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**PHEAA Announces Increase in State Grant Awards**  
*State budget provides 5.5% increase to grant funding*

**Harrisburg, PA (July 9, 2008)** – PHEAA announced today that the final maximum and average State Grant awards for the 2008-09 academic year will increase over initial projections, which had used a 3 percent funding increase originally included in the Governor's budget proposal.

Thanks to efforts of the PHEAA Board of Directors, the General Assembly and the Governor's office during budget negotiations, the final State Grant funding levels were increased by 5.5 percent over last year's funding level for a total of \$407.4 million. Under the initial 3 percent funding increase, \$398 million would have been available.

This funding increase will provide an average State Grant award of \$2,738 with a maximum award of \$4,120 to qualifying students attending the highest cost schools.

"This increase in State Grant funding sends a welcome message to Pennsylvania families that my colleagues in the General Assembly understand the importance of helping our students pay for a higher education," notes PHEAA Board Chairman and State Representative, William F. Adolph, Jr. "Having an educated workforce is essential to the future economic health of the Commonwealth and individual families throughout the state."

"It took a significant amount of work to achieve a 5.5% increase during such a tight budget year, but it is well worth it to know that this increase in funding will allow an additional 3,000 students to qualify for an award, for a total of 163,000 Pennsylvania State Grant recipients," said PHEAA Board Vice Chairman and State Senator, Sean Logan.

In addition to administering the State Grant program at no cost to taxpayers, PHEAA administers federal and state scholarship and loan forgiveness program, provides online career and college planning tools and works with Pennsylvania's lending community to offer reduced-cost Stafford and PLUS Loans through its KeystoneBEST Loan Program.

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