



INDIANA COMMISSION *for*
HIGHER EDUCATION

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State Budget Committee Supports Historic Increase in Scholarship Funding

Increased funding for the Frank O'Bannon Grant will lower the cost of college for qualifying Hoosiers

(INDIANAPOLIS) – The Indiana State Budget Committee recently reviewed the administration's request to increase by 35 percent the maximum [Frank O'Bannon Grant](#) base-award amounts. This is the largest funding increase in award history, and when combined with the Federal Pell Grant, will allow thousands of Hoosier students to have their tuition and fees completely covered by financial aid.

Administered by the [Indiana Commission for Higher Education](#), the Frank O'Bannon Grant includes both the Higher Education Award and the Freedom of Choice Award. It is the state's primary need-based financial aid program and annually helps around 40,000 Hoosiers afford college at both public and private institutions.

"Indiana is a national leader in annually providing \$385 million in available financial aid, yet our [current college-going rate](#) needs improvement," said Gov. Eric J. Holcomb. "The Commission for Higher Education in partnership with legislative fiscal leaders is setting a bold course to change the trajectory by increasing the Frank O'Bannon Grant award. By making the cost of higher education more affordable for Hoosier families, hopefully more individuals will pursue college."

Although the O'Bannon Grant provides generous aid, the program was cut significantly during the Great Recession due to increased demand. The 35 percent increase brings the award back to 2008-09 levels when adjusting for inflation. Under the approved increase, the maximum award for a student attending a private institution is \$12,400 and \$6,200 for a student at a public institution.

"Increasing the Frank O'Bannon Grant is a significant victory for Hoosier students, families and the Commission," said Indiana Commissioner for Higher Education Chris Lowery. "Cost is the main factor for those who are deciding to pursue education beyond high school. The approval from the State Budget Committee makes more financial aid available to students who already qualified for the O'Bannon Grant and spreads the eligibility scale to reach additional students who may have been on the cusp of qualifying."

Eligibility for the O'Bannon Grant is based on financial need as determined by the [Free Application for Federal Student Aid \(FAFSA\)](#). Students do not need to apply for the grant. However, they must have a current FAFSA on file for the academic year to qualify.

"This bold act by the State of Indiana is a visible commitment by the state's political leadership *both* to make a college education possible for more Hoosiers *and* to give Hoosiers the freedom to select a college or university that best suits their educational needs," said President and CEO of Independent Colleges of Indiana Kurt D. Dykstra. "Once again, Indiana is leading the way for college access for all its residents."

The approved Frank O'Bannon Grant award amounts will go into effect during the 2023-24 academic year.

For questions about state financial aid, students can contact the Indiana Commission for Higher Education by phone at 888-528-4719 or via email at awards@che.in.gov

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About the Indiana Commission for Higher Education

Created in 1971, the Indiana Commission for Higher Education plans, coordinates and defines Indiana's postsecondary education system to align higher learning with the needs of students and the state. The Commission also administers Indiana's financial aid programs, including the [21st Century Scholars](#) early college promise scholarship, which celebrated 30 years in 2020. Learn more about the Commission's [Reaching Higher in a State of Change](#) strategic plan at www.in.gov/che.