

The Rising Price of Higher Education

By William Trombley

STATE SPENDING for public colleges and universities dropped sharply last year, as the state-by-state numbers contained in this special report from the National Center for Public Policy and Higher Education demonstrate.

At the same time, tuition and required fee charges rose significantly in many states, and some states reduced their student financial aid programs.

The result was the worst fiscal news for public higher education institutions and their students in at least a decade, as the economic recession struck almost every state. So far this year, the picture looks even bleaker, with states continuing to cut higher education appropriations and campuses responding by raising tuition even higher, imposing new fees and reducing student financial assistance.

The report's numbers come from the U.S. Bureau of Economic Analysis; the U.S. Bureau of the Census; the National Association of State Budget Officers; the National Center for Higher Education Management Systems; the Washington (state) Higher Education Coordinating Board; and the annual "Grapevine" report published by the Center for the Study of Education Policy, at Illinois State University.

They show that state support for higher education, measured in current dollars, increased only 1.2 percent, a sharp decline from last year's 3.5 percent and the smallest increase in a decade. Appropriations dropped in 14 states, with the largest decline—11 percent—in Oregon.

Tuition and mandatory fee charges at four-year public institutions rose in every state, startlingly so in some cases.

Tuition and mandatory fee charges at four-year public institutions rose in every state, startlingly so in some cases. In Massachusetts, for instance, tuition jumped from \$3,295 to \$4,075, an increase of 24 percent, largest in the nation. Iowa, Missouri and Texas increased tuition and required fees by 20 percent, North Carolina by 19 percent, Ohio by 17 percent. Sixteen states increased tuition and fees by more than 10 percent.

Tuition increased by just two percent in New York State last year, but Governor George Pataki, after cutting the State University of New York's 2003-2004 budget by \$184 million, proposed a 35 percent increase in SUNY undergraduate

tuition. The governor trimmed the City University of New York budget by \$83 million, but left it up to the system's governing board to determine tuition charges.

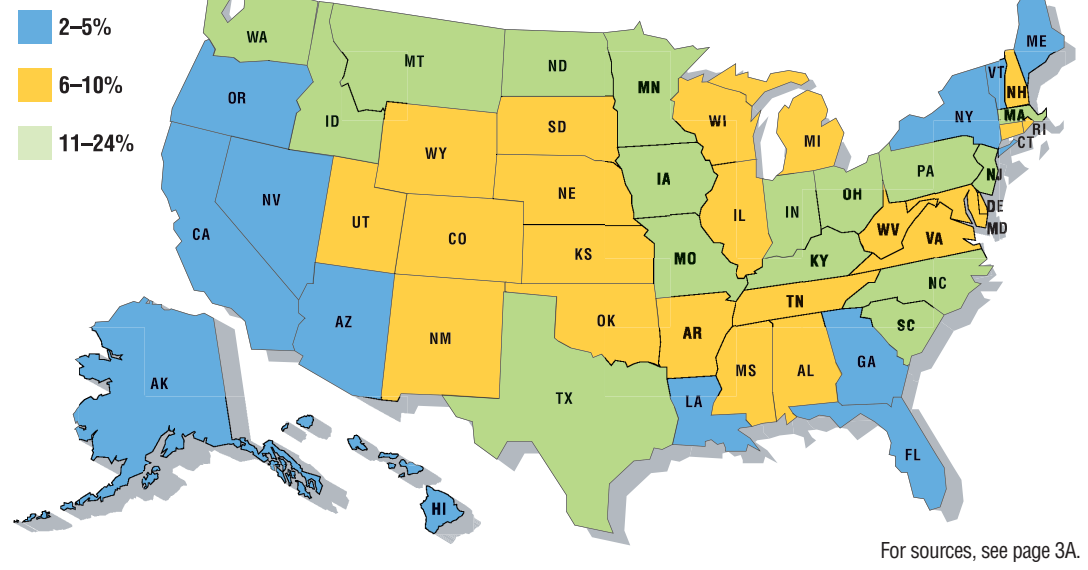
Community college tuition and mandatory fees rose in all but two states (California and Maine), with 10 states registering increases of more than 10 percent. The biggest increases were in Massachusetts and South Carolina, where charges jumped 26 percent.

Fourteen states increased their total investment in student grant aid by more than 10 percent between 2001 and 2002, the report notes. South Carolina had the largest percentage increase—94 percent.

But 17 states spent less on student financial aid in 2002 than they had the year before. Massachusetts had the largest decrease (24 percent), followed by Rhode Island (20 percent), Nebraska (15 percent), Utah (14 percent), and Connecticut (13 percent).

If 2002 was a bad year financially for public colleges and universities, 2003 will be worse, most experts predict. The economic forces that accounted for

Percent Increase in Public Four-Year Tuition and Fees
(2001-02 to 2002-03)



For sources, see page 3A.

last year's problems are still active—recession in almost every state, the uncertainties surrounding a possible war, the need to provide adequate funding for K-12 education and Medicaid before fretting about higher education.

"Most states are still experiencing very serious problems," said Scott Pattison, executive director of the National Association of State Budget Officers.

There are a few exceptions, he said: Wyoming—where taxes on revenue from mineral extraction have helped to balance the state budget—and a few other small-population states. But even Texas, which had been able to balance its budget because of generous tax revenues from oil and gas, faces a two-year budget deficit conservatively estimated to be around \$10 billion.

"The disease has struck here, too," said Don Brown, Texas higher education commissioner.

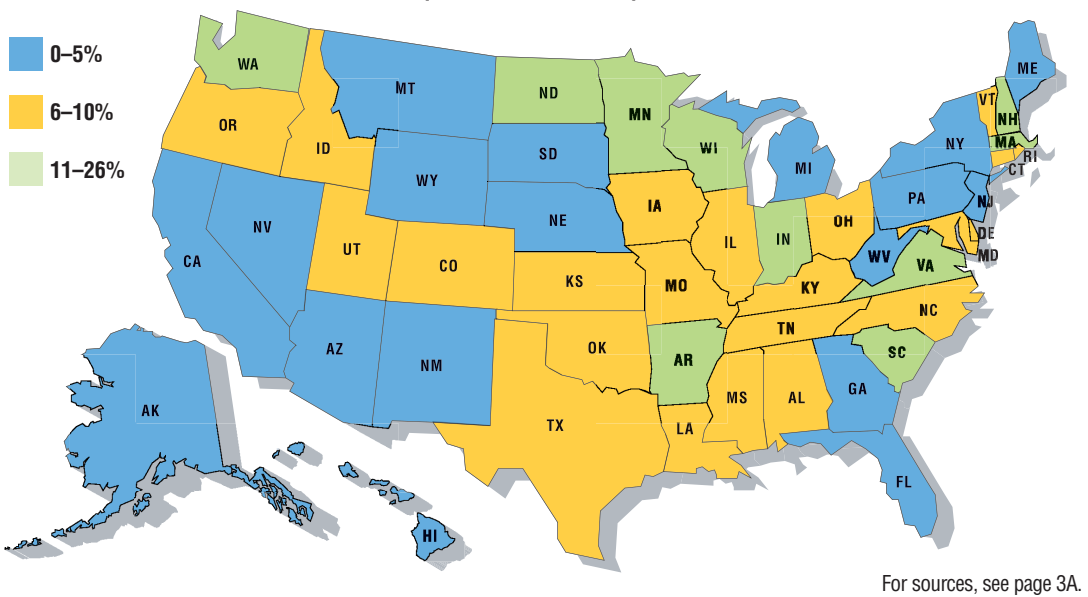
According to Pattison, at least 16 states are considering, or already have implemented, mid-year budget cuts and/or tuition increases.

An informal survey by the National Association of State Universities and Land-Grant Colleges, representing 215 public institutions, found mid-year tuition hikes ranging from 4.6 percent at the University of Connecticut to 13 percent at Virginia Tech.

Ohio Governor Bob Taft has responded to that state's average 18 percent tuition increases this year by proposing a six percent cap on future hikes at all public colleges and universities

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Percent Increase in Public Two-Year Tuition and Fees
(2001-02 to 2002-03)



For sources, see page 3A.





EDITORIAL

A Different Kind of Recession

OVER THE PAST THREE DECADES, governors and legislators have relied on a standard response to recessions: steep cuts in state higher education budgets and replacement of state funds with sudden, large and repeated increases in student tuition and fees. In *The Fiscal Crisis of the States: Lessons for the Future*, the definitive study of the states in the early 1990s recession, Steven D. Gold found that “higher education took the worst beating of any major spending category,” precipitating average tuition increases of 36.6 percent between 1989-90 and 1992-93 at four-year public colleges and universities.

This special supplement to the Winter 2003 issue of *National CrossTalk* offers a snapshot of round one of the current recession and its impact on state higher education budgets enacted and revised in the last half of 2002. It is a composite drawn from the most credible national sources of higher education information in the states at the beginning of the 2003 legislative sessions. Its principal focus is on three key policy variables: state appropriations, tuition and required fees, and state-funded student financial aid. I urge governors, legislators and higher education leaders to give explicit attention to these variables, for this is not just another recession.

Most national and state observers agree that the reduced funding and increased tuition documented here represent only the opening round of what is likely to be a series of painful adjustments to diminished state revenues. No major state services or programs are likely to be spared. It is too early to know whether higher education will be singled out for disproportionate cuts and its students targeted by a series of precipitous tuition increases, as was the case in the early 1990s recession. However, in the current demographic and economic environment, I am convinced that to follow this earlier standard pattern would be shortsighted and disastrous educational and social policy. My reasons:

- Higher education enrollments are projected to grow each year in this decade, culminating in the largest high school graduating class in the nation's history in 2009. This is the first time in the modern era that a state economic downturn coincided with a time of projected enrollment increases. Even without a recession, many states would have had difficulty accommodating the increased college enrollments.
- The students who make up these growing high school graduating classes are concentrated heavily in the south and west and in states where the child poverty rate is high. They are the poorest as well as the most ethnically and racially heterogeneous generation of students to appear on the doorstep of American higher education. Surveys reveal that their college aspirations are very high.
- We now live in a knowledge-based global economy. Without college—education and training beyond high school—the prospects are that these young Americans will not find employment that supports a middle class life. The prospects for states and communities whose citizens and workers lack college level skills are equally poor.

State leadership and priorities matter, and they matter most in a time of severe budget constraints. Recent history tells us that even when cuts are unavoidable, state and higher education leaders can do much to protect public priorities. For example, in the 1990s recession, the Florida State University System took steps to preserve access. In contrast, California's State University System increased costs and prices, reduced productivity, and cut access by 50,000 students.

I do not know of any formulas or cookie cutter solutions for the difficult issues the states and the colleges face, but can offer four principles for their consideration:

- When higher education is singled out among state services and programs for disproportionately large cuts, large tuition increases and damage to access inevitably follow.
- To preserve access, tuition increases should be limited to what is necessary to assure institutional capacity to educate students—classes and sections, for example.
- No matter how severe the budget problems, tuition increases should be accompanied by increases in financial assistance for students with need.
- Every state has a set of institutions—most often community colleges—that serve as an entry point for many first-time students, particularly low-income students, as well as for retraining the unemployed and others seeking to upgrade skills. These institutions are the state's educational “safety net.” The protection of their capacity and accessibility should be among the highest public priorities, particularly in economic downturns.

For the states, for the nation, for the next generation of Americans, the stakes are much higher than in past recessions. Our colleges are resourceful; most have surmounted the problems of past economic downturns and are likely to do so again. The future of educational opportunity is more problematic. ♦

—Patrick M. Callan, President

National Center for Public Policy and Higher Education

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152 North Third Street, Suite 705
San Jose, California 95112
Telephone: 408-271-2699
FAX: 408-271-2697
www.highereducation.org

STATE TRENDS

THE INFORMATION BELOW summarizes state-by-state appropriations for higher education, tuition and fees, and changes in state per capita personal income. The reported data are for fiscal years 2002 and 2003 (as of December, 2002). Adjustments in appropriations and tuition increases after December are not included.

For more information about the performance of each state on the affordability of higher education, see the National Center's *Measuring Up 2002: The State-by-State Report Card for Higher Education*, available at www.highereducation.org.

SOURCES AND ACKNOWLEDGMENTS

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The data on public two- and four-year tuition and fees, and the data on student financial aid reported in state trends were collected by the Washington Higher Education Coordinating Board and the National Center for Higher Education Management Systems (NCHEMS) respectively. The National Center also expresses its gratitude to Marcus Gaspard, executive director of the Washington Higher Education Coordinating Board, along with staff members Brule Hembree, John Fricke and Kathy Raudenbush for conducting the tuition survey and making results available to the National Center. At NCHEMS, we thank Paula Schild, John Clark, and Dennis Jones. The National Center appreciates the work undertaken by these organizations for this publication. The National Center also appreciates the data and analysis provided by Scott Pattison of the National Association of State Budget Officers.

The following sources of data were used for state trends:

Tuition and Fees. The Washington Higher Education Coordinating Board. Figures are for annual tuition and fees for academic years 2001-02 and 2002-03 at public two- and four-year institutions. Survey results completed January 2003.

Income. State per capita personal income is unpublished data, calculated by dividing the total personal income by the population of the state. The state total personal income data (quarterly) are from the Bureau of Economic Analysis (accessed online 12/5/02). The state population data are from the Census (accessed online 1/7/03).

State Appropriations. Center for Higher Education & Educational Finance, *Grapevine*, Illinois State University. State funds for fiscal years 2002 and 2003 and local funds for fiscal year 2002 (accessed online 12/16/02).

State Financial Aid. The National Center for Higher Education Management Systems. State student financial aid allocations from fiscal years 2002 and 2003. Survey completed January 2003.

ALABAMA

Tuition and Fees

- Tuition at public two-year institutions increased 7% (from \$1,964 to \$2,099).
- Tuition at public four-year institutions increased 7% (from \$3,261 to \$3,488).

Income

- Per capita income increased 2% (from \$24,556 to \$25,108).

State Appropriations for Higher Education

- Total state appropriations increased 3% (from \$1.12 billion to \$1.15 billion).

State Financial Aid

- Total state grant aid for students remained unchanged (\$7.9 million).

ALASKA

Tuition and Fees

- Tuition at public two-year institutions increased 3% (from \$2,148 to \$2,208).
- Tuition at public four-year institutions increased 3% (from \$3,495 to \$3,595).

Income

- Per capita income increased 3% (from \$31,012 to \$31,897).

State Appropriations for Higher Education

- Total state appropriations increased 4% (from \$205 million to \$213 million).

State Financial Aid

- No state aid program is offered.

ARIZONA

Tuition and Fees

- Tuition at public two-year institutions increased 5% (from \$930 to \$977).
- Tuition at public four-year institutions increased 4% (from \$2,486 to \$2,583).

Income

- Per capita income increased 1% (from \$25,832 to \$25,964).

State Appropriations for Higher Education

- Total state appropriations increased 3% (from \$884 million to \$907 million). (This figure excludes local funds for higher education. In 2001-02 local funds accounted for 27% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students decreased 4% (from \$2.3 million to \$2.2 million).

National Averages:

Tuition and Fees

- Tuition at public two-year institutions increased 8% (from \$1,808 to \$1,957).
- Tuition at public four-year institutions increased 10% (from \$3,379 to \$3,718).

Income

- Per capita income increased 2% (from \$30,387 to \$30,880).

Appropriations for Higher Education

- Total appropriations increased 1% (from \$62.9 billion to \$63.6 billion).

State Financial Aid

- Total state grant aid increased 7% (from \$5.1 billion to \$5.5 billion).

ALL DOLLAR AMOUNTS ARE REPORTED IN CURRENT DOLLARS.

For complete source information, see above.

Tuition and Fees. Figures are for annual tuition and fees for academic years 2001-02 and 2002-03 at public two- and four-year colleges and universities.

State Per Capita Income. Figures for state per capita personal income are from the second quarter 2001 and the second quarter 2002.

State Appropriations for Higher Education. Figures are for fiscal years 2002 and 2003 and do not include local appropriations.

State Financial Aid. Figures are for fiscal years 2002 and 2003.



ARKANSAS

Tuition and Fees

- Tuition at public two-year institutions increased 17% (from \$1,503 to \$1,752).
- Tuition at public four-year institutions increased 7% (from \$3,477 to \$3,725).

Income

- Per capita income increased 4% (from \$22,778 to \$23,671).

State Appropriations for Higher Education

- Total state appropriations increased less than 1% (from \$625 million to \$626 million).

State Financial Aid

- Total state grant aid for students decreased 20% (from \$41.4 million to \$32.9 million).

CALIFORNIA

Tuition and Fees

- Tuition at public two-year institutions remained unchanged (\$330).
- Tuition at public four-year institutions increased 5% (from \$1,897 to \$1,993).

Income

- Per capita income increased 1% (from \$32,610 to \$32,943).

State Appropriations for Higher Education

- Total state appropriations increased 1% (from \$9.5 billion to \$9.6 billion).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 16% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students increased 6% (from \$596.5 million to \$632.3 million).
(Data for state financial aid come from CSAC Executive Director's 2002 update for CASFAA.)

COLORADO

Tuition and Fees

- Tuition at public two-year institutions increased 6% (from \$1,999 to \$2,117).
- Tuition at public four-year institutions increased 8% (from \$2,511 to \$2,704).

Income

- Per capita income decreased less than 1% (from \$33,439 to \$33,379).

State Appropriations for Higher Education

- Total state appropriations increased 8% (from \$757 million to \$817 million).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 5% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students increased 7% (from \$85.3 million to \$91.0 million).

CONNECTICUT

Tuition and Fees

- Tuition at public two-year institutions increased 8% (from \$1,888 to \$2,034).
- Tuition at public four-year institutions increased 9% (from \$4,172 to \$4,556).

Income

- Per capita income increased 1% (from \$42,382 to \$42,696).

State Appropriations for Higher Education

- Total state appropriations increased 1% (from \$754 million to \$763 million).

State Financial Aid

- Total state grant aid for students decreased 13% (from \$38.6 million to \$33.4 million).

DELAWARE

Tuition and Fees

- Tuition at public two-year institutions increased 6% (from \$1,710 to \$1,806).
- Tuition at public four-year institutions increased 7% (from \$5,290 to \$5,640).

Income

- Per capita income increased 4% (from \$32,383 to \$33,582).

State Appropriations for Higher Education

- Total state appropriations increased 3% (from \$186 million to \$193 million).

State Financial Aid

- Data are unavailable.

FLORIDA

Tuition and Fees

- Tuition at public two-year institutions increased 3% (from \$1,525 to \$1,576).
- Tuition at public four-year institutions increased 5% (from \$2,551 to \$2,691).

Income

- Per capita income increased 2% (from \$28,961 to \$29,475).

State Appropriations for Higher Education

- Total state appropriations increased 7% (from \$2.7 billion to \$2.9 billion).

State Financial Aid

- Total state grant aid for students increased 19% (from \$333.8 million to \$397.9 million).

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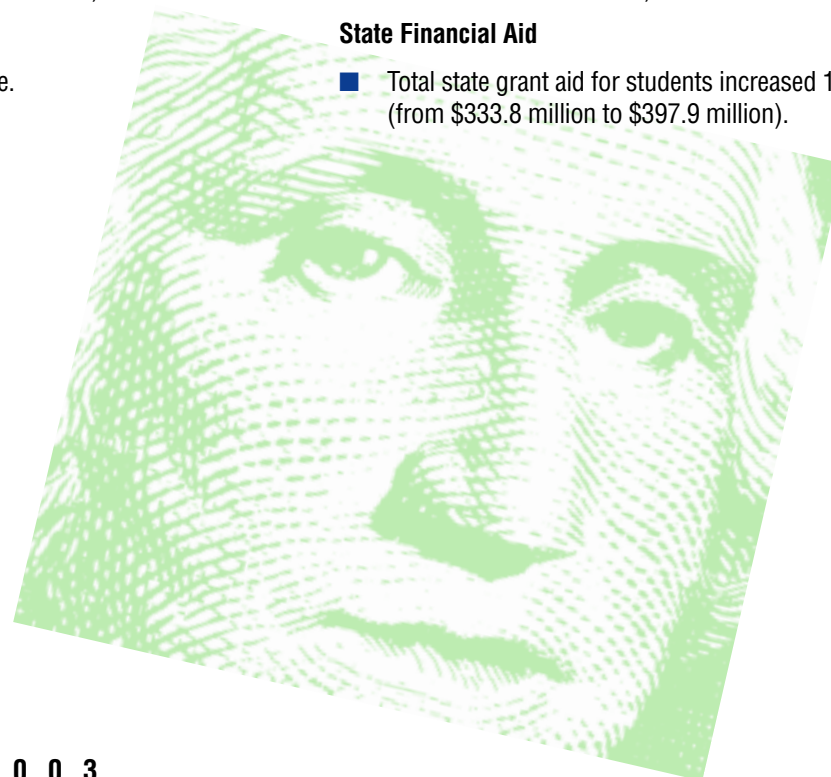
For complete source information, see page 3A.

Tuition and Fees. Figures are for annual tuition and fees for academic years 2001-02 and 2002-03 at public two- and four-year colleges and universities.

State Per Capita Income. Figures for state per capita personal income are from the second quarter 2001 and the second quarter 2002.

State Appropriations for Higher Education. Figures are for fiscal years 2002 and 2003 and do not include local appropriations.

State Financial Aid. Figures are for fiscal years 2002 and 2003.





GEORGIA

Tuition and Fees

- Tuition at public two-year institutions increased 4% (from \$1,486 to \$1,550).
- Tuition at public four-year institutions increased 5% (from \$2,480 to \$2,605).

Income

- Per capita income increased 2% (from \$28,611 to \$29,067).

State Appropriations for Higher Education

- Total state appropriations increased 2% (from \$1.71 billion to \$1.73 billion).

State Financial Aid

- Total state grant aid for students increased 11% (from \$362.3 million to \$402.1 million).

HAWAII

Tuition and Fees

- Tuition at public two-year institutions increased less than 1% (from \$1,322 to \$1,323).
- Tuition at public four-year institutions increased 3% (from \$3,253 to \$3,349).

Income

- Per capita income increased 2% (from \$28,859 to \$29,566).

State Appropriations for Higher Education

- Total state appropriations increased 6% (from \$349 million to \$370 million).

State Financial Aid

- Data are unavailable.

IDAHO

Tuition and Fees

- Tuition at public two-year institutions increased 10% (from \$1,406 to \$1,547).
- Tuition at public four-year institutions increased 12% (from \$2,732 to \$3,060).

Income

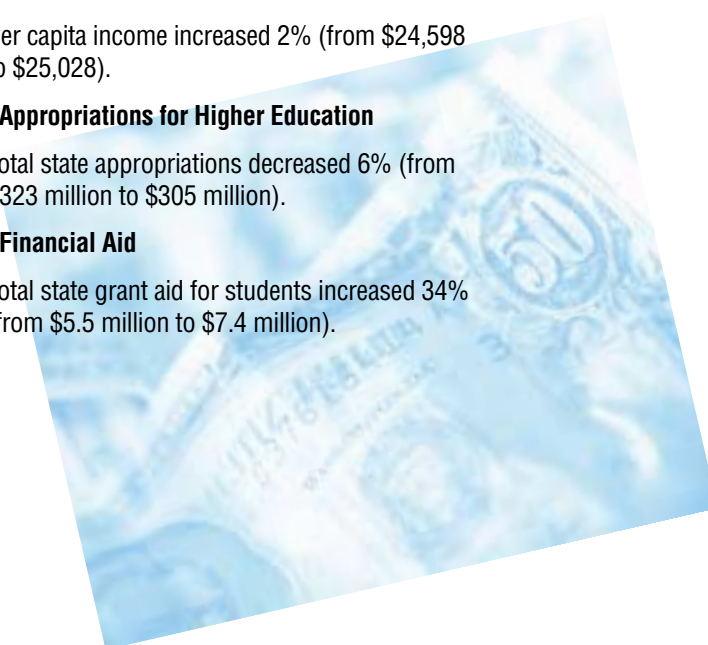
- Per capita income increased 2% (from \$24,598 to \$25,028).

State Appropriations for Higher Education

- Total state appropriations decreased 6% (from \$323 million to \$305 million).

State Financial Aid

- Total state grant aid for students increased 34% (from \$5.5 million to \$7.4 million).



ILLINOIS

Tuition and Fees

- Tuition at public two-year institutions increased 7% (from \$1,580 to \$1,684).
- Tuition at public four-year institutions increased 9% (from \$4,215 to \$4,606).

Income

- Per capita income increased 1% (from \$32,854 to \$33,215).

State Appropriations for Higher Education

- Total state appropriations decreased 4% (from \$2.9 billion to \$2.8 billion).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 17% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students decreased 10% (from \$418.2 million to \$377.1 million).

INDIANA

Tuition and Fees

- Tuition at public two-year institutions increased 14% (from \$2,601 to \$2,957).
- Tuition at public four-year institutions increased 13% (from \$3,947 to \$4,468).

Income

- Per capita income increased 2% (from \$27,658 to \$28,118).

State Appropriations for Higher Education

- Total state appropriations increased less than 1% (from \$1.32 billion to \$1.33 billion).

State Financial Aid

- Total state grant aid for students increased 15% (from \$128.9 million to \$148.5 million).

IOWA

Tuition and Fees

- Tuition at public two-year institutions increased 10% (from \$2,422 to \$2,670).
- Tuition at public four-year institutions increased 20% (from \$3,440 to \$4,118).

Income

- Per capita income increased 2% (from \$27,204 to \$27,776).

State Appropriations for Higher Education

- Total state appropriations decreased 2% (from \$787 million to \$770 million).

State Financial Aid

- Total state grant aid for students decreased 2% (from \$51.2 million to \$50.0 million).





KANSAS

Tuition and Fees

- Tuition at public two-year institutions increased 7% (from \$1,446 to \$1,554).
- Tuition at public four-year institutions increased 7% (from \$2,424 to \$2,593).

Income

- Per capita income increased 4% (from \$28,381 to \$29,582).

State Appropriations for Higher Education

- Total state appropriations decreased less than 1% (from \$713 million to \$712 million). (This figure excludes local funds for higher education. In 2001-02 local funds accounted for 17% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students decreased 5% (from \$13.9 million to \$13.2 million).

KENTUCKY

Tuition and Fees

- Tuition at public two-year institutions increased 6% (from \$1,450 to \$1,536).
- Tuition at public four-year institutions increased 11% (from \$2,897 to \$3,205).

Income

- Per capita income increased 3% (from \$24,807 to \$25,502).

State Appropriations for Higher Education

- Total state appropriations increased 3% (from \$1.06 billion to \$1.09 billion).

State Financial Aid

- Total state grant aid for students increased 27% (from \$92.7 million to \$117.3 million).

LOUISIANA

Tuition and Fees

- Tuition at public two-year institutions increased 6% (from \$1,403 to \$1,485).
- Tuition at public four-year institutions increased 4% (from \$2,492 to \$2,587).

Income

- Per capita income increased 5% (from \$24,344 to \$25,449).

State Appropriations for Higher Education

- Total state appropriations increased 6% (from \$1.0 billion to \$1.1 billion).

State Financial Aid

- Total state grant aid for students decreased 9% (from \$105 million to \$96 million).

MAINE

Tuition and Fees

- Tuition at public two-year institutions remained unchanged (\$2,040).
- Tuition at public four-year institutions increased 5% (from \$3,690 to \$3,860).

Income

- Per capita income increased 4% (from \$26,685 to \$27,703).

State Appropriations for Higher Education

- Total state appropriations increased 1% (from \$239 million to \$242 million).

State Financial Aid

- Total state grant aid for students remained unchanged (\$12 million).

MARYLAND

Tuition and Fees

- Tuition at public two-year institutions increased 9% (from \$2,345 to \$2,564).
- Tuition at public four-year institutions increased 8% (from \$4,759 to \$5,148).

Income

- Per capita income increased 3% (from \$35,072 to \$36,023).

State Appropriations for Higher Education

- Total state appropriations increased 1% (from \$1.28 billion to \$1.30 billion).

State Financial Aid

- Total state grant aid for students increased 11% (from \$73.6 million to \$81.4 million).

MASSACHUSETTS

Tuition and Fees

- Tuition at public two-year institutions increased 26% (from \$2,279 to \$2,861).
- Tuition at public four-year institutions increased 24% (from \$3,295 to \$4,075).

Income

- Per capita income increased 1% (from \$38,818 to \$39,161).

State Appropriations for Higher Education

- Total state appropriations decreased 3% (from \$1,018 million to \$989 million).

State Financial Aid

- Total state grant aid for students decreased 24% (from \$113.9 million to \$86.9 million).

ALL DOLLAR AMOUNTS ARE REPORTED IN CURRENT DOLLARS.

For complete source information, see page 3A.

Tuition and Fees. Figures are for annual tuition and fees for academic years 2001-02 and 2002-03 at public two- and four-year colleges and universities.

State Per Capita Income. Figures for state per capita personal income are from the second quarter 2001 and the second quarter 2002.

State Appropriations for Higher Education. Figures are for fiscal years 2002 and 2003 and do not include local appropriations.

State Financial Aid. Figures are for fiscal years 2002 and 2003.





MICHIGAN

Tuition and Fees

- Tuition at public two-year institutions increased 4% (from \$1,677 to \$1,752).
- Tuition at public four-year institutions increased 9% (from \$4,501 to \$4,891).

Income

- Per capita income increased 1% (from \$29,741 to \$30,123).

State Appropriations for Higher Education

- Total state appropriations remained unchanged (\$2.3 billion).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 14% of all state and local funding for higher education.)

State Financial Aid

- Data are unavailable.

MINNESOTA

Tuition and Fees

- Tuition at public two-year institutions increased 11% (from \$2,750 to \$3,049).
- Tuition at public four-year institutions increased 11% (from \$3,561 to \$3,970).

Income

- Per capita income increased 2% (from \$32,976 to \$33,597).

State Appropriations for Higher Education

- Total state appropriations increased 3% (from \$1.38 billion to \$1.42 billion).

State Financial Aid

- Total state grant aid for students increased 5% (from \$125.6 million to \$131.9 million).

MISSISSIPPI

Tuition and Fees

- Tuition at public two-year institutions increased 9% (from \$1,278 to \$1,396).
- Tuition at public four-year institutions increased 10% (from \$3,207 to \$3,531).

Income

- Per capita income increased 4% (from \$21,670 to \$22,540).

State Appropriations for Higher Education

- Total state appropriations increased 1% (from \$765 million to \$775 million).

State Financial Aid

- Total state grant aid for students increased 11% (from \$28.5 million to \$31.6 million).

MISSOURI

Tuition and Fees

- Tuition at public two-year institutions increased 10% (from \$2,214 to \$2,437).
- Tuition at public four-year institutions increased 20% (from \$3,436 to \$4,127).

Income

- Per capita income increased 2% (from \$28,103 to \$28,697).

State Appropriations for Higher Education

- Total state appropriations decreased 10% (from \$975 million to \$875 million).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 9% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students decreased 5% (from \$45.0 million to \$42.5 million).

MONTANA

Tuition and Fees

- Tuition at public two-year institutions increased 4% (from \$1,818 to \$1,891).
- Tuition at public four-year institutions increased 15% (from \$3,222 to \$3,707).

Income

- Per capita income increased 2% (from \$23,894 to \$24,430).

State Appropriations for Higher Education

- Total state appropriations decreased 3% (from \$150 million to \$146 million).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 9% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students decreased 8% (from \$3.7 million to \$3.4 million).

NEBRASKA

Tuition and Fees

- Tuition at public two-year institutions increased 4% (from \$1,480 to \$1,536).
- Tuition at public four-year institutions increased 10% (from \$2,916 to \$3,199).

Income

- Per capita income increased 5% (from \$28,662 to \$30,027).

State Appropriations for Higher Education

- Total state appropriations remained unchanged (\$521 million).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 9% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students decreased 15% (from \$6.9 million to \$5.9 million).



NEVADA

Tuition and Fees

- Tuition at public two-year institutions increased 3% (from \$1,320 to \$1,365).
- Tuition at public four-year institutions increased 3% (from \$2,295 to \$2,370).

Income

- Per capita income increased 1% (from \$30,061 to \$30,226).

State Appropriations for Higher Education

- Total state appropriations increased 7% (from \$347 million to \$371 million).

State Financial Aid

- Data are unavailable.

NEW HAMPSHIRE

Tuition and Fees

- Tuition at public two-year institutions increased 17% (from \$3,780 to \$4,429).
- Tuition at public four-year institutions increased 8% (from \$5,557 to \$5,995).

Income

- Per capita income increased 1% (from \$34,139 to \$34,379).

State Appropriations for Higher Education

- Total state appropriations increased 3% (from \$108 million to \$111 million).

State Financial Aid

- Total state grant aid for students increased 11% (from \$3.2 million to \$3.6 million).

NEW JERSEY

Tuition and Fees

- Tuition at public two-year institutions increased 5% (from \$2,399 to \$2,524).
- Tuition at public four-year institutions increased 13% (from \$5,762 to \$6,533).

Income

- Per capita income increased 3% (from \$38,274 to \$39,403).

State Appropriations for Higher Education

- Total state appropriations increased 2% (from \$1.75 billion to \$1.79 billion).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 9% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students increased 4% (from \$205.0 million to \$214.1 million).

NEW MEXICO

Tuition and Fees

- Tuition at public two-year institutions increased 3% (from \$744 to \$768).
- Tuition at public four-year institutions increased 9% (from \$2,042 to \$2,222).

Income

- Per capita income increased 4% (from \$22,977 to \$23,809).

State Appropriations for Higher Education

- Total state appropriations increased 2% (from \$611 million to \$621 million).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 8% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students decreased 7% (from \$50.5 million to \$47.3 million).

NEW YORK

Tuition and Fees

- Tuition at public two-year institutions increased 1% (from \$2,838 to \$2,855).
- Tuition at public four-year institutions increased 2% (from \$4,068 to \$4,153).

Income

- Per capita income remained unchanged (\$35,801).

State Appropriations for Higher Education

- Total state appropriations increased 6% (from \$3.6 billion to \$3.8 billion).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 11% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students increased 6% (from \$688.9 million to \$726.9 million).

NORTH CAROLINA

Tuition and Fees

- Tuition at public two-year institutions increased 10% (from \$992 to \$1,096).
- Tuition at public four-year institutions increased 19% (from \$2,255 to \$2,677).

Income

- Per capita income increased 1% (from \$27,471 to \$27,837).

State Appropriations for Higher Education

- Total state appropriations remained unchanged (\$2.4 billion).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 5% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students increased 4% (from \$146.3 million to \$152.6 million).

ALL DOLLAR AMOUNTS ARE REPORTED IN CURRENT DOLLARS.

For complete source information, see page 3A.

Tuition and Fees. Figures are for annual tuition and fees for academic years 2001-02 and 2002-03 at public two- and four-year colleges and universities.

State Per Capita Income. Figures for state per capita personal income are from the second quarter 2001 and the second quarter 2002.

State Appropriations for Higher Education. Figures are for fiscal years 2002 and 2003 and do not include local appropriations.

State Financial Aid. Figures are for fiscal years 2002 and 2003.





NORTH DAKOTA

Tuition and Fees

- Tuition at public two-year institutions increased 11% (from \$2,040 to \$2,263).
- Tuition at public four-year institutions increased 14% (from \$2,909 to \$3,307).

Income

- Per capita income increased 4% (from \$25,717 to \$26,804).

State Appropriations for Higher Education

- Total state appropriations remained unchanged (\$201 million).

State Financial Aid

- Total state grant aid for students increased 7% (from \$1.7 million to \$1.9 million).

OHIO

Tuition and Fees

- Tuition at public two-year institutions increased 8% (from \$2,138 to \$2,300).
- Tuition at public four-year institutions increased 17% (from \$5,058 to \$5,920).

Income

- Per capita income increased 2% (from \$28,743 to \$29,359).

State Appropriations for Higher Education

- Total state appropriations increased 1% (from \$2.08 billion to \$2.11 billion).

State Financial Aid

- Total state grant aid for students increased 8% (from \$192.2 million to \$207.0 million).

OKLAHOMA

Tuition and Fees

- Tuition at public two-year institutions increased 6% (from \$1,520 to \$1,613).
- Tuition at public four-year institutions increased 9% (from \$2,171 to \$2,377).

Income

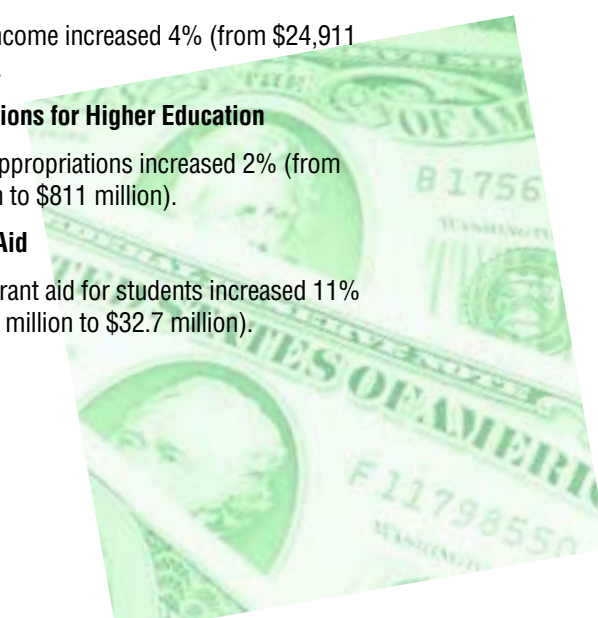
- Per capita income increased 4% (from \$24,911 to \$25,791).

State Appropriations for Higher Education

- Total state appropriations increased 2% (from \$796 million to \$811 million).

State Financial Aid

- Total state grant aid for students increased 11% (from \$29.5 million to \$32.7 million).



OREGON

Tuition and Fees

- Tuition at public two-year institutions increased 6% (from \$1,934 to \$2,059).
- Tuition at public four-year institutions increased 3% (from \$3,650 to \$3,773).

Income

- Per capita income increased 2% (from \$28,134 to \$28,622).

State Appropriations for Higher Education

- Total state appropriations decreased 11% (from \$680 million to \$604 million).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 12% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students decreased 10% (from \$19.2 million to \$17.3 million).

PENNSYLVANIA

Tuition and Fees

- Tuition at public two-year institutions increased 1% (from \$2,252 to \$2,285).
- Tuition at public four-year institutions increased 11% (from \$4,969 to \$5,532).

Income

- Per capita income increased 4% (from \$30,632 to \$31,813).

State Appropriations for Higher Education

- Total state appropriations remained unchanged (\$2 billion).

State Financial Aid

- Total state grant aid for students increased 4% (from \$337.0 million to \$352.1 million).

RHODE ISLAND

Tuition and Fees

- Tuition at public two-year institutions increased 9% (from \$1,854 to \$2,014).
- Tuition at public four-year institutions increased 7% (from \$3,521 to \$3,761).

Income

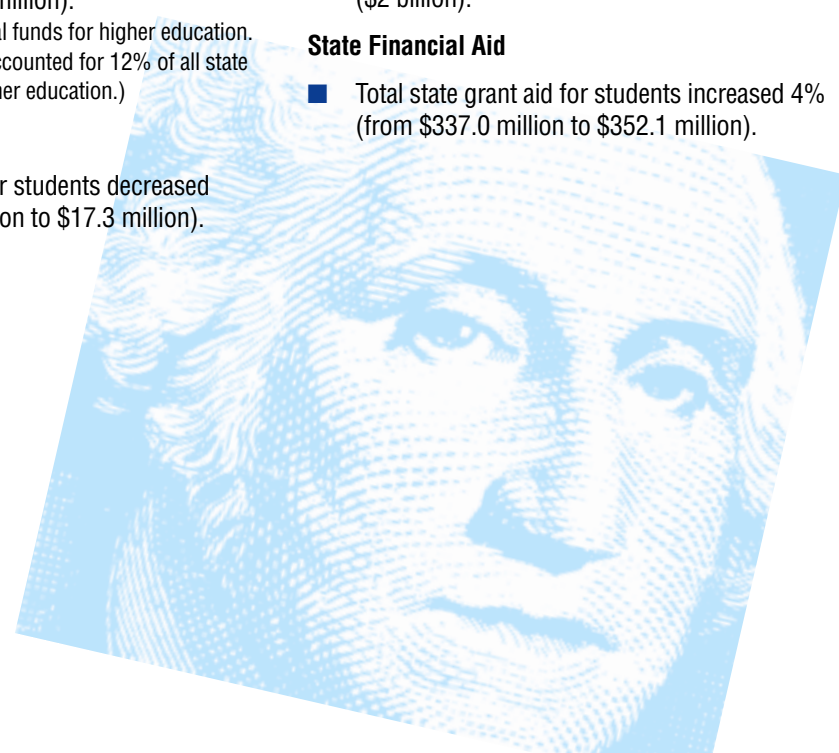
- Per capita income increased 4% (from \$30,071 to \$31,361).

State Appropriations for Higher Education

- Total state appropriations decreased 3% (from \$174 million to \$169 million).

State Financial Aid

- Total state grant aid for students decreased 20% (from \$6.1 million to \$4.9 million).





SOUTH CAROLINA

Tuition and Fees

- Tuition at public two-year institutions increased 26% (from \$1,856 to \$2,343).
- Tuition at public four-year institutions increased 15% (from \$3,790 to \$4,340).

Income

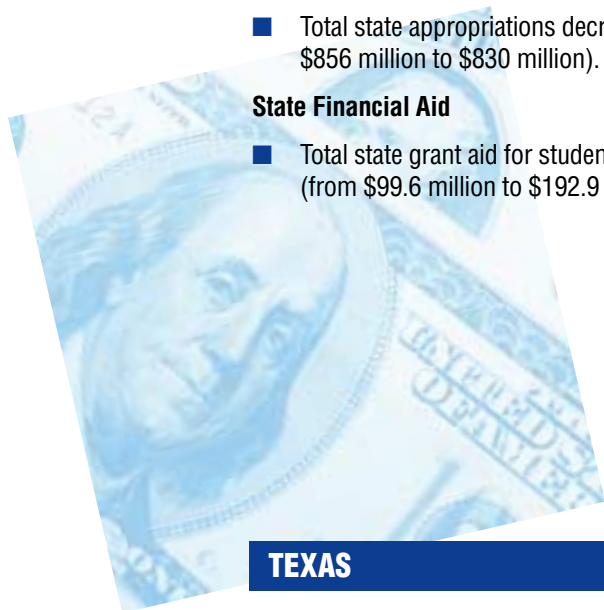
- Per capita income increased 2% (from \$24,806 to \$25,380).

State Appropriations for Higher Education

- Total state appropriations decreased 3% (from \$856 million to \$830 million).

State Financial Aid

- Total state grant aid for students increased 94% (from \$99.6 million to \$192.9 million).



SOUTH DAKOTA

Tuition and Fees

- Data for tuition at public two-year institutions are unavailable.
- Tuition at public four-year institutions increased 8% (from \$3,702 to \$3,987).

Income

- Per capita income increased 5% (from \$26,497 to \$27,764).

State Appropriations for Higher Education

- Total state appropriations increased 4% (from \$143 million to \$149 million).

State Financial Aid

- No state aid program is offered.

TENNESSEE

Tuition and Fees

- Tuition at public two-year institutions increased 7% (from \$1,626 to \$1,740).
- Tuition at public four-year institutions increased 8% (from \$3,246 to \$3,491).

Income

- Per capita income increased 2% (from \$26,932 to \$27,582).

State Appropriations for Higher Education

- Total state appropriations increased 8% (from \$1.1 billion to \$1.2 billion).

State Financial Aid

- Total state grant aid for students increased 17% (from \$42.2 million to \$49.4 million).

TEXAS

Tuition and Fees

- Tuition at public two-year institutions increased 9% (from \$895 to \$977).
- Tuition at public four-year institutions increased 20% (from \$2,724 to \$3,259).

Income

- Per capita income increased 1% (from \$28,423 to \$28,643).

State Appropriations for Higher Education

- Total state appropriations increased 1% (from \$5.1 billion to \$5.2 billion).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 9% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students increased 20% (from \$257.7 million to \$310.5 million).

UTAH

Tuition and Fees

- Tuition at public two-year institutions increased 9% (from \$1,626 to \$1,770).
- Tuition at public four-year institutions increased 8% (from \$2,252 to \$2,427).

Income

- Per capita income increased 1% (from \$24,100 to \$24,247).

State Appropriations for Higher Education

- Total state appropriations decreased 3% (from \$586 million to \$566 million).

State Financial Aid

- Total state grant aid for students decreased 14% (from \$7 million to \$6 million).

VERMONT

Tuition and Fees

- Tuition at public two-year institutions increased 6% (from \$3,124 to \$3,312).
- Tuition at public four-year institutions increased 5% (from \$5,132 to \$5,374).

Income

- Per capita income increased 3% (from \$28,549 to \$29,389).

State Appropriations for Higher Education

- Total state appropriations increased 6% (from \$71 million to \$75 million).

State Financial Aid

- Total state grant aid for students increased 3% (from \$15.9 million to \$16.4 million).



ALL DOLLAR AMOUNTS ARE REPORTED IN CURRENT DOLLARS.

For complete source information, see page 3A.

Tuition and Fees. Figures are for annual tuition and fees for academic years 2001-02 and 2002-03 at public two- and four-year colleges and universities.

State Per Capita Income. Figures for state per capita personal income are from the second quarter 2001 and the second quarter 2002.

State Appropriations for Higher Education. Figures are for fiscal years 2002 and 2003 and do not include local appropriations.

State Financial Aid. Figures are for fiscal years 2002 and 2003.



VIRGINIA

Tuition and Fees

- Tuition at public two-year institutions increased 13% (from \$1,159 to \$1,304).
- Tuition at public four-year institutions increased 9% (from \$3,841 to \$4,195).

Income

- Per capita income increased less than 1% (from \$32,541 to \$32,700).

State Appropriations for Higher Education

- Total state appropriations decreased 5% (from \$1.6 billion to \$1.5 billion).

State Financial Aid

- Total state grant aid for students decreased 8% (from \$125.1 million to \$115.3 million).

WASHINGTON

Tuition and Fees

- Tuition at public two-year institutions increased 14% (from \$1,743 to \$1,982).
- Tuition at public four-year institutions increased 13% (from \$3,071 to \$3,471).

Income

- Per capita income increased less than 1% (from \$32,433 to \$32,534).

State Appropriations for Higher Education

- Total state appropriations remained unchanged (\$1.4 billion).

State Financial Aid

- Total state grant aid for students increased 13% (from \$100.6 million to \$113.9 million).

WEST VIRGINIA

Tuition and Fees

- Tuition at public two-year institutions increased 5% (from \$1,628 to \$1,708).
- Tuition at public four-year institutions increased 10% (from \$2,593 to \$2,856).

Income

- Per capita income increased 4% (from \$22,819 to \$23,685).

State Appropriations for Higher Education

- Total state appropriations increased less than 1% (from \$392 million to \$394 million).

State Financial Aid

- Total state grant aid for students increased 57% (from \$23.0 million to \$36.1 million).

WISCONSIN

Tuition and Fees

- Tuition at public two-year institutions increased 11% (from \$2,619 to \$2,902).
- Tuition at public four-year institutions increased 8% (from \$3,272 to \$3,526).

Income

- Per capita income increased 3% (from \$29,190 to \$29,960).

State Appropriations for Higher Education

- Total state appropriations increased 1% (from \$1.19 billion to \$1.21 billion).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 25% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students increased 3% (from \$68.4 million to \$70.8 million).

WYOMING

Tuition and Fees

- Tuition at public two-year institutions increased 5% (from \$1,501 to \$1,575).
- Tuition at public four-year institutions increased 7% (from \$2,807 to \$2,997).

Income

- Per capita income increased 4% (from \$29,255 to \$30,547).

State Appropriations for Higher Education

- Total state appropriations increased 17% (from \$162 million to \$190 million).
(This figure excludes local funds for higher education. In 2001-02 local funds accounted for 11% of all state and local funding for higher education.)

State Financial Aid

- Total state grant aid for students decreased 7% (from \$10.0 million to \$9.3 million).





(from page 1A)

except Ohio State, where he would allow a nine percent increase.

After several years of freezing tuition rates, Virginia now has seen increases for the fall and spring semesters that average 15.6 percent on its public campuses. The higher tuitions are a response to more than \$500 million in higher education budget cuts made by Governor Mark Warner as he has attempted to cope with a budget deficit of about \$6 billion.

In the National Center for Public Policy and Higher Education survey, Massachusetts has some of the poorest ratings—largest tuition increase in four-year public institutions (24 percent), second largest in community colleges (26 percent), biggest cut in student financial aid (24 percent), and a three percent reduction in state appropriation for public higher education.

These numbers translate into steep cutbacks on the state's campuses. At the University of Massachusetts' flagship campus in Amherst, the size of the freshman class has been reduced by 1,000, 400 staffers, including 100 professors, have taken early retirement, and there is no money for faculty or staff pay raises. In addition, classes are crowded, the library was unable to buy any new books last year, and seven sports teams have been eliminated.

In California, where Governor Gray Davis is proposing deep cuts to help close an 18-month budget gap of between \$30 and \$35 billion, the University of California already has increased tuition by \$135 for the spring semester and might triple that sum for the 2003-2004 academic year.

At the 23-campus, 400,000-student California State University, trustees voted to increase "fees" (which would be called tuition anywhere but California) by \$76 a semester beginning in January. Davis cut the Cal State operating budget by \$326 million but is proposing a \$150 million increase to cover enrollment growth next year.

As states continue to cut higher education appropriations, campuses respond by raising tuition even higher, imposing new fees and reducing student financial assistance.

Cal State Chancellor Charles B. Reed said, "I don't think the nation has faced this before— heavy budget cuts combined with enrollment growth. It's a real double whammy." But Reed said Cal State plans to use the growth money to accommodate an additional 20,000 students next year, while depending on the increased fee revenue to maintain access. At the same time, Cal State will try to make sure that faculty members are available to teach courses students need in order to graduate.

In effect, Cal State will be swallowing a \$200 million budget cut while still increasing enrollment by 20,000, but Reed warned that the plan will succeed only if the money Davis has allocated for enrollment growth survives a long and probably contentious budget process. "If we can manage this well, good things are going to happen for us," he said. "But if we don't get the growth money, next year is going to be a nightmare."

Even if Reed's scenario plays out, Cal State classes will be larger, some faculty will be asked to teach more, some programs are likely to be dropped, and little progress will be made toward the goal of increasing the percentage of full-time faculty in the system.

The Davis budget is especially tough on California's 108 community colleges, cutting their state appropriation by \$530 million, or 10.5 percent, while asking that tuition be increased from \$11 per credit hour (lowest in the nation) to \$24.

"This is the most devastating reduction to community college financing that I've seen," said Kevin Ramirez, president of Sierra Community College and vice president of the Community College League of California.

Some community college officials estimate that the budget cuts and fee increases will cause an enrollment decline of about 200,000 students. The budget proposal acknowledges that the fee increase is likely to trim community college enrollment by at least 40,000 and gives that as a reason for reducing the state appropriation.

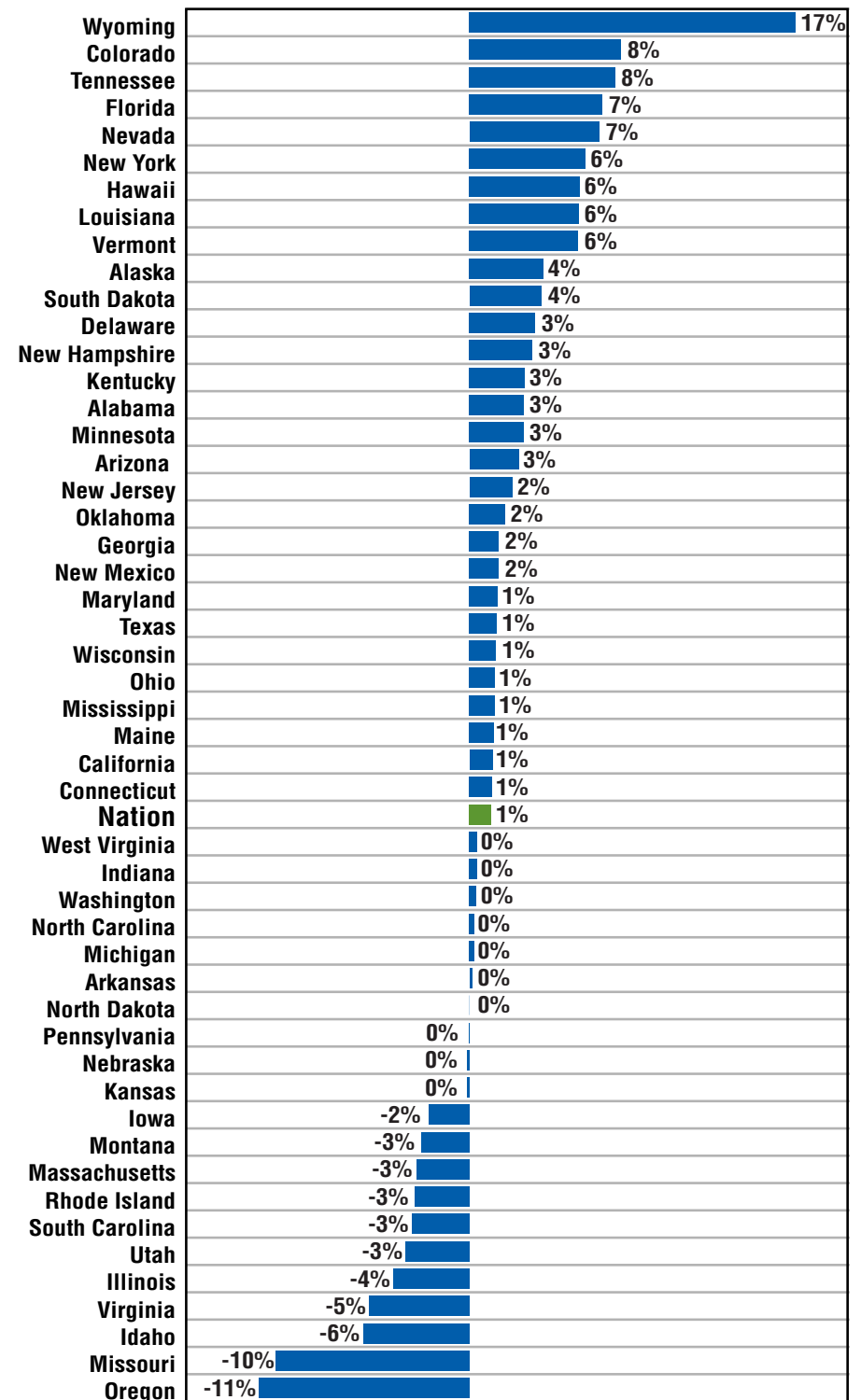
"By the same logic, if we executed more prison inmates, we could reduce state spending on prisons," one critic observed.

Said another, "Governor Davis and his top staff people either went to the University of California or elite private universities. People with that mentality don't understand the gateway role of the community colleges."

Community college lobbyists hope to persuade legislators not to go along with Davis' proposed cuts. "We're having a lot of success," said Scott Lay of the Community College

Percent Change in State Appropriations for Higher Education

(Fiscal Year 2001-02 to Fiscal Year 2002-03)



For sources, see page 3A.

League, "but in the end it's the governor who has the blue pencil."

Reformers fear that many of the gains of recent years will be lost in the budget-cutting. In Kentucky, for example, where Governor Paul Patton has led a campaign to increase the state's research capacity, its literacy rate and its participation in education beyond high school, things seem to be unraveling.

Higher education institutions have been warned to prepare for a 9.1 percent budget cut. There is no money for the trust funds that enabled the Kentucky Council on Postsecondary Education to promote promising campus reforms. Nor is there money for the "Bucks for Brains" program, which has spent \$220 million in the last two years to lure top researchers to the University of Kentucky and the University of Louisville.

"This budget is just going to wreak havoc with the momentum behind reform," said Bill Swinford, the council's legislative representative. ♦

William Trombley is senior editor at the National Center for Public Policy and Higher Education. Lori Valigra, a Boston-based freelance writer, contributed to this article.