



HILDRETH  
INSTITUTE

SEIZING THE OPPORTUNITY:  
REVERSING ENROLLMENT  
DECLINES IN HIGHER  
EDUCATION

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## << EXECUTIVE SUMMARY >>

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Despite rising high-school graduation rates contributing to a larger pool of potential college students and a growing demand for a college-educated workforce, Massachusetts is faced with a decline in college enrollment driven by the enduring crisis of college affordability. A decade ago, despite emerging skepticism due to high costs, Americans still overwhelmingly viewed higher education as a good investment and beneficial for the country, with parents across political lines sharing the expectation that their children would pursue a college education. However, a decade later, rising costs and student debt have significantly reduced both the perceived and actual value of a college education, leading to declining confidence in higher education as a pathway to financial security.

In our previous reports, we strongly cautioned about the serious negative effects of our state's policies on public higher education. State funding cuts have resulted in higher tuition and fees, while the state's disinvestment in scholarship aid has made it increasingly harder for students to afford college, discouraging many from considering the idea of getting a higher education degree.

However, there is a silver lining in Massachusetts. A robust consensus has emerged among the executive branch, legislature, and administration regarding the paramount importance of access to and success in higher education. The FY24 budget saw a praiseworthy influx of funding from the new fair share amendment revenues. And, even before this allocation, the legislature and administration showcased their commitment by embarking on a rigorous, equity-focused introspection, setting the stage for a more inclusive future.

This report, along with its accompanying policy brief, delves into the urgent issue of declining college enrollment in Massachusetts. This trend poses a risk to our workforce development, economic growth, and the vitality of our higher education institutions. By understanding which student demographics are most affected and which education sectors are hit hardest, we aim to offer actionable policy recommendations for decision-makers.

**Key Findings:**

- >> **Rising School Graduation Rates:** Massachusetts has seen an increase in high school graduation rates over the past decade that transcends racial and socio-economic categories. This establishes a pipeline of a larger and diverse pool of potential college students, with approximately 5,000 more graduates compared to 2012.
- >> **Decline in Immediate College Enrollment:** Despite increased high school graduation rates, fewer Massachusetts high school graduates are enrolling in college immediately after high school. Enrollment dropped from 73 percent in 2015-16 to 63 percent in 2020-21, disproportionately affecting students of color and those from low-income backgrounds.
- >> **Racial Disparities in Enrollment:** The decline in immediate enrollment is particularly pronounced among Hispanic and Black students, highlighting racial disparities exacerbated by historical disadvantages and structural racism.
- >> **Enrollment Discrepancies Between Income Groups:** The gap in college enrollment between low-income and affluent students has increased from 21 percent to 30 percentage points, aggravating socioeconomic inequalities.
- >> **Impact on Higher Education Sectors:** Enrollment at in-state colleges and universities has declined, while out-of-state institutions have remained stable. Community colleges, serving minority and low-income students, have experienced the most significant loss.
- >> **Decline in Overall College Attendance:** Beyond immediate enrollment, overall college attendance has decreased at the state's community colleges and universities, particularly among minority groups. Black and Hispanic students saw steeper declines in community college and state university enrollment.
- >> **Rising Non-Completion Rates:** The observed decline in student populations at community colleges and state universities extends beyond just a reduction in freshman enrollments. Our findings suggest an increasing trend of students not completing their degrees, emphasizing the pivotal role that affordability plays in this trend.



## Recommendations:

To counteract falling college enrollment and retention rates, the state must seize the opportunity to swiftly tackle the issue of educational affordability across all tiers of higher education, not just within community colleges. The recent passage of the Fair Share Amendment provides a timely influx of revenue partly earmarked for public higher education, offering an unprecedented chance for comprehensive reform. By streamlining existing grants and scholarships into larger, more straightforward financial aid programs, the state can directly address the escalating unmet financial needs of students and pave the way for increased college accessibility and enrollment.

- **Streamline existing grants and scholarships**
  - Consolidate state-sponsored financial aid initiatives into more streamlined, comprehensive programs. This unified approach will clearly convey the state's dedication to offering affordable, high-quality higher education credentials.
- **Expand on the tuition-free community college commitment with the goal of achieving a debt-free program**
  - Reevaluate the "last-dollar" grant approach, which has regressive impacts on lower-income students.
  - Shift focus from covering only tuition and fees to meeting students' full "unmet financial need," which includes living expenses, textbooks, and transportation.
  - Allocate financial aid by calculating students' unmet financial needs based on the full cost of attendance to effectively reduce or eliminate the need for student loans.
- **Expand the debt-free Commitment to 4-year public degrees**
  - Broaden affordability measures to include 4-year institutions to prevent educational inequalities based on socio-economic and racial lines.
  - Develop a comprehensive strategy that promotes equitable access across all educational levels and institutions.
- **Provide comprehensive student support services**
  - Invest in well-rounded student support services such as academic advising, mental health assistance, and career guidance to aid in student retention and success.



- **Support of equity in higher education admissions**
  - Discontinue practices like legacy admissions and early decision policies, which perpetuate socio-economic and racial disparities in college admissions.
- **Engage community organizations and high schools**
  - Partner with community organizations for targeted outreach to underrepresented minority and economically disadvantaged students.
  - Enhance financial support for high-school counseling services to inform students about new affordability initiatives and promote a college-bound mindset.

Based on our findings, we developed an accompanying [policy brief](#) which includes a range of policy options along with their respective advantages and disadvantages for decision-makers interested in creating an ambitious equity centered higher education strategy.



## INTRODUCTION

Massachusetts takes pride in having the highest percentage of adult college degree-holders among all fifty states, with 51.5 percent of adults holding degrees. However, the Commonwealth faces growing concerns over the decline in college enrollment over the last decade. These downward trends that started a decade ago have been further exacerbated during the pandemic, raising alarm about the potential negative impact on its workforce development, economic growth and competitiveness, as well as the vitality of its higher education institutions. It is projected that starting in 2025, we will start seeing a steady drop in the number of high-school graduates due to declining birth rates. This will only intensify the ongoing enrollment crisis.

In our previous reports, we strongly cautioned about the serious negative effects of our state's policies on public higher education. State funding cuts have resulted in higher tuition and fees, an increase of 135 percent at four-year institutions between 2001 and 2021, after accounting for inflation. This places the state as having the sixth-highest tuition increase nationwide. Given that the median household income in the state has only experienced a modest 8 percent increase within the same timeframe, coupled with the state's reduction in scholarship aid (by 47 percent between 2001-2021), we have shown that it has been increasingly difficult for students to afford college. As a result, a growing number of students are finding themselves discouraged from considering the prospect of pursuing higher education.

### Massachusetts has the sixth-highest tuition increase nationwide

In-State Tuition and Fees increase at 4-year public institutions from 2001 to 2021 (adjusted for inflation)

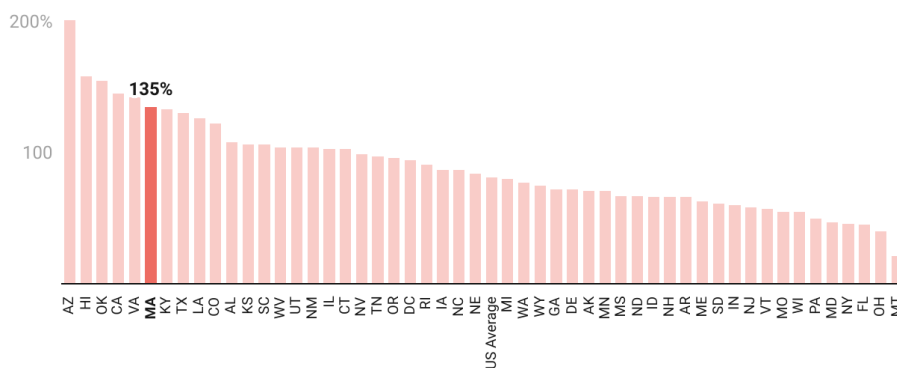


Chart: Hildreth Institute • Source: Integrated Postsecondary Education Data System • Created with Datawrapper



Although there has been a recent encouraging and positive shift away from this trend of state under-investment in higher education, this report underscores the undeniable correlation between financial accessibility and the feasibility of pursuing higher education. By making education more expensive and by reducing scholarship aid, the last decades' policies have put up barriers that prevent equitable educational opportunities.

As anticipated, the data presented below shows a noticeable drop in the number of students enrolling in colleges, a trend that was set in motion prior to the pandemic. The declines are particularly pronounced among students from low-income backgrounds, which encompass a higher proportion of minority groups, especially students of color. It is essential to recognize that the racial disparities in enrollment depicted below, originate from historical disadvantages entrenched in structural racism, as well as ongoing socio-economic factors and systemic inequalities. Constrained access to quality education and financial resources, along with cultural norms and implicit biases, perpetuate a cycle that exacerbates racial disparities not only in education but across all aspects of life. Against the backdrop of the recent prohibition on affirmative action, these trends raise heightened concerns. This transcends individual students, posing a threat to the overarching objective of cultivating a diverse student body and a skilled workforce that mirrors the evolving demographics of our state.

This report seeks to better understand where the enrollment declines are more prevalent. In the first part, we take a closer look at the transition from high school to college. We delve deeper into the demographic characteristics of students who graduate and choose to go to college right after high school and those who take a different route. We also investigate where students opt to enroll, whether it is at public or private institutions, in-state or out-of-state, and whether they opt for 2-year or 4-year programs.

In the second part, we look at overall enrollment of our public institutions. That is, we seek to capture all students enrolled at any given year, to understand the enrollment declines originating from students stopping out their degrees. Equipped with this critical insight, the report will conclude by putting forward a range of policy options aimed at reversing the downward college enrollment and retention trends.





## FROM HIGH SCHOOL TO COLLEGE

### The Good News: A larger proportion of students are graduating from high school.

Despite the gloomy outlook, there is hope on the horizon. Throughout the last ten years, there has been a notable increase in high school graduation rates. This means that despite the stagnant high school enrollments, the overall number of high school students who graduate has been steadily on the rise. Data shows that there has been an increase of 7.8 percent of the number of high school graduates between 2012 and 2022, resulting in 4,785 more students each year. This is highly positive for colleges and universities, as it presents them with the opportunity to engage with and attract a larger pool of students.

### Massachusetts High School Graduates 2012 - 2022

High school graduation rates have been steadily increasing

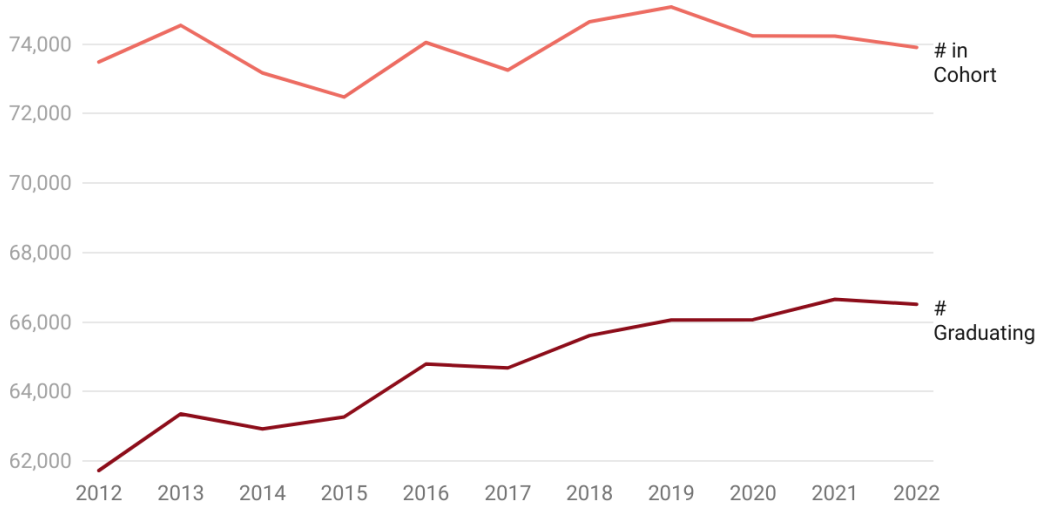


Chart: Hildreth Institute • Source: Massachusetts Department of Elementary and Secondary Education • Created with Datawrapper



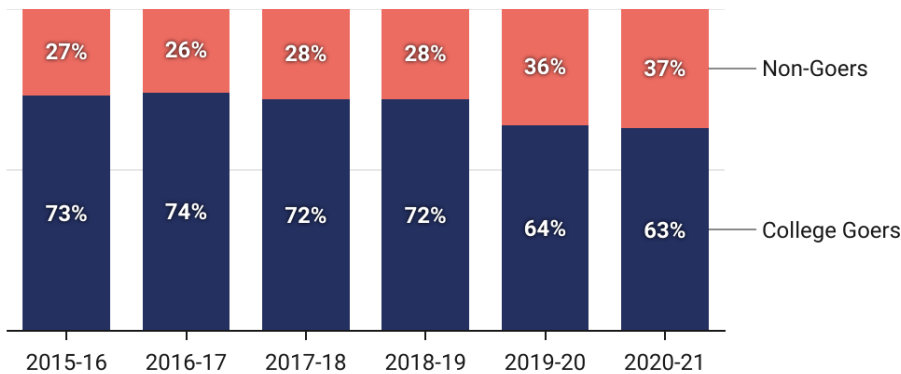
**The Bad News: Despite the gains in the rates of high school graduation, a smaller percentage of students opt to enroll in college immediately after graduating from high school.**

Unfortunately, these gains in high school graduation rates have not translated into higher college going rates. Mirroring a nationwide trend, there is a sharp decline in the percentage of students enrolling in college or university right after graduating from high school. In Massachusetts, we see a 10 percentage points decline, shifting from 73 percent in 2015-16 to 63 percent in 2020-21. Importantly, the decrease occurred prior to the onset of the pandemic.

Had enrollment rates remained comparable to those of 2015-16, an additional **6,651** high school graduates would have entered college immediately after graduating in the 2020-2021 academic year.

**Massachusetts High School Graduates Attending College/University**

An increasing number of high school graduates forgo college/university immediately after graduating



*This data tracks high school graduates who do not attend college by the March following their high school graduation year.*

Chart: By the Hildreth Institute • Source: Massachusetts Department of Elementary and Secondary Education • Created with Datawrapper

## Who is Graduating from High School?

Schools in Massachusetts are undergoing a noticeable shift toward greater diversity, characterized by a substantial rise in the enrollment of students who self-identify as Hispanic,<sup>1</sup> Black,<sup>2</sup> Asian, and of multi-racial<sup>3</sup> backgrounds (see table below).

### K-12 Massachusetts Enrollment by Race/Ethnicity (2010-11) % of State

Race	2010-11	2022-23	% Change
Black	8	9	1
Asian	6	7	2
Hispanic	15	24	9
White	68	54	-14
Multi-Race	2	4	2

Table: Hildreth Institute • Source: Department of Higher Education • Created with Datawrapper

Greater diversity coupled with significant improvements in graduation rates across all cohorts, but particularly among racial and ethnic minorities and those who are economically disadvantaged, has resulted in a diverse pool of high school graduates who are potential candidates for pursuing a higher education. Black high school students' graduation rate rose by 7.5 percentage points; from 77.5 percent in 2015 to 85 percent in 2021, Hispanic students also experienced a similar increase of 7.8 percentage points, from 72.2 percent in 2015 to 80 percent in 2021. Economically disadvantaged and high-need students' graduation rates were 82 percent in 2021, up from 78.8 percent in 2015.

1 Throughout this paper, we use the term "Hispanic" to encompass all individuals who self-identify as part of the Hispanic community, including but not limited to Latinos and Latinas. We recognize that the two terms are not synonymous but use Hispanic for clarity and ease of understanding.

2 In this context, we use the term "Black" to encompass all individuals who self-identify as part of the Black community, including but not limited to African Americans. We use this term throughout the paper for clarity and ease of understanding.

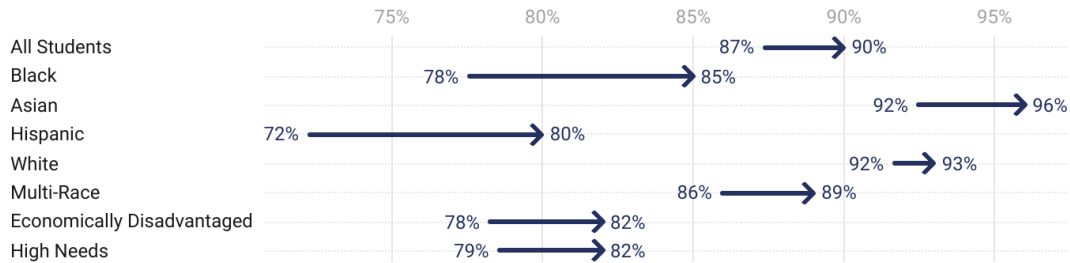
3 Multi-racial denotes two or more races excluding Hispanic/Latino





## Change in Massachusetts High School Graduation Rates From 2015 to 2021

Largest gains in graduation are among Hispanic/Latino and African American/Black Students



Note: Data from The Department of Elementary and Secondary Education uses the terms "African American/Black", "Hispanic/Latino", "Multi-race (Non Hispanic/Latino)" in their data labels. We have used different data labels in our charts and throughout the paper for simplicity and consistency.

Chart: Hildreth Institute • Source: Department of Elementary and Secondary Education • Created with Datawrapper

## Who is going to college? And who isn't?

The causes of college enrollment gaps are intricate and may vary among different groups. Notwithstanding, it is also critical to recognize that the choice of pursuing higher education is influenced not only by the actions of students themselves but also by external factors beyond their control, including the range of opportunities accessible to them. Structural racism and discrimination, whether occurring within or outside school, can influence mindsets, convictions, and the opportunities accessible to individuals. As a result, these elements play a role in the racial disparities evident in the rates of college enrollment. Various aspects of students' identities may intersect as well; for instance, gender disparities might be compounded by socioeconomic status or race. Although this complexity exists, gaining insights into the characteristics of students who are increasingly represented among high school graduates, but increasingly less so in college enrollment cohorts can serve as a valuable initial step in understanding barriers and devising interventions to tackle them.



**Students who are opting out of college are primarily people of color and low- income students.**

The most dramatic decrease in immediate college enrollment is seen among Hispanic high school graduates, a group that already had some of the lowest enrollment rates. They have faced a steep decline of 18 percentage points, plummeting from an already modest 57% in the 2015-16 academic year to a concerning 39% in 2021-22. Similarly, Black students have seen their enrollment rates fall by 14 percentage points, dropping from 70% to 56%. Multi-racial students also witnessed a decline of 13 percentage points, going from 72% to 59%. Furthermore, students identified as economically disadvantaged or as high-need have also experienced significant drops in enrollment— 14 and 15 percentage points, respectively—further exacerbating their initial low rates.

**Change in Massachusetts Students' Immediate College Enrollment Post-High School by Student Group From 2015 to 2021**

Declines in college-enrollment right after high school across all student groups

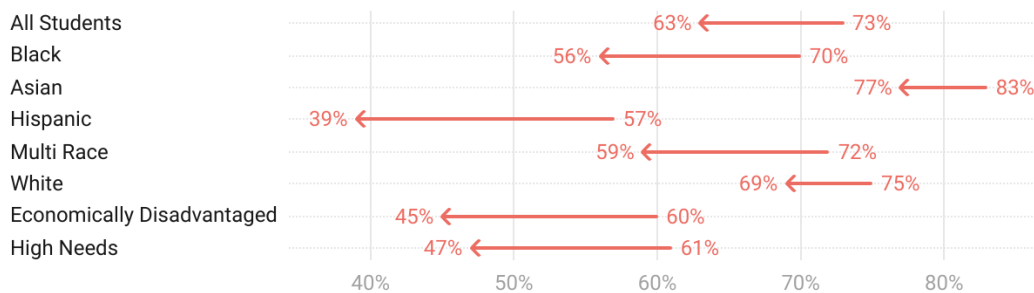


Chart: Hildreth Institute • Source: Massachusetts Department of Elementary and Secondary Education • Created with Datawrapper

A growing cause for concern is the widening gap in college enrollment rates between low-income and more affluent students. Since 2017, this disparity has increased from a 21 percentage points difference to a 30 percentage point chasm. As of now, only 43 percent of low-income students enroll in college immediately after high school, compared to 73 percent of their more affluent counterparts. This stark divide is a clear indicator that the high cost of college acts as a financial barrier, discouraging low-income students from even considering higher education as a viable option.<sup>4</sup>

## Share of Students Enrolling in College Immediately After High School Graduation by Income

The share of low income student enrolling in college after high school is dropping

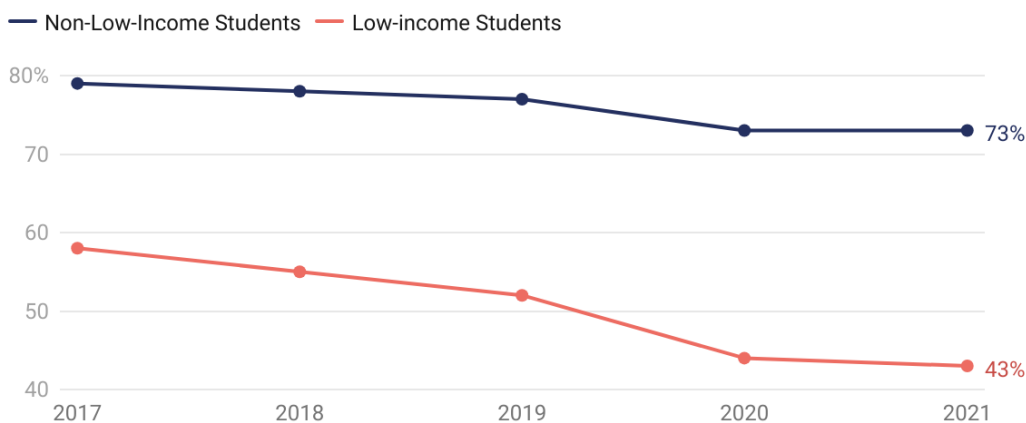


Chart: J. Oliver Schak and Ben Forman. "Getting Question 1 Right: Investment Options for Equity in Public Higher Education." (Boston, MA: MassINC, 2023), Fig 4 using Massachusetts Department of Elementary and Secondary Education • Source: Massachusetts Department of Elementary and Secondary Education • Created with Datawrapper

## High school graduates are primarily opting out of in-state colleges/universities

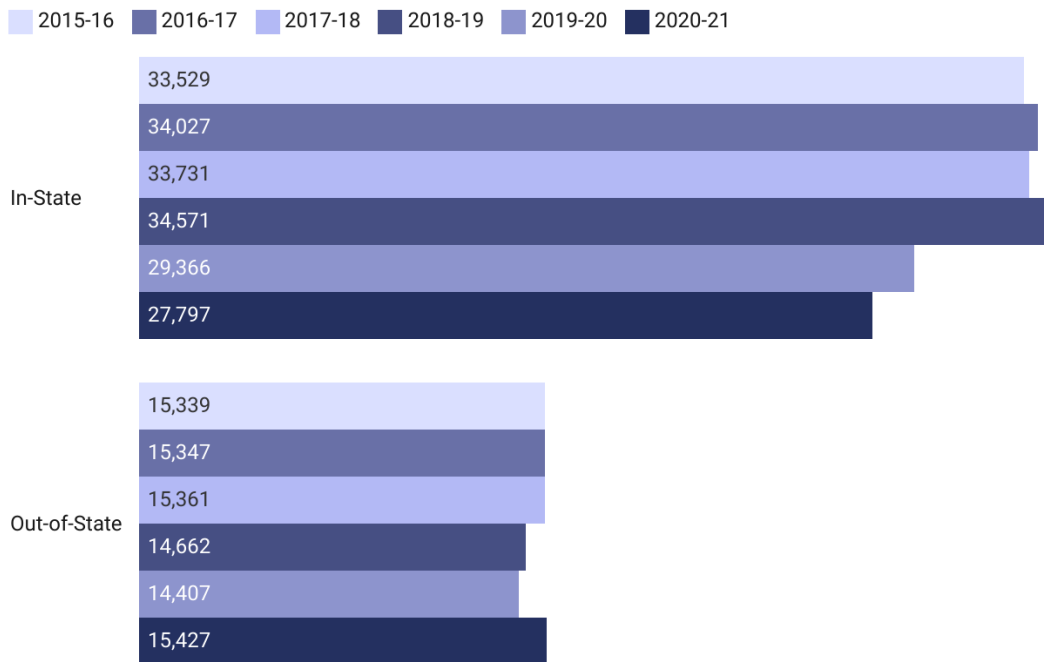
A closer analysis reveals that the enrollment numbers for out-of-state colleges and universities have remained stable in recent years. In contrast, there has been a noticeable decline in enrollment at in-state colleges and universities over the same period.

<sup>4</sup> Although potentially challenging to undertake, an intriguing question for prospective research could involve delving into the trajectory taken by students who opt to not pursue higher education. It is also important to know that numerous students take breaks to explore, work, and accumulate savings before eventually enrolling in college at a later stage.



## # High School Graduates Enrolling In-State vs. Out-of-State

Enrollment declines driven by students opting out of Massachusetts colleges and universities



*This includes students who enroll immediately after graduating high school*

Chart: Hildreth Institute • Source: Massachusetts Department of Elementary and Secondary Education • Created with Datawrapper

This divergence can be attributed to the fact that affluent and well-supported students are more likely to consider out-of-state college options and they remain consistent in their enrollment preferences. Recent data from the [Department of Elementary and Secondary Education](#) reveals that a substantial majority of students enrolling at out-of-state colleges come from more affluent backgrounds, with 86 percent falling within the high-income bracket. Furthermore, this group is predominantly composed of white students, accounting for 81 percent of the total. However, it is crucial to emphasize that this correlation does not imply causation; rather, it underscores the intricate interplay of historical, systemic, and structural factors that have contributed to inequalities in access to education, employment, housing, and other opportunities based on race.

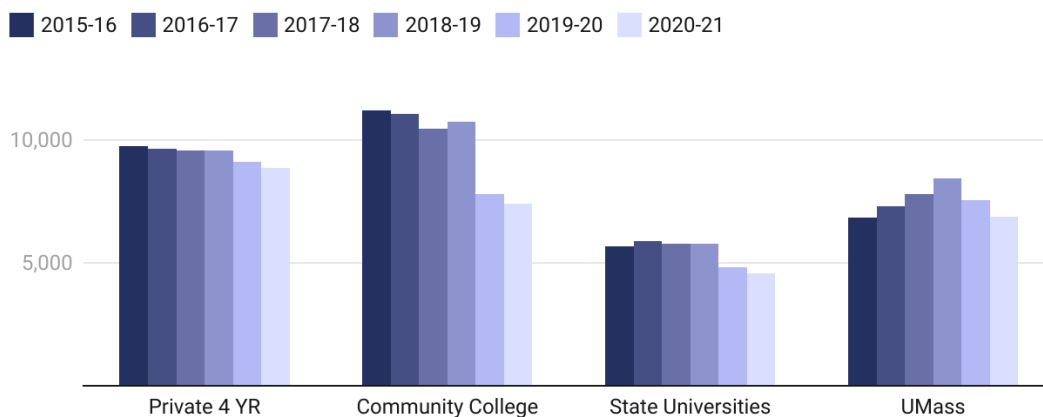


## Enrollment is falling sharply at institutions focused on serving minority and low-income populations.

Of those who choose to enroll within the state, a notable majority, 68 percent, select public educational institutions. This encompasses community colleges, state universities, and the University of Massachusetts system. Within this subset, community colleges are witnessing the most pronounced reduction in student enrollment immediately after high school (although a decline is observed across all educational sectors, albeit to a lesser degree). While the pandemic has indeed exacerbated these declines, data indicates that this trend was already in motion. Considering that community colleges serve as the preferred choice for a diverse array of minority students and those from less privileged socioeconomic backgrounds, these trends come as no surprise.

### Enrollment at Massachusetts Colleges/Universities Immediately After High School

Largest enrollment declines are among community colleges in Massachusetts



*This data only includes Massachusetts high school graduates who enroll in college or university right after High School Graduation.*

Chart: Hildreth Institute • Source: Massachusetts Department of Elementary and Secondary Education • Created with Datawrapper

## BEYOND IMMEDIATE ENROLLMENT

The declining trends of immediate enrollment after high school provide only a partial view of a broader downward trajectory in college attendance. The overall enrollment numbers reveal that the rate of overall enrollment decline outpaces the combined drops in immediate post-high school enrollment and new adult students seeking degrees. In other words, not only are fewer people resuming their education after taking a break, but an increasing number of students are also discontinuing their degrees midway through their programs





Since 2013, community colleges have experienced the most drastic loss, with a 41 percent decline in full-time equivalent enrolled students. That is, community colleges now have about 30,000 fewer full-time equivalent students attending their institutions each year. State universities have lost 21 percent full-time equivalent enrolled students, corresponding to over 8,000 less full-time equivalent students yearly. In contrast, the University of Massachusetts campuses have consistently maintained a stable student population from one year to the next, even experiencing a notable 4 percent rise between 2013 and 2021. Building upon the previous findings, we can deduce that UMass campuses are witnessing undergraduate enrollment growth from students outside the state, as well as individuals who enroll at a later point or transfer from other institutions.

### Full Time Equivalent (FTE) Undergraduate Enrollment at Massachusetts Public Colleges/Universities

Community colleges are seeing shrinking headcounts

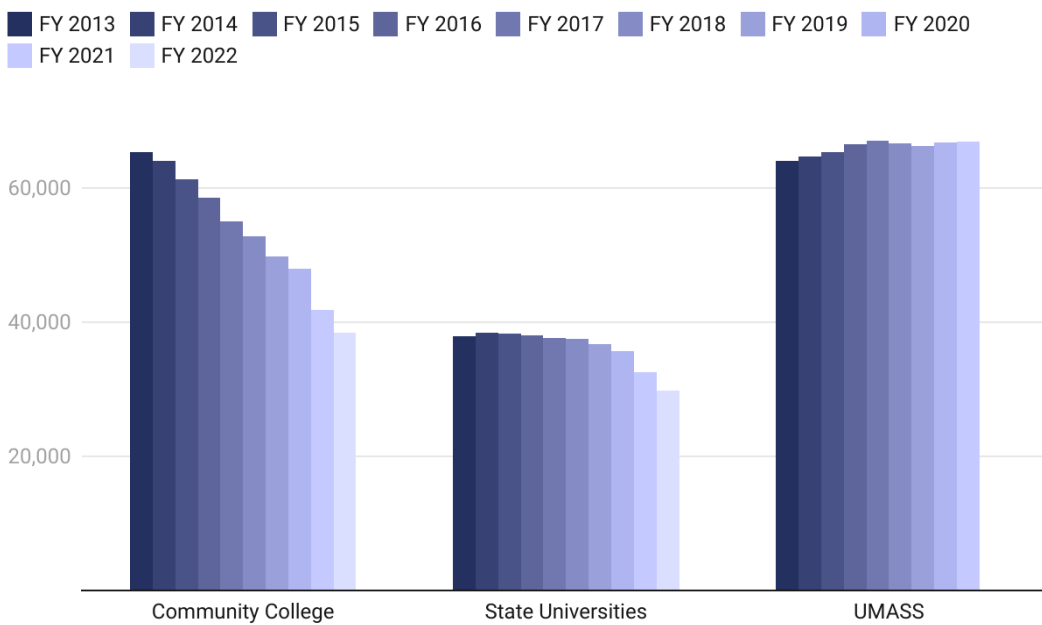


Chart: Hildreth Institute • Source: Data requested from Massachusetts Department of Higher Education. UMASS data from The Integrated Postsecondary Education Data System • Created with Datawrapper

To distinguish between enrollment declines resulting from students opting out of college after high school or later, and those who discontinue their degrees mid-course, we analyzed unduplicated headcount of students irrespective of their enrollment intensity, by sectors of higher education and compared it to first-time freshman enrollment figures.

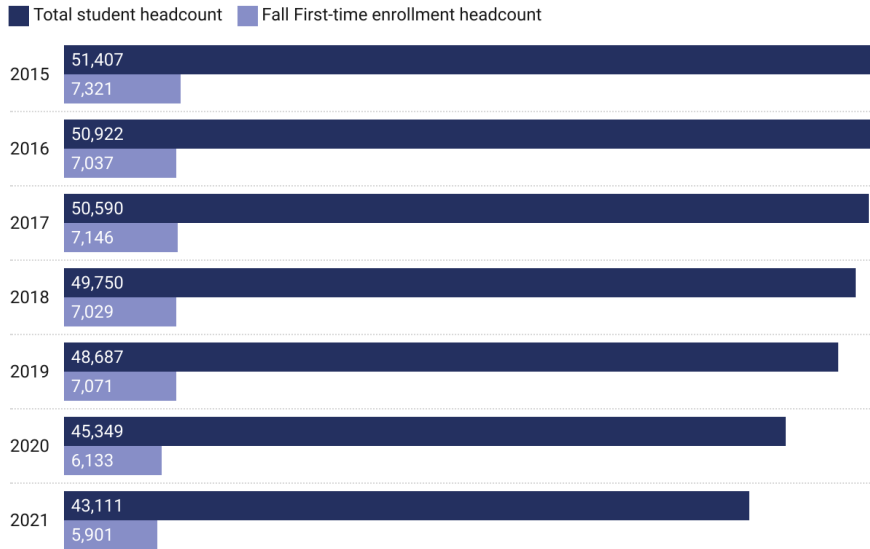
The graphs below indicate that the decrease in total student headcount at community colleges and state universities cannot be explained solely by more students choosing not to attend college.



Since 2015, the student population at community colleges has shrunk by 28,726. Of this decline, only about 20 percent (6,160) is due to a decrease in freshman student enrollments. This data indicates a rising trend of students leaving their degrees incomplete.

### Massachusetts State Universities Total Headcount

An increasing number of students are discontinuing their degrees



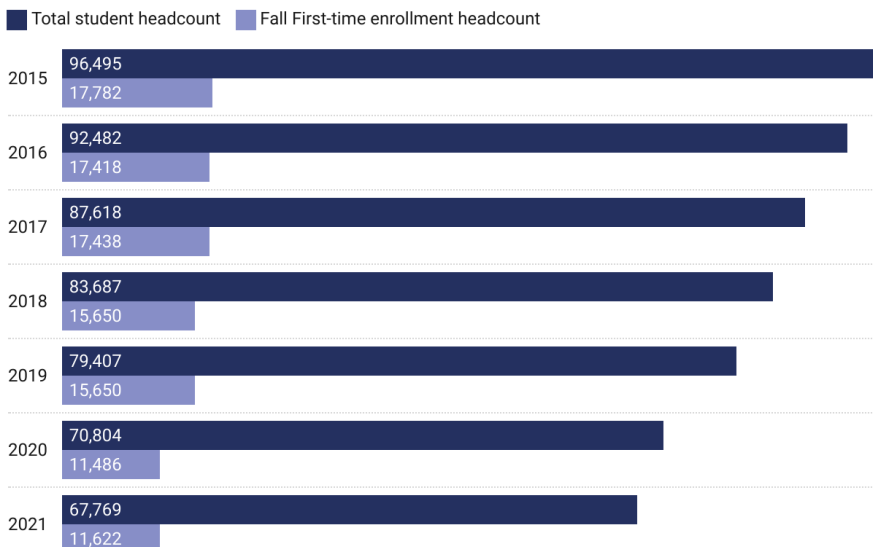
Data shown represents student headcount, not full-time equivalency. This encompasses both students attending full-time and part-time. First-time enrollment data encompasses not only MA students enrolling immediately post-high school, but also those who enroll at any age.

Chart: Created by Hildreth Institute using data obtained from Integrated Postsecondary Education Data System • Created with Datawrapper

In parallel, State Universities have reported a decline of 8,296 students. Only 17 percent (1,420) of this can be traced back to fewer freshman enrollments. Once again, the data underscores that a significant number of students are not seeing their degrees through to completion.

### Massachusetts Community Colleges Total Headcount

An increasing number of students are discontinuing their degrees



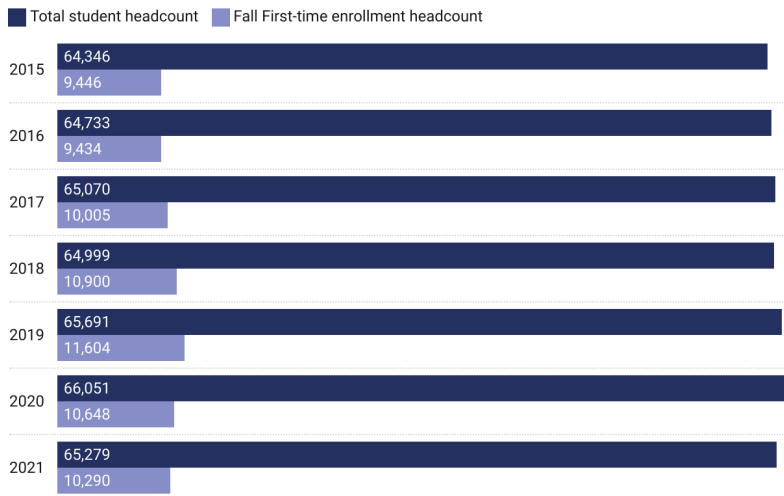
Data shown represents student headcount, not full-time equivalency. This encompasses both students attending full-time and part-time. First-time enrollment data encompasses not only MA students enrolling immediately post-high school, but also those who enroll at any age.

Chart: Created by Hildreth Institute using data obtained from Integrated Postsecondary Education Data System • Created with Datawrapper

At the University of Massachusetts campuses, the overall student headcounts align more directly with shifts in freshman enrollments. Echoing trends in full-time equivalent enrollment, there's been an increase in the student population since 2015, with 933 additional students on campuses. Freshman enrollment itself has seen a rise by 844 students, indicating a majority remain on track towards degree completion.

### University of Massachusetts Total Headcount

At UMASS campuses total headcounts are following first-time enrollment trends suggesting that once students are enrolled the large majority complete their degrees



*Data shown represents student headcount, not full-time equivalency. This encompasses both students attending full-time and part-time. First-time enrollment data encompasses not only MA students enrolling immediately post-high school, but also those who enroll at any age.*

Chart: Created by Hildreth Institute using data obtained from Integrated Postsecondary Education Data System • Created with Datawrapper

### Who is leaving their degrees incomplete?

Similar to trends seen in immediate enrollment following high school, the most striking reductions in overall college attendance have occurred within the largest racial and ethnic groups—specifically among Black, Hispanic, and White students.

Within these demographics, the period from 2013 to 2022 saw the most dramatic declines for Black and Hispanic students, a trend that is particularly pronounced at community colleges. During this timeframe, community college attendance plummeted by an alarming 31 percent for Black students and by 14 percent for Hispanic students.

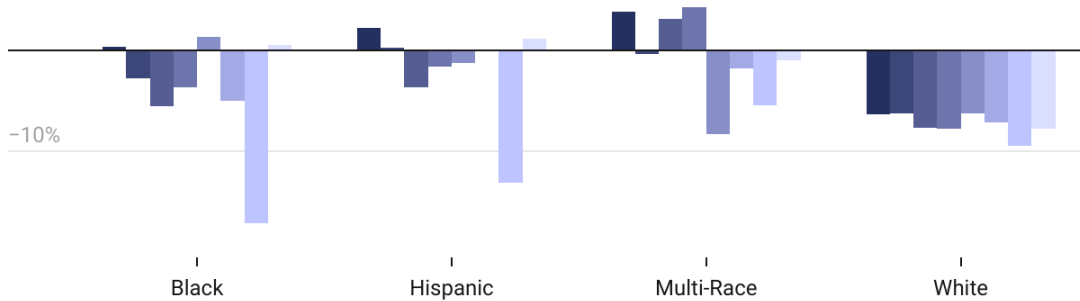


These drops are particularly worrisome as enrollment rates for Black and Hispanic students had been on an upward trajectory in the last two decades. Conversely, the decline in enrollment among White students appears to align with the state's continuing demographic shift, which has also shown a consistent decrease in the high-school student population over the last ten years.

### MA Community College Total Enrollment Minority Headcount Fall Term

Year to year percentage change in enrollment

2014 2015 2016 2017 2018 2019 2020 2021



Note: Data from the Massachusetts Department of Higher Education uses "African American," "Latino," and "Two or more Races" in their data labels. We have used different data labels throughout the paper and in our charts for simplicity and consistency.

Chart: Created by Hildreth Institute using data obtained from Massachusetts Department of Higher Education. • Created with Datawrapper

### MA State Universities Total Undergraduate Enrollment Minority Headcount Fall Term

Year to year percentage change in enrollment

2014 2015 2016 2017 2018 2019 2020 2021

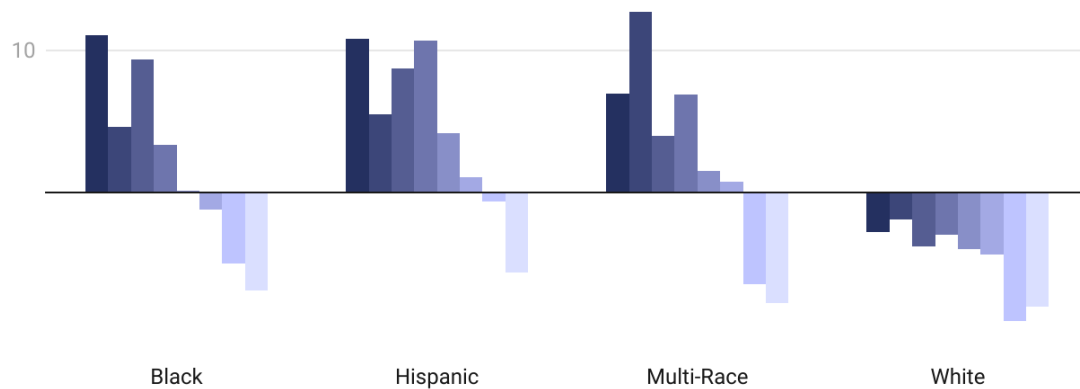


Chart: Created by Hildreth Institute using data obtained from Massachusetts Department of Higher Education. • Source: Massachusetts Department of Higher Education • Created with Datawrapper



## DISCUSSION

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The decrease in college attendance needs to be examined within the broader context of public sentiment towards higher education and the state of the economy. Despite the enduring belief that a higher education credential is crucial for improved career prospects and greater earnings, which is supported by research indicating that college graduates earn more than those with only a high school diploma, apprehensions have emerged regarding the return on investment (ROI). The escalating college prices and the necessity of substantial borrowing to cover expenses while in school has become a prime deterrent for many. Fewer than one in three adults now say a degree is worth the cost, according to a survey by the Strada Education Network. Only 56% of bachelor's degree holders under 30 thought the benefits of their education exceeded the cost, compared with 82 percent of adults aged 60 and over.<sup>5</sup>

Potential college goers also weigh this perceived, and often real, decline in the value of a college degree against their immediate earning potential. In a strong job market, like the one experienced in the last couple of years, coupled with the recent increases in minimum wage, we can expect that more students will be inclined to enter the workforce earlier to take advantage of job opportunities. There are, however, potential risks associated with skipping a higher education credential, such as limited upward mobility and earning growth. Jobs that do not require a college degree tend to offer lower initial salaries and may have a ceiling on how much one can earn without additional qualifications. These jobs might also have less job security and fewer benefits compared to positions that require higher education. Over time, without further education or skill development, individuals might find it challenging to advance their careers and increase their earning potential.

Recognizing that lower-income and historically underserved student populations constitute the predominant demographic opting out of college, there is a real concern that if this trend persists it will only exacerbate pre-existing income and wealth disparities along racial lines as well. In addition to these concerns, the recent Supreme Court decision to ban affirmative action adds another layer of complexity. This ban runs the risk of conveying an adverse message to students of color, possibly dissuading them from perceiving college as an avenue that embraces and supports their challenges. This is particularly worrisome given the precedent set by the California example, where the ban on affirmative action led to a significant decrease in enrollment among underrepresented groups.

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<sup>5</sup> Moreover, higher education often lends itself to the perception of exclusivity and selectivity, which could dissuade those who don't come from a college-going family background, from viewing it as a viable pursuit.

Considering these factors, it is both opportune and encouraging that starting before the pandemic or the ban on affirmative action, both the Board of Higher Education (BHE) and the Department of Higher Education (DHE) had been proactive in emphasizing equity across four key policy areas: finance, access, retention, and completion. They formulated a 10-year Statewide Strategic Plan to steer the public higher education system and its institutions toward advancing equity, especially for students of color.

Today in Massachusetts, there is a widespread agreement on prioritizing public higher education. With the legislature at the forefront of this issue and the commitment of a new Governor, Lieutenant Governor, and Commissioner of Higher Education, the shared vision is clear: an affordable, accessible, and inclusive public higher education for Massachusetts.

The recent approval of the constitutional amendment, commonly referred to as the Fair Share Amendment, has provided a robust foundation to overturn previous funding trends. This amendment imposes a 4 percent surcharge on incomes exceeding \$1 million, with the generated revenue earmarked for public education and transportation. Capitalizing on these additional funds, the FY24 budget has directed an unparalleled boost in allocations to state need-based financial aid, including new programs that target specific segments of the student population such as the last-dollar tuition-free grant program (Mass Reconnect) specifically targeting students aged 25 and above, and another last-dollar tuition-free grant for nursing students within the community college system. The state also signaled that it plans to expand the free community college initiative by providing ramp-up funding to allow institutions to prepare for an upcoming expansion. Taken together, these policy initiatives reflect a commitment to enhancing educational accessibility, particularly for individuals historically faced with barriers to higher education.

Although the effects of these initiatives are yet to be observed, they represent positive steps forward following years of underinvestment. The challenge now for the state will be to clearly communicate these plans to the target student populations and to ensure that those who take-up the offer are provided with the necessary financial resources and support they need to complete their credential.



As we look ahead, should the state aim to tackle and reverse the racial and socioeconomic discrepancies in college enrollment and achievement, it must seize this opportune moment to not only amplify but also unify the initiatives set in motion. By consolidating targeted programs to larger financial aid commitment programs, with comprehensive interventions centered around higher education equity, the state can send a clear and simple message and re-engage those who stand to benefit the most from a higher education credential.

Multiple factors shape a student's choice regarding higher education—ranging from insufficient academic preparedness and inadequate counseling to a preference for alternate paths like skilled trades— however, financial constraints stemming from high college expenses and apprehension about accumulating significant debt stand out as primary determinants. And regrettably, these obstacles to enrollment are even more pronounced for individuals of color and those coming from economically disadvantaged backgrounds.<sup>6</sup>

While it remains crucial to tackle barriers such as inadequate academic preparation or lack of counseling, rectifying these issues will likely require a substantial time investment. However, addressing financial constraints is an opportunity we can leverage at the present time, and one which can yield immediate results. While increased affordability will lead to more equitable access to higher education, it also holds the potential to mitigate the broader negative implications of recent legal changes regarding affirmative action.

This can be achieved through adequate levels of funding for our public higher education system, ensuring they are well-equipped to support the evolving needs of a diverse student population and by delivering a clear and simple message that an attainable, debt-free college degree is within reach for all college-ready students. When making choices about forthcoming policies, decision makers must carefully assess a range of factors. These include guaranteeing fair access and achievement, upholding the quality and competitiveness of our public higher education institutions, addressing workforce requirements, and ensuring that the costs associated with these policies are justified by the economic advantages that a well-educated populace will bring.

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<sup>6</sup> To gain a more comprehensive insight into the underlying factors driving the differences in student loan borrowing, burden, and repayment among various racial and ethnic groups, we recommend consulting "[Changing the Narrative on Student Borrowers of Color](#)" published by the Lumina Foundation in 2021.

## RECOMMENDATIONS

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With the influx of new revenue for public higher education, the state has the opportunity to reform its grants and scholarship programs<sup>7</sup> by consolidating state funding under large and simple financial aid programs geared towards addressing students' growing financial unmet need. Here we recommend broad policy directions that seek to reverse the declining enrollment trends while establishing a more equitable, accessible, and effective higher education system:

### **Expand on the tuition-free community college commitment with the goal of achieving a debt-free program**

- Reevaluate the "last-dollar" grant approach, which has regressive impacts on lower-income students.
- Shift focus from covering only tuition and fees to meeting students' full "unmet financial need," which includes living expenses, textbooks, and more.
- Allocate financial aid by calculating students' unmet financial needs based on the full cost of attendance to effectively reduce or eliminate the need for student loans.

### **Expand the debt-free Commitment to 4-year public degrees**

- Broaden affordability measures to include 4-year institutions to prevent educational inequalities based on socio-economic and racial lines.
- Develop a comprehensive strategy that promotes equitable access across all educational levels and institutions.

### **Provide comprehensive student support services**

- Invest in well-rounded student support services such as academic advising, mental health assistance, and career guidance to aid in student retention and success.

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<sup>7</sup> In an effort to distribute limited funds in the most targeted manner, the state has created more than 40 different small grants, scholarships, and tuition waivers. While well-intentioned, this has created an unnecessarily complex and confusing financial aid system to navigate. The process alone ends up creating barriers for the students who arguably stand to benefit the most from state-funded financial aid and access to public higher education. Read more about this [HERE](#).





### Support Equity in Higher Education Admissions

- Discontinue practices like legacy admissions and early decision policies, which perpetuate socio-economic and racial disparities in college admissions.
- Engage community organizations and high schools.
- Partner with community organizations for targeted outreach to underrepresented minority and economically disadvantaged students.
- Enhance financial support for high-school counseling services to early-inform students about new affordability initiatives and promote a college-bound mindset.

Each of these recommendations aims to create a more equitable, accessible, and effective higher education system.

Based on our findings, we developed an accompanying policy brief which includes a range of policy options along with their respective advantages and disadvantages for decision-makers interested in creating an ambitious equity-centered higher education strategy.

