



House Higher Education Committee
2nd Floor Centennial Office Building
St. Paul, MN 55155

April 1, 2025

Dear Members of the House Higher Education Committee,

I am writing to express my strong opposition to the proposed changes to the North Star Promise program as outlined in HF2634 and HF2241. The North Star Promise program represents a pivotal investment in Minnesota's students and future workforce, and the proposed changes threaten to undermine its effectiveness and the progress we have made toward college affordability and addressing Minnesota workforce shortages.

Why the North Star Promise Program Works

The North Star Promise program ensures tuition-free college for students from families earning less than \$80,000 per year, an initiative that has profoundly impacted higher education in our state:

- **Transformative Impact:** In its first year, the program benefited over 16,700 students, expanding access to higher education for low- and middle-income families from all regions of the state.
- **Enrollment Growth:** The program has contributed to a 7.7% enrollment increase across the Minnesota State system, reversing years of declining postsecondary enrollment and building a new pipeline of workforce talent.
- **Simple Messaging:** The simplicity and clarity of the "free college" message have proven to resonate with students, particularly first-generation college attendees and those from underrepresented communities, encouraging them to pursue their academic dreams.

Key to the success of the North Star Promise program is its straightforward design, which breaks down psychological and bureaucratic barriers that often deter students from applying for financial aid. The proposed changes threaten to complicate the program, introducing unnecessary eligibility requirements akin to those in New York's Excelsior Scholarship, which have been shown to reduce participation by eligible students due to an overly complex application process and rigid criteria.

The Danger of Complexity

New York's Excelsior Scholarship serves as a cautionary tale. Its complex application processes, residency requirements, and restrictions on part-time students have limited its reach and undermined its intended benefits. Research shows that only 25% of eligible first-year

students received awards, and even among recipients who continued their studies, over one-third lost eligibility due to stringent renewal requirements. Minnesota cannot afford to replicate these mistakes. Free college programs should be simple and straightforward.

Introducing additional layers of complexity to the North Star Promise program risks creating the same "hoops and hurdles" that will deter prospective students, particularly those from marginalized backgrounds who already face systemic barriers in accessing higher education.

The Broader Implications of Reducing Access to Education

For years, Minnesota families have struggled under the weight of rising tuition costs caused in part by decades of state disinvestment in public higher education. State funding cuts to institutions and state financial aid awards consistently below the national average forced families to shoulder an increasing portion of college expenses, pushing countless students to forgo their education altogether. This has resulted in a workforce shortage in critical industries like healthcare, education, and technology.

The North Star Promise program has begun reversing this trend by breaking down financial barriers to higher education. Campuses are seeing increased enrollment from rural Minnesotans, first-generation college students, and communities of color. These students are preparing to fill roles in vital sectors of our economy and drive innovation in the workforce. Retreating from or complicating the program jeopardizes this progress and risks widening the opportunity gap.

The North Star Promise Program is Working - Don't Break It.

The North Star Promise program represents an investment in Minnesota's long-term success. It is not merely a tuition assistance program; it is an economic strategy to ensure we have a well-educated, skilled workforce that drives our state's prosperity. I urge you to oppose HF2634 and HF2241 and instead commit to protecting, expanding, and simplifying the North Star Promise program.

We cannot afford to retreat from our promise to Minnesota families. Instead, we must build on this successful initiative, ensuring all students—regardless of income, background, or geography—have a fair opportunity to pursue higher education and build a better future.

Thank you for your leadership and your commitment to Minnesota's students and families. I am happy to provide additional information or discuss my perspective further.

Sincerely,



Michael Dean
North Star Prosperity