

RISING BARRIERS, SHRINKING AID

The State of Higher Education in Massachusetts

FACT SHEET

[Access Report HERE](#)

PROBLEM

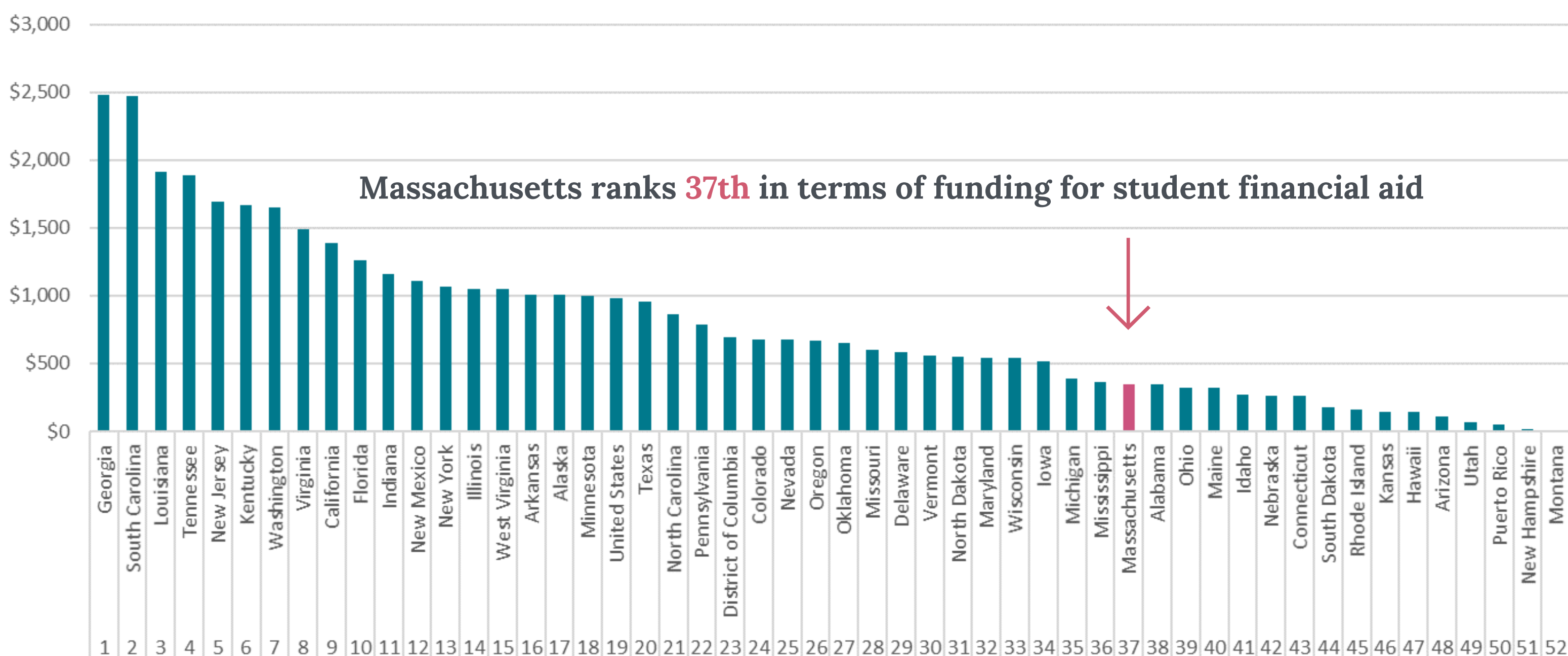
Over the past 20 years, Massachusetts students have experienced chronic disinvestment in public higher education, underfunded student aid, and an increasingly complex array of state financial aid programs.

Tuition and fees at Massachusetts public institutions have jumped 59 percent since 2000, while household incomes during this time grew by a meager 13 percent. **While Massachusetts continuously leads the nation in public elementary and secondary education, public higher education is out of reach for too many families and students.**

Recognizing the importance of public higher education, other states have increased student financial aid – by 15 percent per student, on average. Massachusetts, on the other hand, has cut state-funded financial aid by 47 percent since 2002 – making the state 37th in the nation for student financial aid.

MAIN FINDINGS

1. The average amount of state aid students receive now covers only **12 percent** of the cost to attend public college in Massachusetts.
2. With more than **40** different small grants, scholarships, and tuition waivers, the financial aid system is unnecessarily complex. The process itself ends up creating barriers for the students who stand to benefit the most.
3. The lack of a clear and strategic approach creates an **inequitable distribution** of state-funded financial aid, with students at the state's community colleges receiving only half the aid their peers at four-year public and private institutions receive.

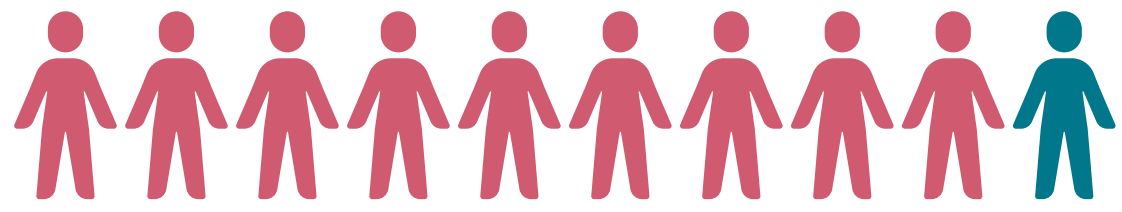


<https://research.collegeboard.org/trends/student-aid>

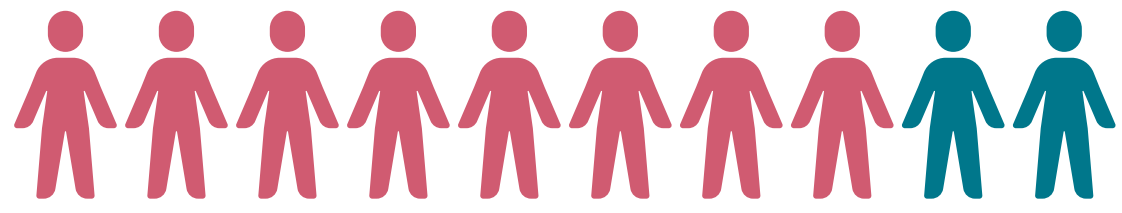
IMPLICATIONS

Higher Unmet Financial Need

Without adequate financial aid that takes the full cost of attendance into account, an increasing share of students are left with larger unmet financial need.



9 of 10 community college students have \$8,557 unmet need per year



8 of 10 4-year college students have \$12,000 unmet need per year

Source: <https://www.mass.edu/datacenter/201910AdvancingEquityAgenda.asp>.

Increasing Student Debt Burden

Over the past decade, the number of students who borrow to attend a public university in Massachusetts has increased steadily with Massachusetts students shouldering the 5th largest debt burden in the nation.

105%

Bachelor's Degree

45%

Associate's Degree

Chart created by author using data from the Massachusetts Department of Higher Education

Widening Educational Gap

Studies show that a complex application process that is unclear about how much aid is available to an applicant disproportionately impacts low-income students, especially First-Generation and non-traditional students.

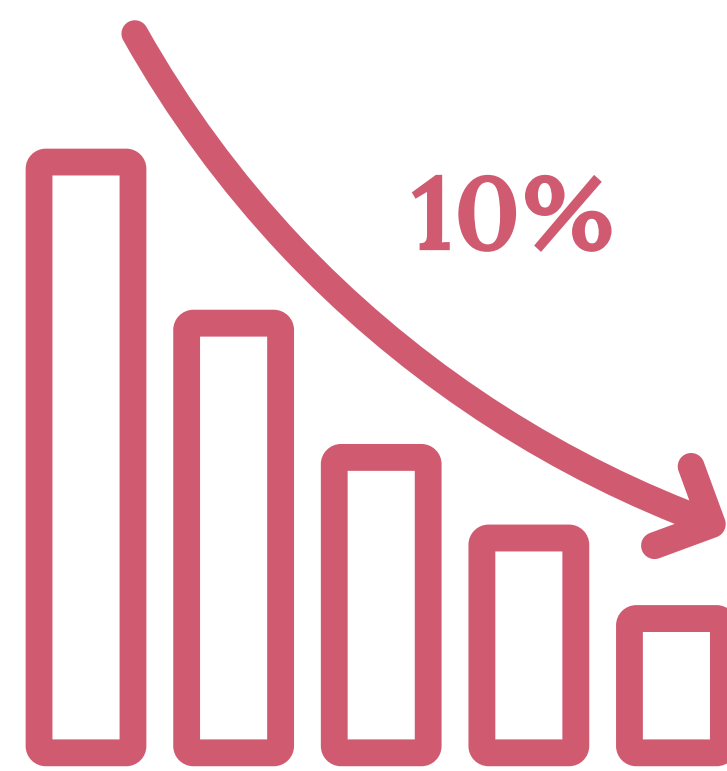
High School and Post-secondary Outcomes in Massachusetts



Source: Massachusetts Department of Education - Strategic Review of Public Higher Education Financing, August 2022

Growing Economic Instability

Graduates of the state's public higher education institutions are more likely to stay and work in Massachusetts. Continuing to price out more students would have devastating impacts on our economy.



By 2030, Massachusetts is expected to lose 10% of its college educated workforce as **192,000** workers prepare for retirement.

Source: MassInc, Sizing Up Massachusetts' Looming Skilled-Worker Shortage, June 2022

RECOMMENDATIONS

MAKE A STRONG COMMITMENT TO REDUCE THE DEPENDENCY ON STUDENT LOANS BY ELIMINATING STUDENTS' UNMET NEED.

Establish a system to provide a significant and reliable annual source of funding for student financial aid.

Expand and strengthen the current MASSGrant Plus program into one that eliminates the need for public college students to take out student loans.

Move cost calculations beyond tuition and fees to include the true cost of attendance (housing, transportation, Internet access, etc.)

Prioritize funding for student financial aid with the goal of closing equity gaps.

PROVIDE THE OFFICE OF STUDENT FINANCIAL ASSISTANCE WITH THE INVESTMENT AND SUPPORT NECESSARY SO IT CAN FULFILL ITS ROLE AS A CRITICAL RESOURCE TO STUDENTS.

Once a large-scale and reliable commitment grant is established, take steps to simplify, consolidate, and streamline the existing overlapping small grants, scholarships, and tuition-waivers. Then audit these programs to ensure they are helping the populations they were designed to serve.

Streamline the application process for state-funded aid so that it is not inhibitive or confusing.

Rebuild the OSFA website and collateral materials to reflect the reformed and simplified student financial aid application process.

REVERSE DECADES OF CHRONIC DISINVESTMENT FROM PUBLIC HIGHER EDUCATION BY LOOKING AT INNOVATIVE WAYS TO FUND PUBLIC INSTITUTIONS AND PROVIDE THEM WITH THE SUPPORT NEEDED TO ADDRESS THE CHANGING DEMOGRAPHICS AND NEEDS OF THEIR STUDENTS.

Reinvest in public higher education at levels that ensure tuition and fees cover less than a quarter of an institution's costs.

Invest in wraparound supports and services to improve outcomes for the most vulnerable populations at community colleges.

