

## HOUSE BILL 26-006

By Senator(s) Kent  
also Representative(s) Gomez, Haynes, Mendoza

**AN ACT****CONCERNING COLLEGE OPPORTUNITY GRANTS FOR IN-STATE STUDENTS.**

Be It Enacted by the General Assembly of the State of San Andreas:

**SECTION 1. SHORT TITLE.**

This Act shall be known and may be cited as the “College Opportunity Grant Act.”

**SECTION 2. LEGISLATIVE DECLARATION.**

The General Assembly finds and declares that:

- (a) Access to affordable higher education strengthens the economic vitality, workforce readiness, and civic participation of the state.
- (b) Rising tuition and educational costs have created financial barriers for many in-state students seeking postsecondary education.
- (c) Increasing access to higher education opportunities promotes long-term economic growth, reduces reliance on public assistance, and improves overall community outcomes.
- (d) It is the intent of the General Assembly to establish a stable and dedicated funding source to provide need-based financial assistance to eligible in-state students attending public institutions of higher education.
- (e) The College Opportunity Grant Fund is intended to supplement, not replace, existing federal, institutional, or state financial aid programs.

**SECTION 3. DEFINITIONS.**

For purposes of this Act, unless the context otherwise requires:

- (a) “Department” means the Department of Higher Education.
- (b) “Eligible student” means an individual who:
  - (I) Is classified as an in-state resident for tuition purposes under state law;
  - (II) Is enrolled or accepted for enrollment in an eligible public institution of higher education within the state;
  - (III) Demonstrates financial need as determined by this act through a standardized application process; and
  - (IV) Meets satisfactory academic progress requirements established by this act.
- (c) “Eligible institution” means any public community college, state college, or public university, or school of trade located within the state.

(d) “Grant” means financial assistance awarded from the College Opportunity Grant Fund that does not require repayment.

**SECTION 4. CREATION OF THE COLLEGE OPPORTUNITY GRANT FUND.**

(a) There is hereby created in the State Treasury the College Opportunity Grant Fund, referred to in this Act as the “Fund.”

(b) The Fund shall consist of:

- (I) Appropriations made by the General Assembly;
- (II) Gifts, grants, or donations from public or private sources;
- (III) Interest earned on monies in the Fund; and
- (IV) Any other monies designated by law.

(c) Monies in the Fund shall be continuously appropriated to the Department for the purposes set forth in this Act and shall not revert to the general fund at the end of any fiscal year.

(d) Monies within the College Opportunity Grant Fund shall be used exclusively for student grant awards and program administration and shall not be transferred or reverted for unrelated governmental purposes, provided that administrative expenses shall not exceed five percent of total annual program expenditures.

(e) The Department may maintain a reserve balance within the Fund not exceeding ten percent of annual appropriations to ensure continuity of grant awards during periods of revenue fluctuation.

(f) the General Assembly shall annually appropriate funds to the program, and total grant obligations shall not exceed available appropriations. If funding is insufficient to fully fund statutory award levels, the department shall proportionally reduce awards across eligible tiers.

(g) the Department shall implement verification procedures to prevent fraud, including randomized audits of applicant eligibility and income data.

**SECTION 5. ADMINISTRATION OF THE PROGRAM.**

(a) The Department of Higher Education shall administer the College Opportunity Grant Program.

(b) The Department shall:

- (I) Establish application procedures and deadlines;
- (II) Determine eligibility and award amounts based on financial need and available appropriations;
- (III) Coordinate with existing financial aid programs to prevent duplication of benefits;
- (IV) Prioritize awards for students from low- and moderate-income households; and
- (V) Ensure equitable access to students attending community colleges, state colleges, and universities.

(c) Grant awards may be used for tuition, mandatory fees, required course materials, and other education-related expenses as defined by rule.

- (d) Institutions of higher education shall not reduce institutional financial aid solely because a student receives a College Opportunity Grant awarded pursuant to this Act.
- (e) The Department shall automatically determine eligibility using information submitted through federal or state financial aid applications and shall minimize additional documentation requirements for applicants.
- (f) The Department shall ensure equitable geographic distribution of awards and prioritize outreach to rural, first-generation, and workforce-training students.
- (g) An eligible institution shall apply grant funds awarded pursuant to this Act as first-dollar financial assistance toward tuition and mandatory fees prior to the application of institutional loans or work-study requirements, unless federal law requires otherwise.
- (h) an eligible institution that increases tuition or mandatory fees above the statewide average shall be ineligible to receive program funds in the following academic year, unless waived by the department for good cause.
- (i) The Department shall provide preliminary eligibility notifications to high school students no later than the eleventh grade based upon available income data to improve college enrollment planning.

#### **SECTION 6. ELIGIBILITY AND AWARD LIMITATIONS.**

- (a) Grants shall be awarded to eligible students enrolled at least half-time; however, the Department may authorize proportional awards for students enrolled in fewer credit hours where the student demonstrates employment obligations, caregiving responsibilities, or participation in approved workforce training programs.
- (b) Grant awards shall be determined according to household income levels based upon adjusted gross income reported through the standardized financial aid application approved by the Department.
- (c) An eligible student whose household income is fifty thousand dollars or less annually shall receive a grant equal to one hundred percent of in-state tuition and mandatory fees at the eligible institution attended, together with an annual educational support stipend of two thousand dollars for required course materials or education-related expenses.
- (d) an eligible student whose household income exceeds fifty thousand dollars but does not exceed one hundred twenty thousand dollars shall receive a grant equal to fifty percent of in-state tuition and mandatory fees.
- (e) students with household income above one hundred twenty thousand dollars shall not be eligible for grants under this section.
- (f) An eligible student whose household income exceeds one hundred forty thousand dollars but does not exceed two hundred thousand dollars annually shall receive a flat annual grant of two thousand dollars applicable toward tuition or required institutional fees.
- (g) Grant awards established in this section constitute minimum statutory award amounts and shall not be reduced by rule except to prevent financial assistance exceeding the student's total cost of attendance.

- (h) Grants may be renewed annually for up to four academic years, or the equivalent for part-time enrollment, provided the student maintains satisfactory academic progress.
- (i) Nothing in this Act shall prohibit an eligible student from receiving federal, institutional, or other state financial aid in addition to a grant awarded under this section.
- (j) Students enrolled at public community colleges who successfully complete at least twenty-four credit hours within an academic year shall receive an additional completion incentive grant of seven hundred fifty dollars.
- (k) Beginning July 1, 2028, and every two years thereafter, income thresholds and stipend amounts established in this section shall be adjusted by the Department to reflect increases in the consumer price index for higher education costs.
- (l) The Department may provide an additional annual workforce incentive grant not exceeding one thousand five hundred dollars to students enrolled in degree or certificate programs identified by the Department of Labor as experiencing critical workforce shortages within the state.
- (m) A student transferring from a public community college to another eligible institution shall retain grant eligibility and award tier status for the duration of remaining eligibility under subsection (h).
- (n) An eligible student completing an associate or bachelor's degree within the standard program length shall receive a one-time completion award of one thousand dollars.
- (o) an eligible student must maintain a minimum cumulative grade point average of 2.0 on a 4.0 scale, or equivalent, to retain eligibility for renewal.
- (p) priority shall be given to students enrolled in programs leading to employment in high-demand occupations as identified annually by the department of labor.

#### **SECTION 7. REPORTING AND ACCOUNTABILITY.**

- (a) On or before January 15 of each year, the Department shall submit a report to the Governor and the General Assembly that includes:
- (I) The number of students receiving grants;
  - (II) Average grant award amounts;
  - (III) Distribution of awards by institution type;
  - (IV) Student retention and completion data, where available; and
  - (V) Recommendations for program improvement.
- (b) The report shall be made publicly available on the Department's website.
- (c) The Department shall maintain a publicly accessible online dashboard displaying aggregate program participation, completion outcomes, geographic distribution, and workforce placement data while protecting student privacy.

#### **SECTION 8. RULEMAKING AUTHORITY.**

The Department of Higher Education may promulgate rules necessary to implement and administer this Act.

**SECTION 9. PROGRAM REVIEW AND SUNSET.**

- (a) The General Assembly shall review the effectiveness of the College Opportunity Grant Program five years following enactment.
- (b) The Department shall submit a comprehensive evaluation including student debt reduction, completion rates, and workforce outcomes.
- (c) Unless reauthorized by the General Assembly, this Act shall repeal July 1 following completion of the review.