

Memo: Impact of 2024 Legislative Session on State Financial Aid Programs; Reminder about 2023 Changes Effective 2024-2025

To: Minnesota Association of Financial Aid Administrators

From: Meghan Flores
State Financial Aid Program Manager

Subject: Impact of 2024 Legislative Session on State Financial Aid Programs; Reminder about 2023 Changes Effective 2024-2025

Date: June 28, 2024

Colleagues,

The 2024 legislative session ended May 20th, with Governor Tim Walz signing into law on May 24th, the Higher Education Omnibus Bill, [HF4024, Ch.124](#)¹. The bill contains minimal funding, many policy provisions, and a reallocation of funds to support students of Minnesota. Furthermore, the bill aims to enhance the higher education system in Minnesota through targeted funding, policy reforms, and technical changes. Key areas of focus include financial aid, student sexual misconduct, admissions, support services and institutional registration and contract provisions. Attached please find a summary of the changes to State Financial Aid Programs, as well as other legislative impacts on the Office of Higher Education (OHE). As OHE works to implement the provisions of the law, we will be in contact with updates regarding changes to programs. For those of you that were able to attend the MAFAA spring conference, the changes should look familiar as they were incorporated into OHE sessions.

Additionally, you may recall that the 2023 legislative session included significant new provisions to many OHE administered programs. Some provisions became effective during the current, 2023-2024 academic year, and several will become effective for the upcoming 2024-2025 academic year. With so much information to keep track of in the financial aid world, I want to mention several of the changes that were enacted last session that will become effective this year:

- Minnesota State Grant: new policy, federal conformity
 - changes the lifetime limit from terms of enrollment to terms of actual receipt of the grant
 - No more transcript review at the campus level; terms of receipt will be tracked in MNAid

¹ <https://www.revisor.mn.gov/laws/2024/0/Session+Law/Chapter/124/>

- changes the limit from the equivalent of 120 credits (4 full time years) to 180 credits (6 full time years)
 - Again, will be tracked in MNAid
- changes the order of the steps in which the award is calculated for part-time students
 - Imbedded into the State Grant Calculation Spreadsheet
- modifies statutory language to recognize the change from Expected Family Contribution (EFC) to the new Student Aid Index (SAI), as well as acknowledge a negative SAI
 - Again, imbedded into the State Grant Calculation Spreadsheet
- changes the student definition to conform with federal aid eligibility by defining student as a person who is enrolled for at least one credit (rather than at least three credits)
- Tuition and fee free pathway to higher education via the North Star Promise Scholarship Program² begins Fall, 2024.
 - a last dollar in tuition and fee-free program for students with family adjusted gross incomes of \$80,000 or less
 - considers other sources of gift aid; does not consider aid from the state, public postsecondary education institutions and Tribal colleges that is specifically designated for books, required supplies, child care, emergency assistance, food and housing
 - available for students attending a Minnesota State institution, the University of Minnesota, or a Minnesota Tribal College
 - Includes a North Star Promise Plus feature that matches 15% of eligible students' Federal Pell Grant award
- One-time funding of \$3.2 million for the Minnesota Paramedic Scholarship³
 - provides up to 600 scholarships for students pursuing a career as a paramedic
 - 17 programs identified as eligible at: Anoka Technical College, Century College, Inver Hills Community College, Minnesota North College, Northland Community and Technical College, Ridgewater College, Rochester Community and Technical College, Saint Cloud Technical and Community College and South Central College

In the coming weeks we will work to update web content, program manuals and program marketing materials to reflect the changes from the 2024 legislative session, as well as the changes from the 2023 session that become effective for 2024-2025.

Thank you for all you continue to do each day, often under challenging circumstances, to serve Minnesota students. Although our work continues to be incredibly demanding and ever changing, I continue to be in awe by the way we pull together in community to work creatively to improve the lives of Minnesotans.

If you have any questions, please contact State Financial Aid Programs Manager Meghan Flores at Meghan.Flores@state.mn.us.

² <https://www.ohe.state.mn.us/sPages/northstarpromise.cfm>

³ <https://www.ohe.state.mn.us/sPages/MinnesotaParamedicScholarship.cfm>