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**CONTACT:** Michael Lemus / 916-206-1285

Michael.Lemus@csac.ca.gov

**Student Aid Commission Statement on Gov. Newsom’s May Revise Budget**

*Governor Newsom Proposes Historic Investments To Drive Down Attendance Costs for Students as Part of the California Comeback Plan*

**SACRAMENTO, Calif., May 14, 2021** – The California Student Aid Commission applauds Governor Newsom’s new Budget proposals to support displaced workers in accessing higher education, as well as programs to promote college affordability and public service. The unprecedented budgetary resources provide an opportunity for policymakers to simplify and expand the state’s signature student financial aid program, the Cal Grant.

“These proposed investments reflect an understanding about the important role that financial aid plays in helping make higher education attainable, as well as fostering a talented workforce and inclusive economic recovery,” said Marlene Garcia, Executive Director of the Commission. “Additionally, by adopting the [Cal Grant Equity Framework](#) proposed by the Commission, we can also simplify and expand the Cal Grant program to ensure a ‘California Comeback’ for our students and economy.”

Governor Newsom’s May Revision features several new proposals that will support California’s efforts to provide affordable pathways to higher education and career opportunities, including:

- \$2 billion to establish college savings accounts for vulnerable students currently enrolled in K-12 public schools, with a \$500 base deposit for low-income, English learner, and foster youth students, as well as an additional \$500 for foster and homeless youth.
- \$1 billion to support displaced workers in accessing postsecondary education for degrees or training, as well as start new business enterprises.
- \$4 billion towards the construction of student housing that helps address student homelessness and reduces the non-tuition expenses students face.
- \$500 million towards the Golden State Teacher Grant program to provide grants for students in teacher preparation programs.
- \$285 million to create the Californians For All College Service Program under California Volunteers that provides participants with stipends and scholarship awards as they gain experience serving their communities.

Commission Chair Catalina Cifuentes said, “The Governor’s May Revision Budget underscores the critical role that access to financial aid plays for not only students, but also California’s economic resurgence. We look forward to



continuing to work with the Governor and Legislature to ensure that the final Budget includes critical, needed reforms of the Cal Grant program so that it serves students and displaced workers seeking college and training opportunities that will drive our economic recovery.”

Student Commissioner Isaac Alferos added, “Students in California were already struggling to cover their basic needs – food and housing – before the onset of COVID-19. We know this pandemic has only exacerbated those challenges. Now, more than ever, California must invest in our students and redesign the Cal Grant so it better reflects the needs of our students today.”

The Student Aid Commission looks forward to continued collaboration with the Governor and legislative leaders to secure investments in the 2021-22 State Budget that advance our mission to promote educational equity by making postsecondary education affordable for all Californians.

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The California Student Aid Commission administers the state’s \$2.8 billion portfolio of student financial aid programs and services, including the Cal Grant, the Middle Class Scholarship, and the California Dream Act Application. The Commission serves as a resource for policymakers and the public on college affordability and financing issues, and advocates for policy changes to eliminate cost as a barrier to any qualified California student pursuing a higher education. Visit our website at <https://www.csac.ca.gov> or follow us on social media via our [LinkTree](#).