

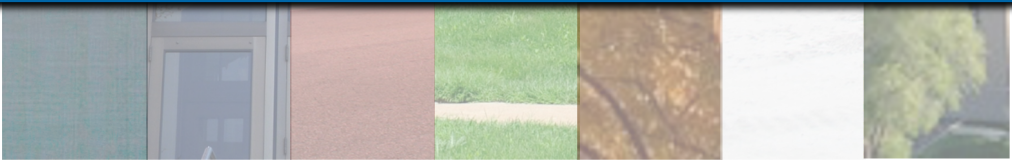


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Gov. Walz Budget

2021



Revenue Increases

General Fund
\$ in thousands

Governor's 2022-23 Biennial Budget

	FY 2021	FY 2022-23	FY 2024-25
Recommended Changes: Revenue			
Tax Revenue			
Increase Amount of Working Family Credit	(101,000)		(103,200)
Expansion of First Tier of Individual Income Tax	(95,200)		(95,000)
ITIN Usage for Working Family Credit	(23,200)		(23,400)
5th Tier Income Tax Rate	402,700		364,000
Capital Gains Tax	486,100		442,800
Previously Taxed Foreign Income	336,230		94,420
Corporate Franchise Tax Rate Increase	423,800		406,700
Angel Tax Credit	(7,000)		
Minnesota Itemized Deduction for Casualty and Theft Losses	(2,020)		(2,020)
Resident Trust Definition	6,800		6,800
Qualified Data Centers Sales Tax Exemption	30,700		70,000
Sales Tax Exemption for School Fundraising	(1,310)		(1,410)
Reinstate Estate Tax Exclusion	28,100		36,000
Cigarette Tax Increase	138,770		137,300
Vapor Tax	11,610		17,450
Simplify School Levies and Improve Equalization	380		700
Non Admitted Surplus Lines Tax	800		1,600
Regional Transit Bonding Authority	(20)		(670)
Non-Tax Revenue			

Higher Education

Minnesota State

- \$61 million for campus support (\$75M request)
- \$2.5 million for basic student needs (\$15M request)
 - Emergency Student Grants: application and distribution processes that are easy, accessible and quick. Targeted to students whose odds of completion are most increased
 - Stigma-free and online mental health assessment tools and mental health first aid type resources.
 - Easily accessible information hub to connect students to local, county, and state resources that address basic needs.
 - Training and support for faculty, staff, and administrators to ensure that programs are designed to be easily accessible to all students, specifically focusing on students from racial, ethnic, and indigenous populations, low- income and first generational.

Higher Education (con't)

University of MN

- \$46.5 million for campus support

Office of Higher Education

- \$35 million for Workforce Stabilization Grants
 - More information on next slide
- \$5.5 million for Teachers of Color Grants
- \$1.3 million for Emergency Student Grants
- \$6 million for State Grant Program (all into LME)
- \$1 million for direct admissions program

Workforce Stabilization Grants

Targeted grants for reskilling and workforce stabilization.

Estimated 20,300 students who are eligible for grants to cover tuition and fees.

- Entry into the Workforce Stabilization Grant Program is provided via two pathways:
 - **Workers impacted by COVID** – MN residents with a HS diploma or equivalent who have worked in a critical industry, have been eligible to apply for unemployment benefits or pandemic unemployment, or are “at risk” due to their employment in a relatively instable industry. Income limit is \$80,000, based on family adjusted gross income.
 - **Lower -income students** whose education was negatively impacted by COVID. Income limit \$50,000, based on family adjusted gross income.

To receive a MN Workforce Stabilization Grant, individuals must:

- Enroll in one or more credits at a **public** college or tribal college,
- Enroll in a certificate, assoc’s degree, diploma, bachelor’s degree, or industry -recognized credential program designated as high need by the Commissioner of OHE, in collaboration with Minnesota State, Tribal Colleges, DOLI, and DEED.
 - “High Need” programs, include but are not limited to: i. Programs leading to high demand occupations ii. Programs leading to occupations with a high vacancy rate (defined as a vacancy rate above the economy - wide job vacancy rate for the same survey period, and iii. Programs that support the state’s economic vitality .

Direct Admissions MN

- The Governor recommends \$1 million for the new initiative Direct Admissions Minnesota, a partnership project between K -12 and higher education to create a pre-qualified or proactive admissions process for Minnesota public high school students entering their senior year seeking to enroll at institutions within the Minnesota State College and University system.

Other

PERB

\$800,000 funding for implementation of PERB

- Currently forced to operate without funding.

Federal COVID Relief

Bill passed in December

Total higher education relief to campuses = \$22B. Bill passed in March included \$12B.

Estimates for COVID relief, by campus (click [here](#) to check other campuses):

- **Bemidji State** - \$5M
- **Metro State** - \$10.3M
- **MSU-Moorhead** - \$5.9M
- **MSU, Mankato** - \$14.6M
- **Southwest MN State** - \$3.6M
- **St. Cloud State** - \$13.8M
- **Winona State** - \$8.9M

University Total: \$63M

MinnState Total: \$186M

PRES. BIDEN COVID RELIEF PLAN RELEASED IN JANUARY INCLUDES AN ADDITIONAL \$35B FOR HIGHER EDUCATION and \$350B FOR STATE AND LOCAL GOV'TS.