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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 3627

02/23/2026 Authored by Coulter; Wolgamott; Hanson, J.; Klevorn; Liebling and others
The bill was read for the first time and referred to the Committee on Higher Education Finance and Policy

A bill for an act

relating to higher education; increasing the maximum income eligibility condition for the North Star Promise scholarship program; increasing a required transfer of money; amending Minnesota Statutes 2025 Supplement, section 136A.1465, subdivision 2; Laws 2025, First Special Session chapter 5, article 1, section 5.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2025 Supplement, section 136A.1465, subdivision 2, is amended to read:

Subd. 2. **Conditions for eligibility.** A scholarship may be awarded to an eligible student who:

(1) has completed the Free Application for Federal Student Aid (FAFSA) or the state aid application by 30 days after the start of the term for which a scholarship is being awarded;

(2) has a family adjusted gross income below ~~$80,000~~ $100,000;

(3) is a graduate of a secondary school or its equivalent, or is 17 years of age or over and has met all requirements for admission as a student to an eligible college or university;

(4) has not completed the degree requirements for the first baccalaureate degree at the time the scholarship is awarded;

(5) is enrolled in at least one credit per fall, spring, or summer semester;

(6) is enrolled in a program or course of study that applies to a degree, diploma, or certificate;

(7) is not in default, as defined by the office, of any federal or state student educational loan;

(8) is not more than 30 days in arrears in court-ordered child support that is collected or enforced by the public authority responsible for child support enforcement or, if the applicant is more than 30 days in arrears in court-ordered child support that is collected or enforced by the public authority responsible for child support enforcement, but is complying with a written payment agreement under section 518A.69 or order for arrearages;

(9) has not been convicted of or pled nolo contendere or guilty to a crime involving fraud in obtaining federal Title IV funds within the meaning of Code of Federal Regulations, title 34, subtitle B, chapter VI, part 668, subpart C; and

(10) is meeting satisfactory academic progress as defined in section 136A.101, subdivision 10.

EFFECTIVE DATE. This section is effective beginning in the fall 2026 academic term.

Sec. 2. Laws 2025, First Special Session chapter 5, article 1, section 5, is amended to read:

Sec. 5. **TRANSFERS.**

(a) The commissioner of the Office of Higher Education, in consultation with the commissioner of management and budget, must transfer $2,500,000 in fiscal year 2026 and $2,500,000 in fiscal year 2027 from the general fund to the spinal cord and traumatic brain injury grant account in the special revenue fund under Minnesota Statutes, section 136A.901, subdivision 1. The commissioner of the Office of Higher Education may use up to ten percent of the amounts transferred under this paragraph to administer the program. The commissioner of management and budget must include a transfer of $2,500,000 each year from the general fund to the spinal cord and traumatic brain injury grant account in the special revenue fund in each forecast prepared under Minnesota Statutes, section 16A.103, from the effective date of this section through the February 2027 forecast.

(b) The commissioner of the Office of Higher Education, in consultation with the commissioner of management and budget, must transfer $3,132,000 in fiscal year 2026 and $3,132,000 in fiscal year 2027 from the general fund to the dual training account in the special revenue fund under Minnesota Statutes, section 136A.246, subdivision 10. The commissioner of the Office of Higher Education may use up to five percent of the amounts transferred under this paragraph to administer the program. Of the amounts transferred under this paragraph, $132,000 each year is for transfer to the Department of Labor and Industry to support identification of competency standards and development of dual training programs in the transportation and child care industries as required under Minnesota Statutes,

section 175.45. The commissioner of management and budget must include a transfer of $3,132,000 each year from the general fund to the dual training account in the special revenue fund in each forecast prepared under Minnesota Statutes, section 16A.103, from the effective date of this section through the February 2027 forecast.

(c) The commissioner of the Office of Higher Education, in consultation with the commissioner of management and budget, must transfer $325,000 in fiscal year 2026 and $325,000 in fiscal year 2027 from the general fund to the large animal veterinarian loan forgiveness program account in the special revenue fund under Minnesota Statutes, section 136A.1795, subdivision 2. The commissioner of management and budget must include a transfer of $325,000 each year from the general fund to the large animal veterinarian loan forgiveness program account in the special revenue fund in each forecast prepared under Minnesota Statutes, section 16A.103, from the effective date of this section through the February 2027 forecast.

(d) The commissioner of the Office of Higher Education, in consultation with the commissioner of management and budget, must transfer $45,000 in fiscal year 2026 and $45,000 in fiscal year 2027 from the general fund to the agricultural education loan forgiveness account in the special revenue fund under Minnesota Statutes, section 136A.1794, subdivision 2. The commissioner of management and budget must include a transfer of $45,000 each year from the general fund to the agricultural education loan forgiveness account in the special revenue fund in each forecast prepared under Minnesota Statutes, section 16A.103, from the effective date of this section through the February 2027 forecast.

(e) The commissioner of the Office of Higher Education, in consultation with the commissioner of management and budget, must transfer $750,000 in fiscal year 2026 and $750,000 in fiscal year 2027 from the general fund to the inclusive higher education grant account in the special revenue fund under Minnesota Statutes, section ~~135A.162~~ 136A.922, subdivision 4. The commissioner of the Office of Higher Education may use up to five percent of the amounts transferred under this paragraph to administer the program. The commissioner of management and budget must include a transfer of $750,000 each year from the general fund to the inclusive higher education grant account in the special revenue fund in each forecast prepared under Minnesota Statutes, section 16A.103, from the effective date of this section through the February 2027 forecast.

(f) The commissioner of the Office of Higher Education, in consultation with the commissioner of management and budget, must transfer $49,500,000 in fiscal year 2026 and ~~$49,500,000~~ $..... in fiscal year 2027 from the general fund to the account in the special revenue fund for North Star Promise scholarships under Minnesota Statutes, section

136A.1465, subdivision 8. The commissioner of management and budget must include a transfer of ~~$49,500,000~~ $..... each year from the general fund to the account in the special revenue fund for North Star Promise scholarships in each forecast prepared under Minnesota Statutes, section 16A.103, from the effective date of this section through the February 2027 forecast.