

Senate Higher Education Committee

Impact of State Grant Parameter Changes in SF2483-1E (as amended by the A-13)

(all dollars in thousands)

	State Grant Program			Base North Star Promise		
	FY 2026	FY 2027	FY 2026-27	FY 2026	FY 2027	FY 2026-27
1 Revenues	277,326	294,523	554,652	56,304	60,646	105,804
2 Base appropriation	225,066	225,066	450,132	49,500	49,500	99,000
3 Appropriation increase proposed in SF2483-1E	52,260	52,260	104,520	-	-	-
4 Carryforward balance in	-	17,197	-	6,804	11,146	6,804
5						
6 Expenses	260,129	290,900	551,029	45,158	47,629	92,787
7 <i>Projected spending based on parameters currently in statute ¹</i>	<i>327,694</i>	<i>361,504</i>	<i>689,198</i>	<i>35,331</i>	<i>37,351</i>	<i>72,682</i>
8						
9 <i>Estimated impact of parameter changes proposed in SF2483-1E</i>	<i>(67,565)</i>	<i>(70,604)</i>	<i>(138,169)</i>	<i>9,827</i>	<i>10,278</i>	<i>20,105</i>
10 Decrease LME allowance to 110% of federal poverty guidelines	(17,188)	(18,019)	(35,207)	2,803	2,900	5,703
11 Change application deadline to 30th day of the academic term	(1,946)	(2,195)	(4,141)	609	685	1,294
12 Increase AFR for dependent students to 100% of parent contribution	(25,258)	(27,165)	(52,423)	5,069	5,283	10,352
13 Set parent contributions below -\$1,500 to -\$1,500 ²	(4,373)	(4,425)	(8,798)	346	410	756
14 Decrease maximum credits of state grant receipt to 120 ³	(18,800)	(18,800)	(37,600)	1,000	1,000	2,000
15						
16 Net Balance	17,197	3,623	3,623	11,146	13,017	13,017

¹ The FY2026 state grant program projected spending amount removes the rationing measures included in the Minnesota State Grant Projections Report.

² The minimum federal Student Aid Index and student contribution values are -\$1,500, while the federal parent contribution value does not have a minimum.

³ These estimates were developed outside of the standard state grant projections model using partial-year FY2025 enrollment and financial aid data.