

**STATE FUNDING FOR POSTSECONDARY EDUCATION  
STUDENT GRANTS REMAINS OVER \$3 BILLION**

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The National Association of State Student Grant and Aid Programs (NASSGAP) released its 30th Annual Survey Report, highlighting that more than 2 million students benefited from state assistance in 1998-99. The recipient population received more than \$3.69 billion in state assistance, an increase of 8.8 percent from the previous year. Of the above dollar total, 81 percent was awarded as need-based aid to undergraduate and graduate students compared to 19 percent as non-need-based, merit, and other special bases.

Overall, state spending on need-based and non-need-based grant aid to undergraduate and graduate students increased 47.4 percent over the past five years. The state agencies also reported providing students with over \$500 million in other aid (e.g., loan forgiveness, work-study, scholarships).

The report shows that funding for undergraduate need-based aid increased 13.9 percentage points from 1997-98.

*"This report is the most exhaustive account of financial aid programs administered by state agencies. It clearly illustrates that the amount of financial aid states provides to students in the form of need and merit-based aid programs is significant, as is the role states play in assisting students finance postsecondary education"* noted Dennis Obergfell NASSGAP President. *"That said, many state programs rely on important partnership programs with the federal government such as the Leveraging Education Assistance Partnership Program (LEAP), and the Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) to provide students with the funds and support needed to make higher education affordable and accessible".*

LEAP creates the opportunity to significantly increase the amount of need-based grant aid available to students in 1999-2000, and requires that for every dollar over the \$30.0 million base, states will match the federal dollar two to one. Mr. Obergfell noted that no other federal student aid program generates this level of shared support for needy students, and that state and federal partnerships are essential to maintain access to higher education for all who can benefit.

The National Association of State Scholarship Grant and Aid Programs (NASSGAP) is a non-profit member organization representing the 50 states and 6 territories that provide financial aid to postsecondary education students.

Copies of the 29<sup>th</sup> Annual NASSGAP Survey Report can be obtained by sending a \$20 check or money order payable to the National Association of State Student Grant and Aid Programs (NASSGAP), c/o HESC, 99 Washington Avenue, Room 1705, Albany, New York, 12255, Attention: NASSGAP. Purchase orders cannot be accepted.