

California Student Aid Commission

NEWS RELEASE



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Student Aid Commission Announces 41 Percent Increase in Cal Grants

Rancho Cordova - The California Student Aid Commission today announced an unprecedented 41 percent increase in the number of new Cal Grant awards for 2000-2001. In just a single year, the number of new Cal Grant awards has jumped from 55,054 (in 1999-2000) to 77,603. This is the result of the recently passed State Budget, which, for the first time, includes sufficient funds to provide the statutory number of awards established by California's Master Plan on Higher Education.

The Cal Grant Program provides educational funding for needy students throughout California in all segments of higher education. The added Cal Grant funds will raise the overall funding level from nearly \$375 million to \$503 million and will bring the total number of new and renewal awards to over 130,000.

Commission Chair Dr. Joseph Watson commented, "The Commission has been working very closely with the Governor's Office and the Legislature to promote higher educational opportunities for California's students. California is faced with a rapidly increasing population of needy students, and we are extremely pleased to be part of a State Government that is prepared to meet this challenge head-on. The additional Cal Grant funds mean a better education and a brighter future for tens of thousands of California students, and that translates to a more prosperous future for all Californians."

"This will provide an enormous increase in benefits for California college students," said Commission Executive Director Wally Boeck. "Five years ago we had only enough funds to offer 31,000 new Cal Grant awards, or roughly 23 percent of eligible Cal Grant applicants. With the added Cal Grants for 2000-2001, the percentage of eligible applicants who receive Cal Grants will grow to 57 percent."

The California Student Aid Commission is the State's principal provider of statewide intersegmental grant aid to postsecondary students. Founded in 1955 as the California State Scholarship

Commission, the Commission's primary program responsibilities include several targeted State grant, scholarship, loan assumption, work study, and outreach programs. These programs will provide a total of over \$530 million in student benefits in 2000-2001. The Cal Grant Program will account for \$503 million of this total. The 15-member Commission, which is headquartered in Rancho Cordova, also oversees the activities of its non-profit student loan services auxiliary, EDFUND.

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