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## **California Student Aid Commission Statement on the 2024-25 State Budget**

The California Student Aid Commission thanks Gov. Gavin Newsom and the California Legislature for defending core financial aid programs while the state addresses a challenging, multiyear fiscal deficit. The 2024-25 State Budget maintains the state's core investments in financial aid, including \$2.5 billion for the Cal Grant program and \$926 million for Middle Class Scholarships. Additionally, the budget provides \$20 million in one-time funding to increase completion of financial aid applications for the 2024-25 application year.

The final 2024-25 budget agreement also includes:

- Actions to maintain the Golden State Teacher Grant for 2024-25 by reducing award amounts to \$10,000 for new students applying after July 1, 2024. Subsequently, students will be required to complete a shorter service agreement, of two years. The program will also now require that students receive their teaching credential from an institution of higher education.
- Sunset of the Learning-Aligned Employment Program at the conclusion of this fiscal year and reversion of all remaining funding.
- A solution to align the application deadline for Middle Class Scholarship for returning students with the timeline for other financial aid program renewals.
- Language that clarifies how the Commission may continue to partner with philanthropic entities by removing outdated language reflecting an auxiliary entity within the Commission that has been defunct for years.

- Reduction of state agency operating budgets by 7.95% beginning in 2024-25 along with other reductions based on staff vacancies at applicable departments.

This agreement reflects the challenging budget landscape facing California. No one can deny that improving California's financial aid system is one of the state's best opportunities to remove barriers to higher education, train the skilled workers it needs, and drive long-term economic growth. It is financial aid that helps protect access to higher education for tens of thousands of low-income students, particularly given the ongoing challenges with the Better FAFSA rollout.

The Governor and Legislature have demonstrated their commitment to financial aid and we are committed to working with policymakers to see through the much-needed reforms to the Cal Grant adopted in 2022 that could not be funded this year.

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*The [California Student Aid Commission](#) currently serves over 400,000 students and administers the state's \$3 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 [www.csac.ca.gov](http://www.csac.ca.gov) or follow us on social media by clicking on our [Link Tree](#).*