

A 50-STATE LOOK AT RISING COLLEGE PRICES

AND THE NEW AMERICAN STUDENT

THE UNAFFORDABLE ERA **Dēmos**

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About Dēmos

Dēmos is a public policy organization working for an America where we all have an equal say in our democracy and an equal chance in our economy.

Our name means “the people.” It is the root word of democracy, and it reminds us that in America, the true source of our greatness is the diversity of our people. Our nation’s highest challenge is to create a democracy that truly empowers people of all backgrounds, so that we all have a say in setting the policies that shape opportunity and provide for our common future. To help America meet that challenge, Dēmos is working to reduce both political and economic inequality, deploying original research, advocacy, litigation, and strategic communications to create the America the people deserve.

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Summary and Key Findings

The notion that any student, regardless of background or family finances, should be able to succeed in college is fundamental to the American ideals of opportunity and meritocracy. Because of this, we have at various times come together to make public colleges and universities more available and affordable to more students. These efforts have generally been successful; investing in affordable education is good policy that not only strengthens opportunity for individuals, but also builds communities, grows our economy, and affirms the values of our democracy.

As a degree or high-quality credential has become close to a requirement for financial stability, policymakers have abandoned the promise that those credentials would be primarily funded through taxpayer support and a modest contribution from students and their families. Some of these cuts are due to an ideology that prioritizes smaller government, lower taxes, and lower levels of public investment generally. In other instances, as the U.S. has undergone downturns in the business cycle, what have often been viewed as necessary and temporary cuts to public higher education funding have instead become the new normal, and per-student funding has generally been on a downward trajectory for many years.

The consequences of our austerity, neglect, and lack of political fortitude are felt most acutely by today's students, the most diverse in our nation's history. That today's students face far higher college prices than previous generations is not in dispute. But the picture is not the same across the country, with wide variation in the levels of state commitments to higher education and to working-class students in particular. Even in states where support seems strong, working-class families face tuition bills that make up very large portions of their family income.

This report lays out where the affordability and funding crises are most acute, taking a state-by-state look at where students can hope to work their way through college, how much each state prioritizes public higher education, and where white students have the greatest advantage in being able to pay the rising price. We find:

- **In 49 out of 50 states, public college is *less public* than in 2001.** In all but 1 state (Wyoming), tuition makes up a greater share of total revenue brought in by public colleges and universities than at the beginning of this century.

- **Tuition revenue and per-student funding are closely linked.** The 10 states that rank last in per-student funding of public college also rely the most on tuition revenue. Only 1 state in the top 10 in terms of per-student funding also receives more than 50% of its educational revenues from tuition. In other words, no states invest few dollars per student and also keep tuition low.
- **In 22 states, working-class students face an average net price—the amount needed to pay for college after grant and scholarship aid—of over \$10,000 a year at 4-year public colleges.** Since 2008-09 (the first year for which data are available), 20 states have increased the net price for low-income students by at least \$2,000 a year, even as incomes for the working class have lagged.
- **In 38 states, students need to work more than 20 hours a week to avoid taking on student loan debt from a 4-year college.** In 9 states, low-income students need to work more than 30 hours a week to avoid debt. And in 2 states (New Hampshire and Pennsylvania), a typical low-income student needs to work a full-time, 40 hours per week job while in college full-time to avoid debt.
- **Community college is less affordable than many think.** In 10 states, students must work more than 20 hours a week to pay the average price at community colleges—before they even pay for food, child care, or other basic needs—potentially compromising their studies. And in 32 states, students must work more than 15 hours a week.
- **The net price of college is more burdensome for families of color.** Nationally, the net price of a public 4-year college, after grant and scholarship aid, takes up one-third of median black family income and a quarter of median Latino family income, compared to a fifth of median white family income.
- **In many states, college prices are truly burdensome relative to family income for people of color.** In 26 states, the average net price of a public 4-year college makes up over half of a typical black family’s annual income. In 9 states, the average net price of a public 4-year college takes up over one-third of a Latino family’s median income. In 11 states, college prices take up 20% more of a typical black family’s income than a typical white family’s income.
- **At every type of public college, from research institutions to community colleges, declines in public funding mirror increases in tuition revenue very closely.** In the aftermath of the recession, overall public funding is down at every type of public college, and dwarfs any increase in spending. The bulk of increased spending before and after the recession seems to come from increased scholarship and fellowship aid. This suggests that concerns over reckless spending at public colleges may be more myth than reality.

Introduction

Ask any American parent, regardless of race or class, what his aspirations are for his child. Ask any worker what she needs to achieve financial security, get a leg up in her career, and have peace of mind. Ask any migrant family the reason they decided to set up a new life in America. Chances are—and polling repeatedly shows¹—that the answers to these questions will, in part, involve some type of postsecondary learning or training. Higher education—whether public or private, 2-year, 4-year, or workforce credential—is fundamental to the American ideals of opportunity and meritocracy, and public investment in it—from the creation of land-grant colleges and community colleges to the GI Bill and the Pell Grant—reflects an understanding that the more a society puts into its people, the more it gets back.

Public support for higher education need not be simply a matter of putting our pooled resources where our shared values are; economic data shows that public investment in postsecondary education pays off for our communities, states, and nation. The Organisation for Economic Cooperation and Development (OECD) estimates that the net public returns—that is, the benefits that accrue to all of us, not just the individual—in the United States range between \$100,000 to nearly \$300,000 per student.² Other studies show that individual states see a return of between \$3 and \$4 for every \$1 invested in public colleges and universities.³ There is a persistent link between public spending on colleges and higher tax revenue, lower public assistance spending, greater health outcomes, and lower crime rates. The greater the government support for higher education, the greater the chance that students and families have agency toward their own goals and that communities can be happier, healthier, more resourceful and more productive.

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Higher education is fundamental to the American ideals of opportunity and meritocracy, and public investment in it reflects an understanding that the more a society puts into its people, the more it gets back.

Beginning with a well-funded and well-organized political movement animated by the goal of lower taxes and smaller government, and coinciding with an increase in the share of people of color as a total percentage of the population, our national conception of public higher education and other social services has changed.⁴ Rather than see social spending as something that reaps shared benefits, many politicians have begun to make decisions based on an individualistic view of the safety net. Sure, the argument goes, there may be public benefits to social spending but there are private benefits as well: Individuals see greater earnings, on average, from going to college and thus should shoulder much of the load. In higher education, policymakers shifted the load by cutting postsecondary budgets or keeping them flat as more students entered school, while allowing colleges and universities to make up the gap in state funding by charging students more in tuition, fees, and other charges.

Recessions have only exacerbated the impact of this strategy. With fewer jobs available, more students and workers return to school to gain skills and make themselves more attractive in the labor market. During a downturn, states receive less tax revenue but still need to balance their budgets, so they often reduce funding for public higher education and many other vital services to manage these tight circumstances. Finally, as families lose jobs, take pay cuts, and rely more on spending down their savings, students have less wealth to draw upon to pay for college.

As tuition has continued to rise, the federal government has been faced with several options. It could dramatically increase the available grant aid to needy students and ensure that no matter the cost, students will always have an affordable, quality option. Or, the federal government could pressure states to maintain or increase the funding of their public colleges and universities as a way of sharing responsibility. In reality, the federal government has chosen a third path, one with dire consequences for working-class students and students of color. The federal government has, with very few exceptions,⁵ withheld any pressure on states to increase funding for general support or for working-class students themselves. And while the maximum Pell Grant has increased slightly over time, it has been dwarfed by rising costs of attending college. Today the Pell Grant covers less than one-third of the cost of attending a public college or university. In the late 1970s, it covered nearly three-fourths.⁶

Instead, the federal government's response to rising college prices has focused on the federal student loan program, pushing the burden of rising college prices onto students. By offering students a line of credit, and providing students with subsidies on interest rates and various repayment options, this policy approach encumbers students' futures with hefty loan obligations. On its face, this is a reasonable proposition—after all, the

typical student has a bright financial future if she completes a degree program and can use a boost in earnings to pay off the initial amount borrowed. Indeed, the popular notion tends to be that a student loan, like a mortgage, is “good debt,” borrowed against one’s likely future success.

But it does not take a great deal of analysis to understand that below the surface, a debt-financed system of undergraduate higher education can mean an unacceptable level of risk for some students. Working-class students and students of color are more likely to face trouble repaying student loans, and African-American students in particular have loan balances that exceed the amount they borrowed more than a decade after they begin school.⁷ This is in no way due to differences in personal responsibility, and instead simply reflects a level of both risk and discrimination that do not face white students after leaving college. Meanwhile, Latino students and other fast-growing student populations may show greater aversion to taking on debt in the first place,⁸ which can lead to them working excessive hours while in college or foregoing college altogether. The decision to take on debt can be deeply personal, and rooted in history. Not taking that into account, and instead foisting debt upon the majority of students entering college may prevent us from encouraging more students to complete a degree program, not to mention preventing some populations from enjoying the full financial benefits of a degree or credential.

In short, our system has not met rising demand for education with policies that would make price manageable. Students are not the only ones who feel the impact of these deliberate policy decisions. Public institutions themselves, particularly those that cannot rely on large donations, endowments, and research grants, resort to cutting classes and services, deferring maintenance, and laying off staff and faculty when state funding is lower. Indeed, the idea of “doing more with less” is often ingrained in community colleges, open-access institutions, and Minority Serving Institutions, while many other colleges are less burdened by austerity measures.

But the picture is not the same in every state. The level of commitment to higher education, and to working-class students in particular, varies dramatically across the country. Even in states where support seems strong, working-class families face outsized tuition bills that drain their family income. This report examines the 50 states and finds the states with the most acute higher-education affordability and funding crises, and the states that are relative bright spots for working-class students and students of color.

As the Public College Student Body Has Reached Historic Racial Diversity, Costs Have Shifted to Students

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What was once a service mostly funded by state tax revenue became much more reliant on tuition and fees, and accordingly, student debt.

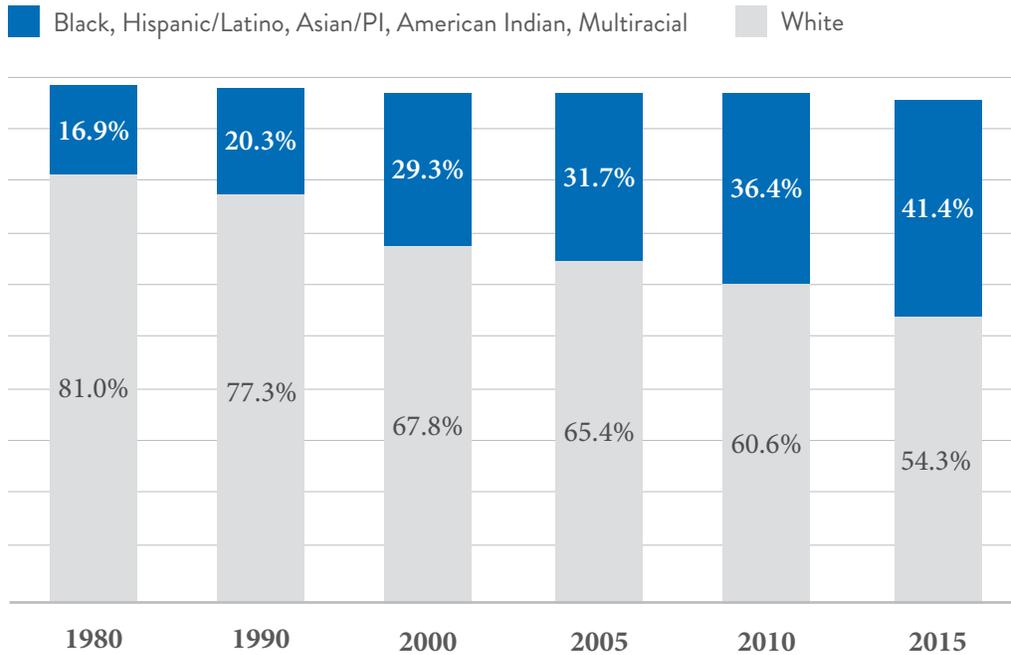
The Great Recession presented a nightmare scenario for families and workers with aspirations to go—or go back—to school. As unemployment grew and both property values and consumer sentiment declined, state lawmakers faced acutely shrinking revenues which, combined with balanced-budget requirements, led them to cut higher education budgets. A recent report from the Center on Budget and Policy Priorities confirms that the vast majority of states are still well below their pre-recession levels of funding for postsecondary education, even a decade after the recession hit.⁹ As states have starved public colleges of per-student funding that they once relied upon, those institutions have increased tuition, cut programs or employees, and engaged in other cost-cutting measures. Meanwhile, many families who had been counting on savings or home equity to pay for college had to draw down savings after losing a job, saw their investments or home values wiped out, or both. The recession was particularly brutal for communities of color, who lost a far greater portion of their wealth than white households.¹⁰

As states decreased higher education funding and colleges rapidly raised tuition in response to the financial crisis, students had fewer resources to pay for college. And, the fundamental compact underlying an education at an in-state college or university changed. What was once a service mostly funded by state tax revenue became much more reliant on tuition and fees, and accordingly, student debt.

In many ways, cuts during the recession were a brutal continuation of the erosion of per-student spending over a period of several decades.¹¹ And this funding backslide has happened just as the racial and socioeconomic makeup of the college-going population has changed. Whereas students of color made up only 1 in 6 public college students in 1980, they now make up over 4 in 10, as **Figure 1** shows.¹²

FIGURE 1.

The Share of Public College Students of Color is Growing



Source: US Department of Education, National Center for Education Statistics

In 2001, as the U.S. was nearing the end of a booming economy, states still picked up the majority of the tab for educating students. Nationally, tuition accounted for roughly 30 percent of the total revenue taken in by colleges and universities. In 2016 though, that number had spiked to 47 percent, with much of the increase coming after the Great Recession. Pennsylvania and Colorado have particularly stark increases in the proportion of revenue from tuition: In 2001, tuition revenue was below average. Accounting for 49 percent of total revenue in Pennsylvania and 45 percent in Colorado, tuition was still below the amount of public funding. By 2016, tuition made up 73 percent and 69 percent of the revenue in those 2 states (see **Table 1**). Wisconsin went from kicking in nearly three-fourths of the cost of educating a student (tuition made up 27 percent of revenue in 2001) to less than half by 2016—quite a disinvestment for a state that has a long tradition of supporting its public colleges and universities. Other states, such as Vermont and New Hampshire, have long spent very little per-student, and continued to do so after 2 recessions and recoveries. In fact, Wyoming has the distinction of being the only state to have gotten more public, so to speak, over time: Tuition made up 27 percent of total revenue in 2001, compared to only 13 percent in 2016.

TABLE 1.

In 49 States, Students are Covering More of the Cost of Public College than in 2001

Percent of Educational Revenue Covered by Tuition

State	2001	2016	Rank, 2016	State	2001	2016	Rank, 2016
Alabama	42%	68%	43	Montana	43%	52%	29
Alaska	21%	30%	3	Nebraska	33%	40%	13
Arizona	32%	63%	39	Nevada	24%	38%	11
Arkansas	26%	46%	17	New Hampshire	65%	79%	49
California	10%	21%	2	New Jersey	39%	60%	35
Colorado	45%	69%	45	New Mexico	11%	31%	4
Connecticut	32%	51%	27	New York	30%	37%	10
Delaware	54%	75%	48	North Carolina	19%	34%	7
Florida	27%	35%	8	North Dakota	40%	48%	20
Georgia	17%	38%	11	Ohio	40%	59%	34
Hawaii	20%	32%	5	Oklahoma	21%	48%	20
Idaho	19%	35%	8	Oregon	36%	58%	33
Illinois	19%	32%*	5	Pennsylvania	49%	73%	47
Indiana	41%	61%	37	Rhode Island	44%	61%	37
Iowa	35%	60%	35	South Carolina	38%	63%	39
Kansas	28%	53%	30	South Dakota	46%	68%	43
Kentucky	30%	50%	26	Tennessee	34%	48%	20
Louisiana	26%	45%	16	Texas	34%	40%	13
Maine	35%	55%	32	Utah	27%	47%	19
Maryland	37%	49%	23	Vermont	76%	86%	50
Massachusetts	29%	43%	15	Virginia	32%	64%	41
Michigan	40%	69%	45	Washington	24%	46%	17
Minnesota	29%	53%	30	West Virginia	39%	64%	41
Mississippi	28%	49%	23	Wisconsin	27%	51%	27
Missouri	27%	49%	23	Wyoming	27%	13%	1

Source: State Higher Education Executive Officers (2017). *2016 Data for Illinois is unavailable due to a long-standing budget disagreement that defunded much of the state's public colleges. This figure is from 2015.

Generally speaking, states in which tuition revenue makes up a smaller portion of overall funding are also states that rank highly in terms of per-student investment. In other words, states that spend a lot per student are not also taking in massive amounts of tuition revenue and spending it wantonly. In fact, in the 10 states that spend the most per student, only 1 (Connecticut) has more than half of its funding come from tuition, as indicated in **Table 2**.

By contrast, the 10 states that spend the least per student all tend to rely a great deal more on tuition revenue to fund higher education, as **Table 3** shows.

In short, there are no states that magically spend very little per student while also bringing in very little tuition revenue. When states do not prioritize higher education as a public good, students and families generally bear the burden. As higher education has become more representative by race, our state and federal policymakers have been vacating the compact with students that previous generations enjoyed.

TABLE 2.

Where Public Colleges are Still Public: Higher Public Investment, Lower Tuition Revenue

State	Top 10 States, Per-Student Public Investment	Percent of Revenue Covered by Tuition	Rank, Student Share of Educational Revenues
Wyoming	\$17,620	13%	1
Alaska	\$12,096	30%	3
Nebraska	\$8,769	40%	13
North Carolina	\$8,750	34%	7
New Mexico	\$8,321	31%	4
Idaho	\$8,124	35%	9
Connecticut	\$8,000	51%	28
Hawaii	\$7,873	32%	5
Georgia	\$7,319	38%	12
North Dakota	\$7,189	48%	21

Source: State Higher Education Executive Officers (2017).

TABLE 3.

Where Public College is a Private Responsibility: Low Per-Student Investment, Large Tuition Burdens

State	Bottom 10 States, Per-Student Investment	Percent of Revenue Covered by Tuition	Rank, Percent of Educational Revenue Covered by Tuition
South Carolina	\$4,836	63%	40
West Virginia	\$4,780	64%	41
Rhode Island	\$4,681	61%	38
Virginia	\$4,574	64%	42
Delaware	\$4,525	75%	48
Arizona	\$4,489	63%	39
Colorado	\$3,769	69%	45
Pennsylvania	\$3,576	73%	47
New Hampshire	\$2,489	79%	49
Vermont	\$2,369	86%	50

Source: State Higher Education Executive Officers (2017).

The Price of Public College is Increasing Everywhere

Recent studies have attempted to quantify the exact relationship between cuts to higher education funding and tuition increases. After all, states that cut budgets could also have tuition caps in place, preventing colleges from increasing tuition beyond a certain point—and thus requiring them to cut staff, services, or academic offerings, or to enroll more students who can pay out-of-state tuition. And some institutions, likely those with greater resources to begin with, may be able to absorb some cuts without increasing tuition in the same year that they see a budget cut. While it remains a source of ongoing debate, the most rigorous analysis to date finds that, in recent years, every \$1,000 cut in per-student funding has led to a \$318 increase in tuition and fees.¹³

Incontrovertibly, tuition is increasing. Average tuition at public 4-year colleges across the country is \$9,970 a year in 2017, which is double the sticker price (\$4,970) in 2001, and two-and-a-half times as high as the average (\$3,790) in 1991.¹⁴ As with state funding, there are enormous variations in the average tuition at public colleges and universities from state to state. To be sure, residents of every state have seen tuition spike over the past 25 years or more. In fact, tuition at the least affordable state in 1991 (Vermont) would rank comfortably in the top half of states today.

As we see in **Table 4**, Wyoming's average 4-year tuition is the lowest, and the state ranks first in terms of per-student state funding of higher education.

Vermont's average 4-year tuition is the highest at more than \$15,000 a year, and not incidentally, the state ranks last in terms of per-student state funding of higher education. (See **Table 5**.)

The same story is true for community colleges, which educate 4 out of every 10 American college students and often receive less than other public colleges from a dwindling pot of state funds.¹⁵ The difference between California, where mandatory fees hover around \$1,200, and New Hampshire, where tuition averages nearly \$7,000 for a public 2-year college, is stark. So is the rapid cost increase in Virginia 2-year colleges, where tuition has more than tripled since the turn of this

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century. In fact, public 2-year college tuition in 15 states exceeds public 4-year tuition in the least expensive state (Wyoming).

The relative affordability of community college is entirely dependent upon the state where a student is fortunate, or unfortunate, enough to live. The 10 top states in terms of 2-year public college tuition are listed in **Table 6**. The bottom 10 states for 2-year public college tuition can be found in **Table 7**. Both tables reveal massive variations in the average sticker price for a two-year school, and dizzying increases in tuition over the past 25 years.

Published tuition is an important marker for students; after all, it is often the most visible figure that many see when choosing a college. But a college's full sticker price—the total cost of attendance— includes not just tuition, but indirect costs as well, such as living expenses, transportation, books, and computers. Cost of attendance, set by colleges, varies by state and region often due to differences in the cost of living across the U.S., but it can also vary within the same region or metropolitan area, making it confusing for students who are trying to choose between one school and another.¹⁶ Cost of attendance matters, because students often make decisions on whether a particular school is a good fit based on the college's price.¹⁷ It also matters because it determines decisions on financial aid packages, as well as the amount of loans students must take on for an education or how many additional hours they may need to work in order to make ends meet.

As illustrated in **Table 8**, the cost of attendance ranges from under \$14,000 in Utah and Wyoming to \$26,000 in New Hampshire. Nebraska has seen the largest percentage increase in the average cost of attendance over the past 25 years—even after adjusting for inflation, the sticker price has nearly tripled since 1991.

4-YEAR PUBLIC TUITION

TABLE 4.

Top 10 States, Average 4-Year Public Tuition

Rank, 2016	State	Average Published Tuition, 2016	Average Published Tuition, 2001	Average Published Tuition, 1991	% Increase since 2001	% Increase since 1991
1	Wyoming	\$4,178	\$3,490	\$2,023	20%	107%
2	Florida	\$4,438	\$3,205	\$2,356	38%	88%
3	Nevada	\$5,298	\$3,183	\$2,247	66%	136%
4	Utah	\$6,140	\$3,041	\$2,686	102%	129%
5	New Mexico	\$6,262	\$3,559	\$2,483	76%	152%
6	Montana	\$6,443	\$4,169	\$2,737	55%	135%
7	Oklahoma	\$6,680	\$3,059	\$2,361	118%	183%
8	Alaska	\$6,880	\$3,979	\$2,435	73%	183%
9	West Virginia	\$6,900	\$3,453	\$2,719	100%	154%
10	Idaho	\$6,915	\$3,560	\$2,095	94%	230%

Source: Calculations from the U.S. Department of Education Integrated Postsecondary Education Data System (IPEDS). All figures in 2016 dollars.

TABLE 5.

Bottom 10 States, Average 4-Year Public Tuition

Rank, 2016	State	Average Published Tuition, 2016	Average Published Tuition, 2001	Average Published Tuition, 1991	% Increase since 2001	% Increase since 1991
41	Virginia	\$11,669	\$5,045	\$4,742	131%	146%
42	Delaware	\$11,670	\$6,501	\$5,128	80%	128%
43	Massachusetts	\$11,670	\$5,425	\$4,546	115%	157%
44	Michigan	\$11,708	\$6,269	\$4,643	87%	152%
45	South Carolina	\$11,791	\$6,348	\$4,083	86%	189%
46	New Jersey	\$13,021	\$7,599	\$5,040	71%	158%
47	Illinois	\$13,387	\$5,661	\$4,344	136%	208%
48	Pennsylvania	\$13,516	\$8,020	\$5,993	69%	126%
49	New Hampshire	\$14,986	\$8,748	\$5,480	71%	173%
50	Vermont	\$15,062	\$9,668	\$7,211	56%	109%

Source: Calculations from the U.S. Department of Education Integrated Postsecondary Education Data System (IPEDS). All figures in 2016 dollars.

2-YEAR PUBLIC TUITION

TABLE 6.

Top 10 States, Average 2-Year Public College Tuition

Rank, 2016	State	Average Published Tuition, 2016	Average Published Tuition, 2001	Average Published Tuition, 1991	% Increase since 2001	% Increase since 1991
1	California	\$1,246	\$427	\$202	192%	518%
2	New Mexico	\$1,553	\$1,188	\$944	31%	65%
3	Texas	\$2,017	\$1,259	\$872	60%	131%
4	Arizona	\$2,061	\$1,252	\$1,020	65%	102%
5	Florida	\$2,387	\$1,949	\$1,388	22%	72%
6	North Carolina	\$2,391	\$1,214	\$588	97%	306%
7	Mississippi	\$2,645	\$1,542	\$1,273	71%	108%
8	Wyoming	\$2,788	\$1,952	\$1,167	43%	139%
9	Nevada	\$2,805	\$1,855	\$1,146	51%	145%
10	Nebraska	\$2,852	\$1,926	\$1,744	48%	64%

Source: Calculations from the U.S. Department of Education Integrated Postsecondary Education Data System (IPEDS). All figures in 2016 dollars.

TABLE 7.

Bottom 10 States, Average 2-Year Public College Tuition

Rank, 2016	State	Average Published Tuition, 2016	Average Published Tuition, 2001*	Average Published Tuition, 1991*	% Increase since 2001	% Increase since 1991
41	Iowa	\$4,478	\$2,901	\$2,288	54%	96%
42	North Dakota	\$4,506	\$2,577	\$2,791	75%	61%
43	Massachusetts	\$4,559	\$2,567	\$2,693	78%	69%
44	Pennsylvania	\$4,791	\$3,099	\$2,653	55%	81%
45	Virginia	\$4,793	\$1,535	\$1,528	212%	214%
46	New York	\$4,969	\$3,472	\$2,501	43%	99%
47	Minnesota	\$5,332	\$3,398	\$2,781	57%	92%
48	South Dakota	\$5,419	\$3,872	\$3,383	40%	60%
49	Vermont	\$6,054	\$4,071	\$4,271	49%	42%
50	New Hampshire	\$6,999	\$5,330	\$3,347	31%	109%

Source: Calculations from the U.S. Department of Education Integrated Postsecondary Education Data System (IPEDS). All figures in 2016 dollars.

TABLE 8.**Total Cost of Attendance Varies Widely Across the U.S.**

State	Average Cost of Attendance, Public 4-Year Colleges, 2016	Average Cost of Attendance, Public 4-Year Colleges, 2001	Average Cost of Attendance, Public 4-Year Colleges, 1991	% Change since 2001	% Change since 1991	State	Average Cost of Attendance, Public 4-Year Colleges, 2016	Average Cost of Attendance, Public 4-Year Colleges, 2001	Average Cost of Attendance, Public 4-Year Colleges, 1991	% Change since 2001	% Change since 1991
Utah	\$13,344	\$8,976	\$7,516	49%	78%	Washington	\$18,665	\$12,084	\$8,917	54%	109%
Wyoming	\$13,942	\$9,509	\$7,449	47%	87%	Kentucky	\$18,702	\$9,379	\$7,857	99%	138%
Idaho	\$14,211	\$9,165	\$7,554	55%	88%	Indiana	\$18,712	\$12,511	\$9,394	50%	99%
Florida	\$14,457	\$10,766	\$8,462	34%	71%	Maine	\$18,767	\$12,686	\$10,580	48%	77%
Oklahoma	\$14,677	\$8,131	\$6,744	81%	118%	Minnesota	\$19,266	\$11,040	\$8,601	75%	124%
North Dakota	\$14,847	\$8,680	\$7,644	71%	94%	Maryland	\$20,076	\$14,699	\$11,967	37%	68%
Montana	\$14,853	\$10,309	\$9,128	44%	63%	Hawaii	\$20,098	\$11,229	\$8,751	79%	130%
New Mexico	\$15,029	\$9,602	\$7,502	57%	100%	Oregon	\$20,516	\$12,735	\$9,144	61%	124%
Nevada	\$15,570	\$11,183	\$9,644	39%	61%	Colorado	\$20,594	\$11,330	\$9,184	82%	124%
Arkansas	\$15,976	\$9,200	\$6,774	74%	136%	Arizona	\$20,621	\$10,668	\$8,337	93%	147%
South Dakota	\$16,108	\$9,458	\$6,744	70%	139%	Ohio	\$20,931	\$14,161	\$11,671	48%	79%
Wisconsin	\$16,194	\$10,008	\$8,407	62%	93%	South Carolina	\$21,150	\$12,285	\$9,588	72%	121%
North Carolina	\$16,364	\$9,595	\$7,165	71%	128%	Michigan	\$21,380	\$13,337	\$11,073	60%	93%
West Virginia	\$16,426	\$9,875	\$8,497	66%	93%	New York	\$21,489	\$13,896	\$9,683	55%	122%
Mississippi	\$16,434	\$9,732	\$8,820	69%	86%	Virginia	\$21,889	\$11,850	\$11,093	85%	97%
Alaska	\$16,701	\$11,365	\$8,057	47%	107%	California	\$22,151	\$12,999	\$10,386	70%	113%
Iowa	\$16,748	\$10,285	\$7,491	63%	124%	Rhode Island	\$22,722	\$15,048	\$11,685	51%	94%
Nebraska	\$16,761	\$9,940	\$5,822	69%	188%	Connecticut	\$23,351	\$14,246	\$10,531	64%	122%
Kansas	\$16,783	\$9,012	\$7,338	86%	129%	Massachusetts	\$23,389	\$12,476	\$11,392	87%	105%
Louisiana	\$17,287	\$8,543	\$8,048	102%	115%	Delaware	\$23,566	\$13,945	\$10,940	69%	115%
Georgia	\$17,292	\$10,103	\$7,706	71%	124%	Illinois	\$24,098	\$12,919	\$10,178	87%	137%
Texas	\$17,395	\$10,346	\$7,265	68%	139%	Pennsylvania	\$24,236	\$15,025	\$11,940	61%	103%
Missouri	\$17,418	\$11,114	\$7,657	57%	127%	New Jersey	\$25,544	\$16,260	\$12,198	57%	109%
Tennessee	\$17,735	\$10,382	\$7,676	71%	131%	Vermont	\$25,910	\$17,395	\$14,378	49%	80%
Alabama	\$18,509	\$9,945	\$7,678	86%	141%	New Hampshire	\$26,008	\$15,879	\$11,592	64%	124%

Source: State Higher Education Executive Officers (2017). *2016 Data for Illinois is unavailable due to a long-standing budget disagreement that defunded much of the state's public colleges. This figure is from 2015.

The Working Class Can't Work its Way Through School

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A combination of low minimum wages and high college prices make borrowing an inevitability for students.

Of course, many students rely on grants and scholarships to lower the total cost of college. For instance, the federal Pell Grant was designed to level the playing field between low- and high-income students, and enable working-class students to attend college without undue burden despite having fewer financial means. Net price—the total cost of school to students after grant aid—reveals a state or institution's priorities. Even high-tuition states and colleges can provide enough grant aid, when combined with a Pell Grant, to enable students to work their way through college. Unfortunately, the available data show that the grant aid available from federal, state, or other sources does not come close to making the average total cost attainable to low-income students. Working-class students¹⁸ face an average net price of over \$10,000 a year in 22 states. Since 2008-09 (the first year for which data are available), 20 states have increased the net price for low-income students by at least \$2,000 a year—even as incomes for the working class have lagged. (See **Table 9**.)

In the vast majority of states, the idea of working your way through school is no more than an antiquated myth. A combination of low minimum wages and high college prices make borrowing an inevitability for students. If he or she did not want to borrow, the typical low-income student in New Hampshire and Pennsylvania would not only need to rely on grant and scholarship aid, but would need to work a full-time, 40 hours per week job while also attending college full time. In 38 states, students need to work more than 20 hours a week to avoid debt—an impossibility for the 25 percent of students who have children of their own.¹⁹

On the other hand, working-class students in Washington and California can come closer to working their way through college without debt. By already prioritizing grant aid toward low-income students, while ensuring that workers have a better shot at earning a living wage, these states would need to provide only marginally more support to working-class students in order to ensure that a part-time job is all that's needed to pay for school. **Table 10** indicates how many hours a student must work to afford college in each state, even after receiving grants.

TABLE 9.

Working-Class Students Face High Prices, Even After Grants and Scholarships

Rank, 2015 (lowest to highest net price)	State	Net Price for Low-Income Students, 2014-15	Net Price for Low-Income Students, 2008-09	\$ Change since 2008-09	% Change since 2008-09	Rank, 2015 (lowest to highest net price)	State	Net Price for Low-Income Students, 2014-15	Net Price for Low-Income Students, 2008-09	\$ Change since 2008-09	% Change since 2008-09
1	Washington	\$6,358	\$7,324	(-\$966)	-13%	26	Missouri	\$9,459	\$9,022	\$437	5%
2	California	\$6,593	\$6,238	\$355	6%	27	Arkansas	\$9,817	\$8,888	\$929	10%
3	Florida	\$7,019	\$5,279	\$1,740	33%	28	Minnesota	\$9,836	\$7,616	\$2,220	29%
4	Indiana	\$7,183	\$7,874	(-\$691)	-9%	29	Nebraska	\$10,207	\$7,415	\$2,792	38%
5	Hawaii	\$7,188	\$5,506	\$1,682	31%	30	Utah	\$10,261	\$8,992	\$1,269	14%
6	North Carolina	\$7,235	\$3,601	\$3,634	101%	31	Ohio	\$10,536	\$9,100	\$1,436	16%
7	West Virginia	\$7,736	\$6,866	\$870	13%	32	Montana	\$10,550	\$10,863	(-\$313)	-3%
8	New Mexico	\$7,961	\$6,030	\$1,931	32%	33	Kansas	\$10,694	\$9,573	\$1,121	12%
9	Louisiana	\$8,042	\$5,756	\$2,286	40%	34	Maryland	\$10,829	\$9,900	\$929	9%
10	Oklahoma	\$8,205	\$7,230	\$975	13%	35	Delaware	\$11,051	\$7,879	\$3,172	40%
11	Michigan	\$8,230	\$7,611	\$619	8%	36	Colorado	\$11,204	\$10,207	\$997	10%
12	North Dakota	\$8,235	\$6,708	\$1,527	23%	37	Maine	\$11,270	\$10,434	\$836	8%
13	New York	\$8,263	\$6,935	\$1,328	19%	38	Virginia	\$11,596	\$8,580	\$3,016	35%
14	Wyoming	\$8,309	\$5,868	\$2,441	42%	39	Massachusetts	\$11,659	\$9,320	\$2,339	25%
15	Texas	\$8,369	\$7,383	\$986	13%	40	New Jersey	\$11,830	\$13,768	(-\$1,938)	-14%
16	Alaska	\$8,609	\$8,768	(-\$159)	-2%	41	Mississippi	\$12,012	\$9,515	\$2,497	26%
17	Arizona	\$8,618	\$6,860	\$1,758	26%	42	South Dakota	\$12,279	\$8,607	\$3,672	43%
18	Wisconsin	\$8,873	\$6,467	\$2,406	37%	43	South Carolina	\$12,381	\$11,828	\$553	5%
19	Nevada	\$9,101	\$7,224	\$1,877	26%	44	Idaho	\$12,488	\$9,798	\$2,690	27%
20	Iowa	\$9,170	\$9,145	\$25	0%	45	Vermont	\$12,547	\$9,346	\$3,201	34%
21	Tennessee	\$9,171	\$6,909	\$2,262	33%	46	Illinois	\$12,637	\$10,206	\$2,431	24%
22	Kentucky	\$9,275	\$7,506	\$1,769	24%	47	Alabama	\$13,041	\$8,961	\$4,080	46%
23	Rhode Island	\$9,298	\$6,864	\$2,434	35%	48	Oregon	\$13,084	\$9,730	\$3,354	34%
24	Connecticut	\$9,450	\$7,594	\$1,856	24%	49	Pennsylvania	\$14,432	\$10,829	\$3,603	33%
25	Georgia	\$9,450	\$7,617	\$1,833	24%	50	New Hampshire	\$15,004	\$10,602	\$4,402	42%

Source: Calculations from the U.S. Department of Education Integrated Postsecondary Education Data System (IPEDS). All figures in 2016 dollars.

TABLE 10.**The Working Class Can't Work Its Way Through School: Weekly Work Hours Needed to Pay for 4-Year College, After Grants**

State	Average Net Price for Low-Income Students, Public 4-Year Colleges 2015	State Minimum Wage	Weekly Work Hours Needed to Pay for College	State	Average Net Price for Low-Income Students, Public 4-Year Colleges 2015	State Minimum Wage	Weekly Work Hours Needed to Pay for College
New Hampshire	\$15,004	\$7.25	41.4	Maryland	\$10,829	\$9.25	23.4
Pennsylvania	\$14,432	\$7.25	39.8	Arkansas	\$9,817	\$8.50	23.1
Alabama	\$13,041	\$7.25	36	Texas	\$8,369	\$7.25	23.1
Idaho	\$12,488	\$7.25	34.4	Wyoming	\$8,309	\$7.25	22.9
South Carolina	\$12,381	\$7.25	34.2	North Dakota	\$8,235	\$7.25	22.7
Mississippi	\$12,012	\$7.25	33.1	Nebraska	\$10,207	\$9.00	22.7
Virginia	\$11,596	\$7.25	32	Oklahoma	\$8,205	\$7.25	22.6
Illinois	\$12,637	\$8.25	30.6	Louisiana	\$8,042	\$7.25	22.2
Kansas	\$10,694	\$7.25	29.5	Nevada	\$9,101	\$8.25	22.1
South Dakota	\$12,279	\$8.65	28.4	New Mexico	\$7,961	\$7.50	21.2
Utah	\$10,261	\$7.25	28.3	Massachusetts	\$11,659	\$11.00	21.2
New Jersey	\$11,830	\$8.44	28	Minnesota	\$9,836	\$9.50	20.7
Delaware	\$11,051	\$8.25	26.8	North Carolina	\$7,235	\$7.25	20
Georgia	\$9,450	\$7.25	26.1	Indiana	\$7,183	\$7.25	19.8
Montana	\$10,550	\$8.15	25.9	Rhode Island	\$9,298	\$9.60	19.4
Ohio	\$10,536	\$8.15	25.9	Connecticut	\$9,450	\$10.10	18.7
Kentucky	\$9,275	\$7.25	25.6	Michigan	\$8,230	\$8.90	18.5
Oregon	\$13,084	\$10.25	25.5	West Virginia	\$7,736	\$8.75	17.7
Tennessee	\$9,171	\$7.25	25.3	Alaska	\$8,609	\$9.75	17.7
Iowa	\$9,170	\$7.25	25.3	Florida	\$7,019	\$8.10	17.3
Vermont	\$12,547	\$10.00	25.1	Arizona	\$8,618	\$10.00	17.2
Maine	\$11,270	\$9.00	25	Hawaii	\$7,188	\$9.25	15.5
Missouri	\$9,459	\$7.70	24.6	New York	\$8,263	\$11.00	15
Wisconsin	\$8,873	\$7.25	24.5	California	\$6,593	\$10.50	12.6
Colorado	\$11,204	\$9.30	24.1	Washington	\$6,358	\$11.00	11.6

Source: Calculations from IPEDS Data center, U.S Department of Labor Wage and Hour Division.

Community Colleges are Less Affordable than Many Think

In the popular imagination, public 2-year colleges are often seen as a more affordable alternative to public or private 4-year schools. Policy-makers on both sides of the aisle extol colleges that offer technical and vocational education, or low-cost introductory courses at relatively low tuition compared to 4-year schools. But even students in low- or free-tuition states must pay for books, living costs, transportation, other fees, and in many cases, child care. These costs are not covered by the meager grant aid students often receive. In short, despite rhetoric from some conservatives, it is a myth that community college is “already free” for students who receive grant or scholarship aid to defray tuition costs.²⁰

As **Table 11** shows, in 32 states, students must work more than 15 hours a week just to pay for community college—before they even begin to cover food, child care, or other basic needs. The 15-hour threshold is instructive, as studies find that working more than that is detrimental to a student’s chances of academic success.²¹ By making low-income students work beyond the point at which they are likely to be successful (and not requiring the same of high-income students), our system perpetuates inequality both by requiring a larger financial burden of working-class students, and increasing the likelihood that they will drop out. The best way to get students to a degree program is to provide the financial and other supports necessary to do so, rather than requiring them to layer excessive work hours on top of academic responsibilities.

TABLE 11.**Students Must Work Long Hours, Even After Grant Aid, to Afford Community College**

State	Average Net Price for Low-Income Students, Public 2-Year Colleges 2015	State Minimum Wage	Weekly Work Hours Needed to Pay for College	State	Average Net Price for Low-Income Students, Public 2-Year Colleges 2015	State Minimum Wage	Weekly Work Hours Needed to Pay for College
New Hampshire	\$14,526	\$7.25	40.1	Missouri	\$5,822	\$7.70	15.8
Wisconsin	\$8,934	\$7.25	23.9	Indiana	\$5,628	\$7.25	15.6
South Dakota	\$9,646	\$8.65	22.5	Oregon	\$5,609	\$10.25	15.5
North Dakota	\$8,164	\$7.25	22.4	Alabama	\$5,565	\$7.25	15.5
Florida	\$9,769	\$8.10	22.1	Wyoming	\$6,490	\$7.25	15.3
Oklahoma	\$8,029	\$7.25	22.1	New Jersey	\$5,489	\$8.44	15.2
Louisiana	\$7,911	\$7.25	21.8	Texas	\$6,705	\$7.25	15.1
Iowa	\$7,795	\$7.25	21.5	Kentucky	\$7,996	\$7.25	14.6
Minnesota	\$7,893	\$9.50	20.6	Alaska	\$6,726	\$9.75	14.4
North Carolina	\$7,371	\$7.25	20.1	Nebraska	\$6,844	\$9.00	14.4
Nevada	\$7,297	\$8.25	19.5	Maryland	\$7,081	\$9.25	14.2
Ohio	\$8,108	\$8.15	19.4	Arkansas	\$5,652	\$8.50	13.7
Vermont	\$7,039	\$10.00	19.3	Illinois	\$4,925	\$8.25	13.5
Idaho	\$9,718	\$7.25	19.2	West Virginia	\$5,967	\$8.75	13.4
South Carolina	\$6,564	\$7.25	18.9	Arizona	\$5,283	\$10.00	13.1
Kansas	\$6,546	\$7.25	18.6	Massachusetts	\$6,348	\$11.00	12.9
Tennessee	\$6,496	\$7.25	18.5	Georgia	\$5,856	\$7.25	12.1
Pennsylvania	\$6,427	\$7.25	17.9	Mississippi	\$5,465	\$7.25	11.7
Colorado	\$6,077	\$9.30	17.6	Rhode Island	\$5,840	\$9.60	11.4
Utah	\$7,961	\$7.25	17.5	California	\$5,958	\$10.50	11.3
Montana	\$6,749	\$8.15	16.5	Connecticut	\$5,556	\$10.10	11.1
Virginia	\$6,975	\$7.25	16.4	Hawaii	\$4,256	\$9.25	10.6
Maine	\$8,675	\$9.00	16.4	Washington	\$4,388	\$11.00	10.6
Delaware	\$5,925	\$8.25	16.2	New York	\$5,532	\$11.00	10.1
New Mexico	\$6,672	\$7.50	15.9	Michigan	\$4,453	\$8.90	10

Source: Calculations from IPEDS Data center, U.S Department of Labor Wage and Hour Division.

Public College Affordability is a Racial Justice Issue

Recent research shows that African-American and Latino students face college prices that take up much larger chunks of their income than do white students. Students of color are more likely to borrow for a degree from a public 2- or 4-year college²² and are less likely to be able to make a dent in their loan payments after they leave school.²³ This cycle is particularly troublesome as students of color make up a greater portion of the student body. As more students of color and working-class students have begun to attend college, it has become a much riskier, much more expensive proposition.

Using data on the average net price for students at public 4-year colleges²⁴ and income data from the U.S. Census Bureau’s American Community Survey, we can see in **Table 12** the states where white families have the greatest leg up in paying for the total cost of a public college education.

TABLE 12.

Where White Families Have the Greatest Advantage in Paying for College

State	Average Net Price of Four-Year College as a Share of Median Income by Race			State	Average Net Price of Four-Year College as a Share of Median Income by Race		
	White	Black	Difference		White	Latino	Difference
South Dakota	25.1%	63.0%	37.9%	Massachusetts	20.0%	40.4%	20.4%
Minnesota	21.4%	47.3%	25.9%	Pennsylvania	28.2%	47.6%	19.4%
Iowa	25.2%	50.2%	25.0%	Rhode Island	20.7%	37.6%	16.9%
Maine	26.0%	49.8%	23.8%	Connecticut	15.5%	29.5%	14.0%
New Hampshire	25.6%	49.1%	23.5%	New Jersey	17.7%	31.3%	13.6%
Pennsylvania	28.2%	50.8%	22.6%	Iowa	25.2%	37.4%	12.2%
South Carolina	27.5%	49.1%	21.6%	New York	17.5%	29.6%	12.1%
Illinois	22.6%	44.1%	21.5%	South Carolina	27.5%	39.4%	11.9%
Wisconsin	20.8%	42.0%	21.2%	Minnesota	21.4%	33.0%	11.6%
Mississippi	23.9%	45.1%	21.2%	Alabama	26.8%	38.3%	11.5%
U.S. Average	19.6%	32.9%	13.3%	U.S. Average	19.6%	26.8%	7.3%

Nationally, the net price of a public 4-year college—after students receive grants and scholarships—takes up a third of median black income, compared to a fifth of median white income. In 4 states (South Dakota, Pennsylvania, Iowa, and Maine), the average net price of a public 4-year college makes up half of a typical black family’s annual income, and in 26 states, net price makes up more than a third of that family’s annual earnings. In 13 states, college prices take up 20% more of a typical black family’s income than a typical white family’s income. South Dakota and Minnesota have the largest differences between black and white families on this measure (see **Table 12** above), and only 2 states—Hawaii and Montana—have no or almost no disparity between black and white households in the burden of paying for college.

The data tell a similar story for Latino families, who see greater financial burdens attending public colleges than white families in every state but 2—Maine and West Virginia. In 9 states, net price makes up more than a third of a year’s income. In Pennsylvania alone, the net price of a public 4-year college takes up half (47.6 percent) of a Pennsylvania Latino family’s income, compared to 28.2 percent of a typical white family’s income in the state. In Massachusetts, college prices take up just 20 percent of the average white family’s income, but 40 percent of a Latino family’s income, the largest such gap in the country.

Obviously, these figures are reflective of wage and earnings disparities between white families and families of color, and state policymakers should work to reduce wage and wealth gaps through any policy mechanism available to them. Further, state leaders should understand that college is not the only financial obligation facing families: Accounting for other things such as food, child care, retirement savings, health care and other needs are likely to push families beyond the point at which they could reasonably meet all of their financial obligations. But these data should also be a wake-up call to higher education leaders and state officials who set prices without regard to racial disparities that those prices cause or perpetuate. The fact is that high net prices will have a greater impact on students if their families cannot rely on high annual earnings to either save for college beforehand, or pay off debts accrued later.

A Higher Price is Not the Only Consequence of Austerity

Of course, a lack of investment in public higher education can do more than just increase prices for students. When policymakers starve public colleges and universities of funding, colleges must consider a number of strategies, none of which tend to help working-class students.

Some institutions can recover lost revenue by enrolling more out-of-state students and charging greater tuition. And indeed, one study estimated that a \$1,000 drop in per-student state funding correlates with a nearly 3 percent increase in out-of-state enrollment.²⁵ In turn, an increase in out-of-state enrollment can drive down the number of low-income students or students of color, particularly at public research institutions. In other words, the institutions with the greatest resources have the opportunity to replace poorer, in-state students with wealthier, out-of-state students. In fact, as higher education overall has become more diverse, wealthy public colleges in many areas have remained stubbornly segregated. African-American enrollment has stagnated or even declined at elite public colleges and universities.²⁶

Other institutions take even more drastic action in response to austerity measures. Faced with recession-era cuts, California community colleges cut course offerings by a quarter.²⁷ Pennsylvania froze enrollment in nearly 200 programs and made deep cuts to its higher education workforce.²⁸ Just last year, Missouri cut over \$100 million from its public universities, which resulted in 474 layoffs.²⁹ In Illinois, a politically manufactured budget impasse led Chicago State, which educates primarily African-American and Latino students, to cut 300 employees.³⁰

In addition to changing the mix of students who attend public colleges, cutting courses, or reducing staffing levels, institutions have increasingly relied on contingent and adjunct faculty as a way of lowering costs during an age of declining revenue. Between 1976 and 2011, the share of faculty who were part-time rose from 25 percent to 41 percent.³¹ Many contingent faculty are paid substandard wages and do not receive benefits, and nearly a quarter must rely on some type of public assistance.³² People of color tend to be underrepresented in the academy generally. While

only 10 percent of all faculty members are people of color, a full 75 percent of professors of color are contingent, meaning institutions are relegating faculty members of color primarily to jobs that have lower wages, fewer benefits, and less job security.

Budget cuts can have a number of impacts, and to be sure, institutions can engage in multiple cost-cutting strategies simultaneously. But the combination of higher prices, fewer academic offerings, fewer low-income students, and less job security for faculty can be a toxic mix—and do little to fulfill higher education's promise as an engine of upward mobility.

At Most Public Colleges, Revenue is Down, Tuition is Up, and Runaway Spending is a Myth

Many conservatives lay the blame of rising tuition entirely at the feet of colleges and universities, who pocket federal financial aid dollars only to finance lavish campus amenities or hire excess faculty and administrators. In this telling, budget cuts (at the state or federal level) may actually be a good thing, requiring colleges to tighten their belts and focus on the essentials of educating students.

There is little evidence to suggest that budget cuts are helping public colleges in any way or that the existence of federal financial aid programs are leading public 2- and 4-year colleges to raise tuition.³³ But even so, some posit that public colleges are spending more or taking in greater revenue from tuition than they need to in order to offer the same level of education. But data suggest a different story. Namely, public colleges of all stripes saw a massive decline in state and local appropriations between 2007 and 2013 (the years both immediately preceding and following the Great Recession)—and a nearly identical rise in the amount of tuition they took in during the same period, as **Table 13** shows.

Troublingly, community colleges—those that serve the most students and the most underserved students—receive around half of the public support of public research institutions, as **Table 14** reflects. But even public research institutions have seen deep cuts in state and local appropriations, potentially absorbing these losses through increased revenue from endowments or investments, or tuition from wealthier students.

TABLE 13.

After the Recession, Tuition and State Appropriations Mirrored Each Other Almost Exactly

Institution Type	Percent Decline in State and Local Appropriations, 2007-2013	Percent Increase in Net Tuition, 2007-2013
<i>Public Research</i>	-27.00%	29.10%
<i>Public Master's</i>	-23.40%	23.50%
<i>Public Bachelor's</i>	-20.60%	21.80%
<i>Community Colleges</i>	-18.00%	20.70%

Source: Delta Cost Project

TABLE 14.

Federal and State Funding Has Declined and Community Colleges Receive the Least Support

Institution Type	Public Funding per Full-Time Student, 2013	Public Funding per Full-Time Student, 2007	Change since 2007
<i>Public Research</i>	\$15,499	\$18,447	-16%
<i>Public Master's</i>	\$7,687	\$9,560	-20%
<i>Public Bachelor's</i>	\$9,071	\$11,048	-18%
<i>Community Colleges</i>	\$7,907	\$9,453	-16%

Source: Delta Cost Project. Public funding is defined as state and local appropriations as well as state, federal, and local grants and contracts .

To the extent public colleges have raised tuition rapidly, the result has not been an uncontrollable spending boom. At most institutions and at community colleges in particular, spending per-student is up slightly after the recession, and much of increased spending went toward institutional scholarships, aid, and fellowships that help with non-tuition costs.³⁴ Spending on student services, from financial aid to academic support and career counseling, was up at public research and master's institutions, but entirely flat at community colleges. In addition, community colleges, for their part, decreased spending on academic support and instruction by nearly 3 percent between 2007 and 2013. Any conversation around bloat or runaway spending in higher education must exclude community colleges, which have received less state support, and are spending less in vital categories than their more prestigious counterparts. These spending patterns are presented in **Table 15**.

TABLE 15.

At Public Colleges, Spending Increased Slightly after the Recession, but Much of It Went toward Scholarship Aid

Institution Type	Change in Total Spending, 2007-13	Change in Net Spending on Scholarship and Fellowships, 2007-13	Change in Spending on Instruction and Academic Support, 2007-13	Change in Spending on Student Services, 2007-13
<i>Public Research</i>	9.10%	23.40%	7.40%	14.30%
<i>Public Master's</i>	5.90%	37.40%	5.20%	14.50%
<i>Public Bachelor's</i>	3.60%	26.30%	4.30%	9.40%
<i>Community Colleges</i>	3.40%	64.90%	-2.70%	0.10%

Source: Delta Cost Project

Conclusion: Make Public Higher Education Public Again

A well-functioning, well-funded system of public higher education is essential for our democracy broadly, but it is also essential for the communities in which public institutions are the center. The unfulfilled promise of land-grant colleges, the GI Bill, the Pell Grant, and other big investments is that every American, regardless of race or class, should be able to better themselves and follow their academic and career path.

As our population has become less white and more economically unequal, policymakers have broken that promise. A generation that enjoyed a generously funded system—one which in which the public took responsibility for public higher education, enabling students to fund college on a part-time job—has pulled up the ladder. In its stead, we have created a system built on ever-increasing student debt and assumptions that colleges should do “more with less,” as if the very notion of less public funding is a necessity and not a political choice. To make public higher education the ladder it once was, we must make public higher education *public* again.

ABOUT THE DATA

The tuition, cost of attendance, and net price figures used in this analysis come from the Department of Education's Integrated Post-secondary Education Data System (IPEDS). Net price data for all students include those going to college full-time, for the first time. Students returning to college or attending on a part-time basis are not included in IPEDS net price calculations. Net price data by income—including the low-income category used in this report—only includes students who receive Title IV financial aid (such as Pell Grants or Federal Subsidized Loans), meaning low-income students who pay full sticker price for college are not counted. The net price figures in this report are for students attending public colleges in-state, meaning that out-of-state students are omitted. Data on state funding of higher education come from the State Higher Education Executive Officers (SHEEO) annual State Higher Education Finance report. Data on median income by race come from the U.S. Census Bureau's American Community Survey, Table S1903. Data on college spending and revenue come from the Delta Cost Project at the American Institutes for Research, *Trends in College Spending 2003-2013*. All figures in this report are adjusted for inflation for the latest year compared in the data, unless otherwise noted.

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