



CALIFORNIA STATE TREASURER JOHN CHIANG

# NEWS RELEASE

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## Treasurer Unveils New Program to Help Make Higher Education Accessible for More California Families

**SACRAMENTO** – California State Treasurer John Chiang and [ScholarShare 529](#), one of the nation's top performing college savings plans, today announced the launch of a new program to help low- and moderate-income California families jumpstart saving for college.

The Matching Grant Program will help families open a college savings account and counter rising tuition costs, one of the most significant obstacles to securing a higher education.

"The wealth gap in our country is the widest it has been in 40 years and the ability to afford higher education is becoming increasingly difficult for low- and moderate-income California families," said State Treasurer John Chiang, chair of the ScholarShare Investment Board. "To break the back of college unaffordability, we need to both tame out of control tuition increases and student loan debt as well as help families build college nest eggs."

Research shows that children with savings accounts, however small, are seven times more likely to attend and graduate college. To give California families an opportunity to pursue higher education and a bright future, ScholarShare529 will encourage families to open 529 accounts as part of the new Matching Grant Program.

The program offers flexibility as the funds can be used at any accredited higher-education program, including community colleges and trade schools, as well as for other approved educational expenses. And, the savings in a ScholarShare 529 account will not impact eligibility for most state benefits, such as CalWORKS and CalFresh.

ScholarShare 529 is working closely with community based organizations (CBOs) across the state, including California Asset Building Coalition, Closing the Women's Wealth Gap Initiative, Los Angeles County Department of Consumer and Business Affairs, United Ways of California, EARN, and Glendale Unified School District to ensure that eligible families receive the news about the Matching Grant Program and take advantage of this new incentive to save for college.

"Recent studies indicate that California will fall short about 1.1 million college graduates by 2030 if current trends persist. Making college more accessible to all Californians, regardless of

income, is a necessity if we want to improve the overall fiscal health of our state and close the workforce skills gap,” Chiang said.

The Matching Grant Program, which opens on Jan. 1, 2018, offers a dollar-for-dollar match contribution of up to \$200 on new accounts. Families that establish a monthly automatic contribution plan of \$25 or more are eligible for a \$25 bonus.

Eligible parents/guardians must be California residents at enrollment, have a valid social security number or a federal tax ID number, and have an adjusted gross annual income of \$75,000 or less.

For additional information about eligibility, please visit [www.mgp.scholarshare529.com](http://www.mgp.scholarshare529.com).

### **About ScholarShare 529**

ScholarShare 529 is the official college savings plan of California. Established in 1999, ScholarShare 529 helps California families save for college and currently holds more than \$8 billion in assets across nearly 300,000 accounts as of October 2017.

With 100% tax-free growth, families can accumulate up to 25% more money for higher education – funds which can be used for a range of qualified expenses at most trade schools, colleges, and universities nationwide. ScholarShare 529 is offered by the State of California and managed by TIAA-CREF Tuition Financing, Inc.

For more information about the plan, visit [ScholarShare529.com](http://ScholarShare529.com). For information about the ScholarShare Investment Board (SIB), which oversees ScholarShare 529, visit [www.treasurer.ca.gov/ScholarShare](http://www.treasurer.ca.gov/ScholarShare). ScholarShare 529 can be found on Facebook at [facebook.com/ScholarShare529](https://facebook.com/ScholarShare529) and on Twitter at [@ScholarShare529](https://twitter.com/ScholarShare529).

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