

**First Regular Session
Seventy-Seventh General Assembly
STATE OF SAN ANDREAS**

REENGROSSED

LLS NO. 26-0711.03 Alexis Holmes x2352

HOUSE BILL 26-006

SENATE SPONSORSHIP

Kent

HOUSE SPONSORSHIP

Gomez, Haynes, Mendoza

House Committees

Senate Committees

Higher Education & Workforce Development

Not assigned

A BILL FOR AN ACT

CONCERNING COLLEGE OPPORTUNITY GRANTS FOR IN-STATE STUDENTS.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <https://saleg.uscgov.com>)

This bill establishes the College Opportunity Grant Fund, a state-administered financial aid program designed to expand access to higher education for in-state students attending public colleges and universities. The bill creates a dedicated fund within the State Treasury to provide need-based grants that do not require repayment.

The program is intended to reduce financial barriers for residents pursuing postsecondary education while strengthening workforce development and long-term economic growth.

Shading denotes HOUSE amendment. Underlining denotes SENATE amendment.

Capital letters or bold & italic numbers indicate new material to be added to existing law.

Dashes through the words or numbers indicate deletions from existing law.

Grants awarded under the program may be used for tuition, mandatory fees, required course materials, and other approved education-related expenses.

The Department of Higher Education is responsible for administering the program, determining eligibility, and establishing award amounts based on financial need and available funding. Priority is given to students from low- and moderate-income households. Grants may be renewed for multiple academic years if students maintain satisfactory academic progress.

The bill specifies that the College Opportunity Grant supplements existing federal, institutional, and state financial aid programs and does not replace other available assistance.

1 *Be it enacted by the General Assembly of the State of San*
2 *Andreas:*
3 **SECTION 1. SHORT TITLE.** This Act shall be known and may
4 be cited as the “College Opportunity Grant Act.” **SECTION 2.**
5 **LEGISLATIVE DECLARATION.** The General Assembly finds
6 and declares that: (a) Access to affordable higher education
7 strengthens the economic vitality, workforce readiness, and civic
8 participation of the state. (b) Rising tuition and educational costs
9 have created financial barriers for many in-state students seeking
10 postsecondary education. (c) Increasing access to higher
11 education opportunities promotes long-term economic growth,
12 reduces reliance on public assistance, and improves overall
13 community outcomes. (d) It is the intent of the General Assembly
14 to establish a stable and dedicated funding source to provide
15 need-based financial assistance to eligible in-state students
16 attending public institutions of higher education. (e) The College
17 Opportunity Grant Fund is intended to supplement, not replace,
18 existing federal, institutional, or state financial aid programs.
19 **SECTION 3. DEFINITIONS.** For purposes of this Act, unless the
20 context otherwise requires: (a) “Department” means the

1 Department of Higher Education. (b) “Eligible student” means an
2 individual who: (I) Is classified as an in-state resident for tuition
3 purposes under state law; (II) Is enrolled or accepted for
4 enrollment in an eligible public institution of higher education
5 within the state; (III) Demonstrates financial need as determined
6 by this act through a standardized application process; and (IV)
7 Meets satisfactory academic progress requirements established by
8 this act. (c) “Eligible institution” means any public community
9 college, state college, or public university, or school of trade
10 located within the state. (d) “Grant” means financial assistance
11 awarded from the College Opportunity Grant Fund that does not
12 require repayment. **SECTION 4. CREATION OF THE**
13 **COLLEGE OPPORTUNITY GRANT FUND.** (a) There is hereby
14 created in the State Treasury the College Opportunity Grant Fund,
15 referred to in this Act as the “Fund.” (b) The Fund shall consist
16 of: (I) Appropriations made by the General Assembly; (II) Gifts,
17 grants, or donations from public or private sources; (III) Interest
18 earned on monies in the Fund; and (IV) Any other monies
19 designated by law. (c) Monies in the Fund shall be continuously
20 appropriated to the Department for the purposes set forth in this
21 Act and shall not revert to the general fund at the end of any fiscal
22 year. (d) Monies within the College Opportunity Grant Fund shall
23 be used exclusively for student grant awards and program
24 administration and shall not be transferred or reverted for
25 unrelated governmental purposes. (e) The Department may
26 maintain a reserve balance within the Fund not exceeding ten
27 percent of annual appropriations to ensure continuity of grant
28 awards during periods of revenue fluctuation. **SECTION 5.**
29 **ADMINISTRATION OF THE PROGRAM.** (a) The Department
30 of Higher Education shall administer the College Opportunity
31 Grant Program. (b) The Department shall: (I) Establish
32 application procedures and deadlines; (II) Determine eligibility
33 and award amounts based on financial need and available

1 appropriations; (III) Coordinate with existing financial aid
2 programs to prevent duplication of benefits; (IV) Prioritize awards
3 for students from low- and moderate-income households; and (V)
4 Ensure equitable access to students attending community colleges,
5 state colleges, and universities. (c) Grant awards may be used for
6 tuition, mandatory fees, required course materials, and other
7 education-related expenses as defined by rule. (d) Institutions of
8 higher education shall not reduce institutional financial aid solely
9 because a student receives a College Opportunity Grant awarded
10 pursuant to this Act. (e) The Department shall automatically
11 determine eligibility using information submitted through federal
12 or state financial aid applications and shall minimize additional
13 documentation requirements for applicants. (f) The Department
14 shall ensure equitable geographic distribution of awards and
15 prioritize outreach to rural, first-generation, and
16 workforce-training students. (g) An eligible institution shall apply
17 grant funds awarded pursuant to this Act as first-dollar financial
18 assistance toward tuition and mandatory fees prior to the
19 application of institutional loans or work-study requirements,
20 unless federal law requires otherwise. (h) An eligible institution
21 shall not increase tuition or mandatory fees at a rate exceeding the
22 statewide average increase for public institutions where such
23 increase is primarily attributable to anticipated grant funding
24 under this Act. (i) The Department shall provide preliminary
25 eligibility notifications to high school students no later than the
26 eleventh grade based upon available income data to improve
27 college enrollment planning. **SECTION 6. ELIGIBILITY AND**
28 **AWARD LIMITATIONS.** (a) Grants shall be awarded to eligible
29 students enrolled at least half-time; however, the Department may
30 authorize proportional awards for students enrolled in fewer credit
31 hours where the student demonstrates employment obligations,
32 caregiving responsibilities, or participation in approved workforce
33 training programs. (b) Grant awards shall be determined

1 according to household income levels based upon adjusted gross
2 income reported through the standardized financial aid application
3 approved by the Department. (c) An eligible student whose
4 household income is fifty thousand dollars or less annually shall
5 receive a grant equal to one hundred percent of in-state tuition and
6 mandatory fees at the eligible institution attended, together with
7 an annual educational support stipend of two thousand dollars for
8 required course materials or education-related expenses. (d) An
9 eligible student whose household income exceeds fifty thousand
10 dollars but does not exceed ninety thousand dollars annually shall
11 receive a grant equal to seventy-five percent of in-state tuition and
12 mandatory fees. (e) An eligible student whose household income
13 exceeds ninety thousand dollars but does not exceed one hundred
14 forty thousand dollars annually shall receive a grant equal to fifty
15 percent of in-state tuition and mandatory fees. (f) An eligible
16 student whose household income exceeds one hundred forty
17 thousand dollars but does not exceed two hundred thousand
18 dollars annually shall receive a flat annual grant of two thousand
19 dollars applicable toward tuition or required institutional fees. (g)
20 Grant awards established in this section constitute minimum
21 statutory award amounts and shall not be reduced by rule except
22 to prevent financial assistance exceeding the student's total cost of
23 attendance. (h) Grants may be renewed annually for up to four
24 academic years, or the equivalent for part-time enrollment,
25 provided the student maintains satisfactory academic progress. (i)
26 Nothing in this Act shall prohibit an eligible student from
27 receiving federal, institutional, or other state financial aid in
28 addition to a grant awarded under this section. (j) Students
29 enrolled at public community colleges who successfully complete
30 at least twenty-four credit hours within an academic year shall
31 receive an additional completion incentive grant of seven hundred
32 fifty dollars. (k) Beginning July 1, 2028, and every two years
33 thereafter, income thresholds and stipend amounts established in

1 this section shall be adjusted by the Department to reflect
2 increases in the consumer price index for higher education costs.
3 (l) The Department may provide an additional annual workforce
4 incentive grant not exceeding one thousand five hundred dollars
5 to students enrolled in degree or certificate programs identified by
6 the Department of Labor as experiencing critical workforce
7 shortages within the state. (m) A student transferring from a
8 public community college to another eligible institution shall
9 retain grant eligibility and award tier status for the duration of
10 remaining eligibility under subsection (h). (n) An eligible student
11 completing an associate or bachelor's degree within the standard
12 program length shall receive a one-time completion award of one
13 thousand dollars. **SECTION 7. REPORTING AND**
14 **ACCOUNTABILITY.** (a) On or before January 15 of each year,
15 the Department shall submit a report to the Governor and the
16 General Assembly that includes: (I) The number of students
17 receiving grants; (II) Average grant award amounts; (III)
18 Distribution of awards by institution type; (IV) Student retention
19 and completion data, where available; and (V) Recommendations
20 for program improvement. (b) The report shall be made publicly
21 available on the Department's website. (c) The Department shall
22 maintain a publicly accessible online dashboard displaying
23 aggregate program participation, completion outcomes,
24 geographic distribution, and workforce placement data while
25 protecting student privacy. **SECTION 8. RULEMAKING**
26 **AUTHORITY.** The Department of Higher Education may
27 promulgate rules necessary to implement and administer this Act.
28 **SECTION 9. PROGRAM REVIEW AND SUNSET.** (a) The
29 General Assembly shall review the effectiveness of the College
30 Opportunity Grant Program five years following enactment. (b)
31 The Department shall submit a comprehensive evaluation
32 including student debt reduction, completion rates, and workforce
33 outcomes. (c) Unless reauthorized by the General Assembly, this

- 1 Act shall repeal July 1 following completion of the review.
- 2 **SECTION 10.** EFFECTIVE DATE. This Act shall take effect
- 3 July 1, 2026.