



NEWS RELEASE

FOR IMMEDIATE RELEASE
February 29, 2008

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CALIFORNIA STUDENT AID COMMISSION URGES LEADERS TO SPARE COMPETITIVE GRANT FUNDING IN STATE BUDGET

Unanimous Vote by Commissioners Asks Governor, Legislature to Continue Funding Aid for Older Students Looking for a Second Chance

RANCHO CORDOVA, CA – The California Student Aid Commission voted unanimously Thursday to ask the Governor and the Legislature to spare funding for the State's Cal Grant competitive program, which mainly serves young adults who have been out of high school for a while, and wish to return to pursue a higher education.

The vote comes on the heels of the Governor's January 10 budget proposal to reduce funding the program by \$57.4 million. While renewal applicants would get grants this year, no additional funds have been allocated for awards in the 2008-09 budget year.

"We are keenly aware that the Governor and Legislature face a daunting task in reducing the large budget deficit this year," Commission Chair Dean Johnston said. "But the Commissioners wished to send a strong message that this program has had a positive impact on helping our young adults find their way back to school and achieve college and career success."

The average Cal Grant competitive student is about 30 years of age, with an average GPA of 3.27 and yearly income of only \$16,000. "Many of these young adults were unable to attend postsecondary education directly out of high school," added Johnston. "Competitive grants provide them the ability to return to school and improve their skills and their annual income."

The Governor's current budget proposal does spare the Cal Grant entitlement program, which serves high school seniors or recent high school graduates and community college transfer students. That program is based on the applicant's ability to meet financial need and academic requirements. Awards are guaranteed to those who meet eligibility requirements.

Each year, the Commission awards 22,500 competitive awards statewide. The demand for awards, though, is much greater: Annually, there are more than 135,000 eligible applicants.

"The number of older workers seeking additional education to upgrade or acquire new job skills will only increase due to the tough economy and changing labor market," Johnston added. "We hope that something can be done to protect this much-needed grant program."

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The Commission, created by the Legislature in 1955, consists of 15 appointed members. Eleven of the commissioners are appointed by the Governor and represent segments of the State's higher education community, students, and the general public. The Speaker of the Assembly and the Chair of the Senate Rules Committee each appoint two members as representatives of the general public.