PHEAA Board Praises 2019-20 Commonwealth Budget
Prioritizing Pennsylvania College Students

$370 million in total funding for students now available – nearly $47 million more than 2018-19

HARRISBURG (July 1, 2019) – The leadership of PHEAA’s Board of Directors today praised Governor Wolf and members of the General Assembly for passage of the 2019-20 Commonwealth Budget that provides the largest appropriation increase for student aid funding in more than 50 years.

The PA State Grant Program, the largest state-funded program administered by PHEAA, will receive a $310.733 million appropriation, which is a 13.7% increase over the $273.391 million appropriation for 2018-19. The need-based PA State Grant Program is expected to provide awards to 132,000 Pennsylvania students in 2019-20, with a maximum award of $4,123.

The Program is one of the largest grant programs of its kind in the nation and has disbursed more than $11.4 billion to students with financial need since its inception in 1964.

The Ready to Succeed Scholarship Program (RTSS) received a $5.55 million appropriation for 2019-20, which is an 11% increase over 2018-19.

RTSS provides scholarships to high academic achievers whose income does not exceed $110,000. In combination with the Pennsylvania State Grant Program, RTSS offers a total award up to $2,000 for full-time and $1,000 for part-time students.

“With this budget, we’ve managed to put an additional $47 million of student aid funding directly into the hands of Pennsylvania college students,” said Representative Mike Peifer, PHEAA Board Chairman. “This PHEAA-administered funding will follow the student to whichever school they attend; empowering them to achieve both access and choice, which is at the core of PHEAA’s public service mission.”

Several other PHEAA-administered student aid programs received a 5% appropriation increase for 2019-20, including:

- $13.121 million for the Matching Funds Program, which provides a dollar match for federal and other funds to postsecondary schools, community-based foundations, and employers.

- $2.358 million for the Higher Education for Disadvantaged Students Program (Act 101), which provides desperately needed support services for disadvantaged undergraduate students who might not otherwise be able to successfully pursue higher education.

- $6.3 million for the PA Targeted Industry Program (PA-TIP), which provides grants to students enrolled in programs of study less than 2 years in length in high demand fields, such as agriculture, energy, or advanced manufacturing.
“I’d like to thank Governor Wolf and my colleagues in the General Assembly for their bipartisan efforts on passing a budget that benefits Pennsylvania students by historic proportions,” said Senator Wayne Fontana, PHEAA Board Vice Chairman. “Putting the focus back on students will pay dividends for years to come through a more educated workforce, lower student debt levels, and more financially secure families.”

All funds appropriated by the Commonwealth for student aid programs go directly to the students since PHEAA pays all costs to administer the program, which saves taxpayers nearly $20 million annually.

Students and families are encouraged to visit PHEAA on Facebook, Twitter (@PHEAAid), and LinkedIn where they can learn more about the higher education financial aid process, receive reminders of financial aid deadlines, and find information pertaining to planning for higher education. Additionally, video tutorials explaining the student aid process and types of aid available can be found at YouTube.com/PHEAAstudentAid.

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About PHEAA

Established in 1963 by the Pennsylvania General Assembly with the mission of creating affordable access to higher education, the Pennsylvania Higher Education Assistance Agency (PHEAA) has evolved into one of the nation’s leading student aid organizations. Today, PHEAA is a national provider of student financial aid services, serving millions of customers through its loan servicing, loan guaranty, financial aid processing, public service outreach and other student aid programs, products and services. PHEAA’s earnings are used to support its public service mission and to pay its operating costs, including the administration of the PA State Grant and other state-funded student aid programs. PHEAA has contributed more than $1 billion from its earnings in direct supplemental funding for student aid programs to further support Pennsylvania students, families, schools and taxpayers.

PHEAA conducts its student loan servicing activities nationally as FedLoan Servicing and American Education Services (AES). For more information, visit www.pheaa.org.