tuition and fees equal to the lesser of the average tuition and fees charged by the institution,
2.12 or a tuition and fee maximum if one is established in law. If no living and miscellaneous
2.13 expense allowance is established in law, the allowance is equal to 106 percent of the federal
2.14 poverty guidelines for a one person household in Minnesota for nine months. If no tuition
2.15 and fee maximum is established in law, the allowance for tuition and fees is equal to the
2.16 lesser of: (1) the average tuition and fees charged by the institution, and (2) for two-year
2.17 programs, an amount equal to the highest tuition and fees charged at a public two-year
2.18 institution, or for four-year programs, an amount equal to the highest tuition and fees charged
2.19 at a public university.

2.20 (b) For a student registering for less than full time, the office shall prorate the cost of
2.21 attendance to the actual number of credits for which the student is enrolled.

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

2.25 (d) For the purpose of this subdivision, "fees" include only those fees that are mandatory
2.26 and charged to full-time resident students attending the institution. Fees do not include
2.27 charges for tools, equipment, computers, or other similar materials where the student retains
2.28 ownership. Fees include charges for these materials if the institution retains ownership. Fees
2.29 do not include optional or punitive fees.

3.1 Sec. 4. **APPROPRIATION; STATE GRANT PROGRAM.**

3.2 \$31,000,000 in fiscal year 2018 and \$31,000,000 in fiscal year 2019 are appropriated
3.3 from the general fund to the commissioner of higher education to increase state grants under
3.4 Minnesota Statutes, section 136A.121.

3.5 Sec. 5. **APPROPRIATION; TUITION FREEZE AT MINNESOTA STATE**
3.6 **COLLEGES AND UNIVERSITIES.**

3.7 (a) \$47,600,000 in fiscal year 2018 and \$95,400,000 in fiscal year 2019 are appropriated
3.8 from the general fund to the Board of Trustees of the Minnesota State Colleges and
3.9 Universities for student tuition relief. This is an ongoing appropriation.

3.10 (b) Undergraduate tuition rates at colleges and universities for the 2017-2018 academic
3.11 year and the 2018-2019 academic year must not exceed the 2016-2017 academic year rates.

3.12 Sec. 6. **APPROPRIATION; TUITION FREEZE AT THE UNIVERSITY OF**
3.13 **MINNESOTA.**

3.14 (a) \$31,100,00 in fiscal year 2018 and \$59,100,000 in fiscal year 2019 are appropriated
3.15 from the general fund to the Board of Regents of the University of Minnesota for student
3.16 tuition relief. This is an ongoing appropriation.

3.17 (b) The board is requested to set resident tuition rates for the 2017-2018 academic year
3.18 and the 2018-2019 academic year at all campuses and for all undergraduate programs at
3.19 the 2016-2017 academic year rates.