

The Middle Class Scholarship



Over the past 10 years, State public university student tuition rates have increased over 190% at the University of California (UC) and by about 145% at California State Universities (CSU). Students at UCs and CSUs currently pay an annual tuition of \$12,192 and \$5,472, respectively. The Middle Class Scholarship will lower the college fees to \$7,315 at UCs and \$3,283 at CSUs beginning in the 2014-15 school year. The Middle Class Scholarship will provide up to 40% off of statewide fees (tuition) at the UC and CSU campuses for families making under \$100,000 that do not qualify for other financial aid programs and will provide a 10% tuition reduction for families making up to \$150,000. The Middle Class Scholarship tuition coverage is based on a sliding scale. All students must complete a Free Application for Federal Student Aid (FAFSA) at www.fafsa.gov or California Dream Act Application at www.caldreamact.org no later than the March 2nd priority deadline.

The Middle Class Scholarship will supplement students' current financial aid packages. Up to 130,000 California students are expected to benefit from this financial aid program. The application submission period for the Middle Class Scholarship begins January 1, 2014. Eligible students must meet all Cal Grant program requirements with the exception of the income and asset test and must have a minimum of a 2.0 grade point average and maintain satisfactory academic progress.

The Middle Class Scholarship awards would be phased in over four years beginning in Fall 2014-15. The California Student Aid Commission will work with its segmental partners, along with students, student associations, financial aid administrators and others to fully implement this important initiative. The Middle Class Scholarship passed unanimously in the State Senate and passed the Assembly with overwhelming bipartisan support.

The program will be funded through General Fund revenues from Proposition 39, which voters approved in 2012. The state will increase spending on the Middle Class Scholarship each year until it is fully implemented in 2017-18 as follows: A \$107 million General Fund appropriation beginning in 2014-15 with increases to \$152 million in 2015-16, \$228 million in 2016-17, and up to \$305 million (cap) annually thereafter. These cost estimates assume flat enrollment and no tuition increases at UC or CSU over the four-year implementation.

The California Student Aid Commission will receive a \$750,000 in General Fund appropriation in 2013-14 for implementation and outreach for the Middle Class Scholarship.