

North Star Promise Scholarship Program

September 2023

The North Star Promise program is a new state financial aid program that covers all tuition and fees at Minnesota's public postsecondary institutions for resident students whose families make under \$80,000 per year.

Program and funding history

The North Star Promise program was created by the 93rd Legislature in the 2023 higher education policy and finance act. See [Laws 2023, ch. 41](#), art. 2, § 19 (codified at [Minn. Stat. § 136A.1465](#)). The program will be administered by the Minnesota Office of Higher Education (OHE) and is set to award its first round of scholarships in the 2024-2025 academic year.

There were two separate appropriations for the program: one for administrative costs, and one for the scholarships. The administrative cost appropriation was \$496,000 in fiscal year 2024 and \$202,000 in fiscal year 2025, which reflects higher initial start-up costs. The initial appropriation for student scholarships (which will be continually held in a special revenue fund account) was \$117,226,000 in fiscal year 2025, with an established ongoing base appropriation of \$49,500,000 per year.

Scholarship eligibility

To receive a scholarship under the North Star Promise program, a student must:

- be a Minnesota resident;¹
- be enrolled for at least one credit in a Minnesota public postsecondary institution (i.e., an institution within either the University of Minnesota or Minnesota State Colleges and Universities systems) or a Minnesota Tribal college;
- have an annual family adjusted gross income below \$80,000, as reported on the Free Application for Federal Student Aid (FAFSA) or Minnesota Dream Act Application;
- not have already attained a baccalaureate degree; and
- be making satisfactory academic progress toward the completion of a program of study.

A student may receive a scholarship for up to 60 credits towards the completion of an associate degree or certificate program, and for up to 120 credits towards the completion of a baccalaureate degree. The overall maximum number of credits for which a student may receive a degree is 120 credits. The statute also requires OHE to set a time frame by which a recipient must complete the degree or certificate program in which they are enrolled.

Scholarship amounts

The North Star Promise is a “last dollar” scholarship. It does not have any dollar amount maximum. Instead, it covers any remaining tuition and fees charged by recipient's school after factoring in all other

¹ The criteria for resident status is set out at [Minnesota Statutes section 136A.101](#), subdivision 8.

gift aid sources the student receives—that is, all federal, state, private or institutional grants, scholarships, and tuition waivers (loans are not factored in because loans are not gift aid).

The tuition and fees covered by a North Star Promise Scholarship do not comprise an institution's full cost of attendance. Tuition and fees do not include books, supplies, housing, or food. Also, if program funding is insufficient to provide full awards to all eligible students, OHE is authorized to adjust the amounts of scholarships or the number of scholarships awarded.

In addition, during the first three years of the program's operation (i.e., 2024 to 2027), a student may receive a supplementary award equaling up to 50 percent of the federal Pell grant that a student would receive. The maximum Pell grant amount for the 2023-2024 academic year is \$7,395, so the maximum additional North Star Promise amount could be up to \$3,697.50. These supplementary awards are subject to total available program funding.



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