

THE WALZ-FLANAGAN BUDGET



TO MOVE MINNESOTA FORWARD

HIGHER EDUCATION BUDGET
PRIORITIES

February 22nd, 2022

Dennis Olson | Commissioner
Minnesota Office of Higher Education

Supporting Children and Families



Underrepresented Student Teacher Grant \$800K

Data suggests that when there are teachers of color and American Indian teachers serving in Minnesota's teacher workforce, it has a positive impact on the success of all students in Minnesota, and particularly on the success of students of color and American Indian students.

The Underrepresented Student Teacher Grant (USTG) plays an important role in recruiting teachers of color and American Indian teachers. But in 2021, 244 teachers of color and American Indian teachers completed their programs. Current funding for USTG does not meet the need, nor does it allow us to provide the full amount (\$7,500) to those awarded a grant.

With teacher staffing shortages throughout the state, Governor Walz proposes increased funding to meet the demand and to ensure this grant remains a resource for recruitment.

Underrepresented Student Teacher Grant

FY2022-23
\$800



Grants to Student Teachers in Shortage Areas

\$3M

Teacher shortages exist across Minnesota, particularly teachers serving in greater Minnesota and in identified license field shortage areas.

Like the Underrepresented Student Teacher Grant (USTG), providing grants to teachers who serve in shortage areas is vital for our ability to address school staffing shortages. Also, like USTG, current funding does not meet the demand.

Governor Walz proposes an investment to expand the grant, allowing OHE to support more teachers working in greater Minnesota.

Grants to Student Teachers in Shortage Areas

FY2022-23

\$3,000



Teacher Shortage Loan Repayment Program

\$700K

There is a teacher staffing shortage facing Minnesota schools. The Teacher Shortage Loan Repayment (TSLR) Program is another tool for addressing this staffing crisis and recruit people into the education workforce.

How it works: The TSLR Program provides student loan debt relief, in the form of repayment awards, to eligible teachers for up to \$1,000. Eligible teachers may receive up to 5 annual awards or a total of up to \$5,000.

Why we need investment: Although OHE received 440 applications from eligible teachers in FY22, only 194 are expected to be awarded.

Governor Walz's proposal provides enough additional funds to award grants to an additional 679 eligible teachers.

Teacher Shortage Loan Repayment Program

FY2022-23

\$700



State Grant Modifications \$14.8M

In FY2020, \$208 million in grants was awarded to approximately 77,500 students. More than 40% of State Grant recipients are students of color and Indigenous students.

Governor Walz recommends investing in the State Grant program to modify eligibility requirements, and expand eligibility to promote affordability of postsecondary for low-wage working adults and middle-income families. An estimated 8,000 students would be impacted by the change.

Specifically, this investment modifies program eligibility by:

- Only counting credits in which the student has received \$1 or more in State Grant aid by term toward their lifetime eligibility
- Allowing students to qualify for a State Grant for up to 10 semesters or equivalent of grant receipt. This change recognizes that many Bachelor's degree programs today require more than 8 semesters to complete

State Grant Modifications

FY2022-23
\$14,814



Tribal College Supplemental Grant Assistance Program Expansion

\$1.7M

Governor Walz proposes expanding the Tribal College Supplemental Grant Assistance Program to support Minnesota Tribal Colleges by defraying the costs associated with the enrollment of all Minnesota resident students regardless of their status as enrolled members of federally recognized Indian tribes.

This investment will align the State's support of Minnesota Tribal College with its support of other public colleges by:

- Increasing the maximum per FTE rate from \$5,300 to the highest tuition and fees charged at a public two-year institution (\$6,287 for 2021-2022)
- Modifying the student population used to determine the grant amount issued to eligible institutions to include all Minnesota Resident degree-seeking undergraduate students

Tribal College Supplemental Grant Assistance Program Expansion

FY2022-23

\$1,700



Student Parent Center Grants

\$6.9M

Since the onset of the pandemic, we have seen re-enrollment rates for students with children drop dramatically. This is likely due to health concerns, job and income losses, and the challenges of remote learning for their children and themselves.

Governor Walz proposes establishing a competitive grant program for higher education institutions and partnering organizations to assist parents of young children and expectant parents by offering services that support their academic goals, health, and well-being. Funds will be used for efforts such as:

- Staff and student workers
- Food, housing, energy assistance grants
- Workshops, continuing education
- Supplies
- Expenses related to child care (whether on campus or other)
- Evaluation for the work

Student Parent Center Grants

FY2022-23

\$6,925



Emergency Assistance for Postsecondary Students

\$731K

The onset of the COVID-19 pandemic has drastically impacted the enrollment and success of low income college students. In a recent survey of 43,000 college students across the country:

- 36% of students reported experiencing food insecurity within the 30 days preceding the survey,
- 36% of all respondents experienced housing insecurity within the last year, and
- 9% experienced homeless within the last year

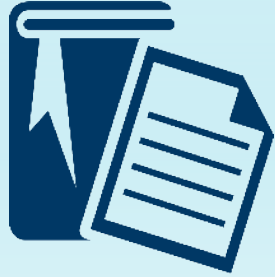
Governor Walz proposes investing in the State's EAPS program, to increase the number of students receiving emergency grants, by:

- Increasing the maximum institution grant request cap from \$43,000 to \$65,000
- Increasing the number of institutions receiving grants through the EAPS program
- Raising the maximum student awards to allow for more accurate coverage of student housing needs

Emergency Assistance for Postsecondary Students

FY2022-23

\$731



Waive College Application Fees \$10M

Many college application fees cost anywhere from \$20 to more than \$55, creating a barrier to entry for many Minnesotans, particularly those from low-income families.

Governor Walz recommends funding a pilot program to eliminate college application fees for undergraduate post-secondary applications at Minnesota's public, private non-profit, and tribal colleges.

The program would make applying for college free for 80% of graduating high school students and 26,000 adult students annually.

College Application Fee Waiver Grants

FY2022-23
\$10,000

Expanding Economic Opportunity



Expand Dual Training Programs

\$2M

Dual-training pairs on-the-job training with classroom instruction for high-need career areas like manufacturing, agriculture, health care, and information technology. The DHE's Dual Training Competency Grants Program has proven successful in bringing people into trade careers, but additional funding is needed to meet the demand.

For example, in a recent round of grants:

- 64 applications were received
- 36 were funded
- 13 were partially funded
- 15 were not funded

Governor Walz's proposal would:

- Increase the number grants, effectively connecting more people with on-the-job training in high-need career areas
- Expand eligibility to include childcare/early childhood education and transportation

Additional Funding For Dual Training Competency Grants

FY2022-23

\$2,000



Invest in Institutions of Higher Education

\$82M

The success of Minnesota's public higher education systems is directly tied to the success of our state. This investment in the University of Minnesota and the Minnesota State systems helps maintain the state's reputation as a national leader in research and innovation.

FY2022-23

University of Minnesota

- Reduce Cost of Attendance Burden for Minnesota Residents \$38,000
- Enhanced Student Services \$5,000

Minnesota State

- Campus Responsiveness and Stabilization \$24,000
- Equity and Affordability Directly Supporting Students' Critical Needs \$15,000

Thank you!
