



NEWS RELEASE

CALIFORNIA STATE TREASURER BILL LOCKYER

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Treasurer Lockyer Announces Scholarship Program to Reward Achievement, Encourage Students and Families to Save for College *\$150,000 in College Savings Scholarships Will Go to 200 Sacramento Students*

SACRAMENTO – State Treasurer Bill Lockyer today announced the start of the ScholarShare Project for Achievement and Recognition of Creativity (SPARC) contest that will award \$150,000 in college savings scholarships to 200 K-12 students in Sacramento-area schools.

“In the modern economy, a college education is the pathway to a good job and solid future,” said Lockyer. “Every student who works hard and achieves deserves the opportunity to obtain a college degree. This partnership with the Sacramento Office of Education will provide needed funds to help more students pay for the rising cost of going to college, get students excited about their futures, and encourage families to save early for college.”

“It is an honor to team up with the State Treasurer's Office in the ScholarShare effort,” said David W. Gordon, Sacramento County Superintendent of Schools. “Our goal is to inspire more young people to think about their futures and we at the Sacramento County Office of Education are excited about helping provide scholarships to local students who are being rewarded for their talent, dedication and achievement. We feel that we are definitely offering an enhanced opportunity for more of our students to be able to continue their educations and improve their lives.”

The Sacramento pilot project is a partnership between ScholarShare, California’s 529 college savings plan, and the Sacramento County Office of Education. The contest will be open to students in grades K-12 at 29 Sacramento County schools.

SPARC scholarship recipients will be chosen based on their ability to expand on the theme, “I Will Become...” The contest will have three entry levels. Students in grades K-6 will compete in an essay or poster contest for 100 awards valued at \$500 each, students in grades 7-9 will compete in an essay contest for 50 awards valued at \$750, and students in grades 10-12 will compete in a 30-second video contest for 50 awards worth \$1,250 each.

Each winner’s award will be placed in a ScholarShare college savings account and held in trust by the ScholarShare Investment Board (SIB). The SIB, chaired by Lockyer as State Treasurer, administers the state’s 529 college investment plan. Named for the section of IRS code under which they were created, 529 plans are highly regarded for their tax-advantaged status.

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The students will be able to use the awards, plus the investment earnings they accrue, to help pay their tuition and other college expenses. Neither the students nor their family members will be able to place additional funds in the SPARC ScholarShare accounts. They can, however, establish separate, regular ScholarShare accounts and add money to those accounts on a regular basis.

ScholarShare enables Californians to save for college by putting money in tax-advantaged investments. Earnings on investments grow tax-deferred, and disbursements, when used for tuition and other qualified expenses, are federal and state tax-free.

ScholarShare accounts may be opened online with as little as \$50, or \$15 when combined with regular investments of at least \$15 per month. ScholarShare has no annual fee, no income limit and offers a high maximum contribution limit of \$320,000. The program currently holds more than \$2.6 billion in assets in more than 190,000 accounts.

Also announced today was the launch of a new website run out of the State Treasurer's Office, www.Cal529.org, which will serve as the online hub for the SPARC contest and other ScholarShare outreach programs. It also will provide information and forms for state employees to set up automatic payroll deductions for ScholarShare accounts.

For a complete listing of participating schools, general SPARC information or contest rules and deadlines, visit www.Cal529.org. For information on ScholarShare, visit www.scholarshare.com.

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