MINNESOTA PRIVATE COLLEGE COUNCIL

Help College Students: Save the State Grant Program

We urge Governor Tim Walz and legislators to **fully fund the State Grant program** that provides need-based financial aid to college students statewide.

With a historic funding shortfall of $210 million, critically needed student financial aid is at risk. *The shortfall is almost half of the program's current funding.* About 67,000 Minnesota students — from low- and middle-income families — depend on these grants.

Action Needed

Governor Walz and legislators should invest in college students and fully fund the State Grant program for the next two years.

Without action, students from low- and middle-income families will have their State Grant awards cut significantly or eliminated starting next fall. The unprecedented cuts will have a major impact, hurting students at private nonprofit colleges, Minnesota State institutions, tribal colleges and the University of Minnesota.

The Problem Ahead

The $210 million shortfall in the State Grant program budget for the next two academic years was announced by the Minnesota Office of Higher Education in the fall of 2024. Driven by increasing enrollment and changes in FAFSA, this is a massive problem.

The need is especially urgent after a $42 million shortfall for the current academic year already triggered State Grant cuts for college students. While the state's new North Star Promise program filled the gap for many students at public colleges and universities, students at private nonprofit colleges weren't included in North Star and they experienced an average cut to their State Grant awards of $1,500 compared to last year.

Fully funding the State Grant program would keep Minnesota's commitment to college students and protect them from additional, larger cuts.



"I'm the oldest of four siblings and the Minnesota State Grant helped me and my family worry less about the financial burden of paying for my education and allowed me to focus more on my goal of becoming a nurse."

Sophia Braun
The College of St. Scholastica, Class of 2024
Hometown: Buffalo, Minn.
Major: Nursing

Minnesota Private College Council member institutions

Augsburg University
Bethany Lutheran College
Bethel University
Carleton College
College of Saint Benedict
The College of St. Scholastica
Concordia College
Concordia University, St. Paul
Gustavus Adolphus College
Hamline University
Macalester College
Minneapolis College of Art and Design
Saint John's University
Saint Mary's University of Minnesota
St. Catherine University
St. Olaf College
University of Northwestern – St. Paul
University of St. Thomas

State Grant Background

The Minnesota State Grant program:

- Helps low- and middle-income families
- Has statewide impact
- Holds down how much students borrow
- Increases graduation rates
- Encourages students to stay in Minnesota



"During my time at Hamline, I have achieved significant personal and professional growth. ...As the first person in my family to attend college, the financial support the State Grant program provides brings me closer to becoming the person I want to be and builds a future that fills me with pride."

Jaime Hernandez
Hamline University, Class of 2024
Hometown: Inver Grove Heights, Minn.
Major: International business and marketing

State Grant funds are awarded to students — not institutions.

67,000
students across Minnesota receive a grant.

39%
of students from Minnesota attending college here receive a grant.

55%
of Minnesota students of color and Native American students receive a grant.

Students use State Grant awards to pursue their education and career goals.

- They are earning certificates, associate degrees and bachelor's degrees.
- They are traditional-age students and adult learners.
- They are attending public, tribal and private nonprofit colleges.

Fact

20%
of State Grant recipients attend private nonprofit colleges and

77%
attend public colleges and universities

What's at risk

- A new $210 million program shortfall was announced in October 2024. The shortfall equals almost half of program's current funding.
- If the program isn't fully funded, tens of thousands of students will see their grants cut or eliminated for the next two academic years, 2025-26 and 2026-27.
- Tens of thousands of students across Minnesota already had their State Grant awards cut for the 2024-25 academic year.

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