

Make college more affordable

Invest Directly in Minnesota's Students



“With the Minnesota State Grant program I am able to take the courses needed to pursue my major and career in nursing. The grant has alleviated some of the financial stress which in turn has given me the opportunity to focus on my studies and extra-curricular activities.”

**Baomi Phung, St. Catherine University,
Class of 2019**

Hometown: Shakopee

Major: Nursing

Extracurriculars: Transfer and first-year orientation leader, LEAD Team member, Multicultural and International Services' peer mentor, chemistry mentor, The Reflective Woman (TRW) teaching assistant, undergraduate research assistant for the physician assistant program, St. Kate's Student Ambassador.

Keeping college affordable is a top concern of students, families, colleges, and policymakers. When students and families cannot afford to pay for college, the consequences are serious. Some students may borrow too much. Some may work more than they should, lowering the odds they will stay on track and graduate on time. And some may drop out for financial reasons.

The best way Minnesota can make college more affordable for more families and students is through the **Minnesota State Grant program: need-based financial aid grants that directly help low- and middle-income college students pay for college.**

The State Grant program is based on a model of shared responsibility. Students and families are expected to contribute — and the state covers some of the costs that students and families can't afford.

The Minnesota State Grant program provides awards to one in four low- and middle-income Minnesota college students. They are enrolled at both two- and four-year institutions; they're traditional students (ages 18 to 24) and adult learners. These grants help students enroll in college, stay on track, and graduate ready to begin a career.

Because of the well-designed and well-respected financial aid model that is at the heart of the State Grant program, there has been a bipartisan commitment to invest in the program and directly support students. However, the financial aid needs of today's low- and middle-income students and families are not being met by the current program. And too many middle-income families do not receive grants because they fail to qualify. The result is that a smaller number of students are receiving grants than was the case just a few years ago.

**81,000+ students from
across Minnesota receive
a State Grant.**

They go to all kinds of colleges — public and private — and earn both 2- and 4-year degrees.

Agenda for student aid

With sustained new investments, the State Grant program could help *all* low- and middle-income students from Minnesota who have financial need. Policymakers can do two things to improve the program:

- Award grants based on reasonable expectations for families — better recognizing their financial situations and increasing grants for current recipients.
- Restore the reach of the program — serving all students who have financial need.

There are other ideas out there for helping keep college affordable. Some focus only on the public sector, offering tuition freezes or free tuition for all. These ideas leave out all the students who have found a private nonprofit college education to be their best option. These proposals also scatter scarce resources too broadly — giving benefits to higher-income families who don't face significant challenges paying for college. That's an inefficient and costly way to address affordability concerns. Expanding the impact and reach of Minnesota's need-based grants is the best option for our state.

Meeting the financial need of all low- and middle-income students through the State Grant program is a long-term goal, one that won't be completely accomplished overnight. But significant progress can be made in the next session. Your commitment to making this program a top priority will make a meaningful difference in the lives of students.

Increased investment in the State Grant program would target state funding where it is most needed to close affordability gaps, help students finish college on time, and reduce student debt upon graduation. The impact would be significant for lower- and middle-income students, their families, and the economy of our state.

Now is the time to act: policymakers can take the first step on this agenda during the 2019 legislative session.

The State Grant program:

- Incentivizes students to stay in Minnesota for college
- Targets low- and middle-income families
 - 93% of State Grant recipients had a family income of less than \$80,000.
- Fosters student choice
- Has statewide impact
- Holds down student debt
- Builds our future workforce

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