Overview

In applying for a state grant, students and their families go through a federal needs analysis which determines, among other things, an amount that the family is expected to contribute toward the student's cost of attendance. The federal government assesses a family's income at a higher rate for independent students without dependents, and at a lower rate for independent students with dependents and dependent students. In 1997, the legislature changed the law to count only 80 percent of the family contribution in calculating the amount of a state grant for an independent student without dependents. This bill lowers the amount to 75 percent. It also reduces the proportion of the contribution counted for an independent student with dependents to 50 percent.

The bill also changes the calculation of grants for part-time students. Current law requires that the cost of attendance be reduced in proportion to the number of credits taken before calculating the amount of the grant. This bill requires that the grant be calculated on the full cost of attendance and the amount of the full-time grant be reduced in proportion to the number of credits taken. This results in significantly larger grants for part-time students.

1  **Student Share.** Changes the treatment of the family contribution in state grant calculations for independent students. For independent students without dependents, 75 percent of the family contribution is counted in the calculation. For independent students with dependents, 50 percent of the family contribution is counted in the calculation.

-323 **Grant Proration.** Changes the way in which grants for part-time students are prorated, so that the grant is calculated as if the student is full-time and then the award is prorated. Currently the cost of attendance is prorated and then the grant is calculated.