

# State Grant Background



## The Minnesota State Grant program:

Helps low- and middle-income families

Supports all college options

Has statewide impact

Holds down additional borrowing

Increases graduation rates

Encourages students to stay in Minnesota

State Grant funds are awarded to students – not institutions.

**69,500** students from across Minnesota receive a grant.

**39%** of students from Minnesota going to college here receive a grant.

And for Minnesota students of color and Native American students going to college here, **54%** receive a grant.

Students use their 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 at public and private colleges.

## UNIVERSITY OF ST. THOMAS

**1,556 State Grant recipients** were on campus last academic year – that was **24 percent** of all St. Thomas undergraduates.

The average State Grant award at St. Thomas was **\$5,203**.

“As a first-generation senior graduating soon, the State Grant has allowed me to study without the stress of money...which is a huge relief to my family and me.”



**Adalí Flores-Mendoza**

University of St. Thomas, Class of 2023

**Hometown:** Minneapolis, MN

**Majors:** Communication studies, English-professional writing and Spanish

**Extra-curriculars:** Social media intern, Changemaking fellow, vice president for equity and inclusion for undergraduate student government



# 2023 State Grant Agenda

We ask Governor Walz and legislators to prioritize college affordability and workforce development by making a substantial new investment in the Minnesota State Grant program.

## Change:

**Lower the share of college costs that the State Grant formula expects students to cover, from 50 to 36 percent of college costs**

## Impact:

**The average State Grant award would increase by more than \$2,000**

Larger State Grant awards would help about 62,000 students. And about 6,300 more students would start receiving the grants.

## Investment:

- **\$73.3 million in one-time funds for FY24, estimate**
- **\$60.4 million in annual on-going funding, estimate**

## Let's act now

It makes sense that students help pay for college. But the share of the cost of college that the state expects students to pay when calculating their State Grant awards should be based on what students can afford – through reasonable work and borrowing. The student share was 50 percent in the 1980s and it is the same today. Over time this has become increasingly unaffordable. The Minnesota Office of Higher Education has recommended lowering the student share to at least 36 percent.

Low-income students already had much lower odds of continuing their education than middle- and higher-income students. But those odds have now gotten worse during the pandemic. **Minnesota is losing ground on access to higher education**, even though it is the surest path to economic mobility.

Investing in larger State Grant awards supports students pursuing an education after high school. That's the best way for students to improve their financial future. And it helps meet the state's workforce shortages.

*Larger State Grant awards will help make post-high school education possible for thousands of Minnesotans.*

## 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