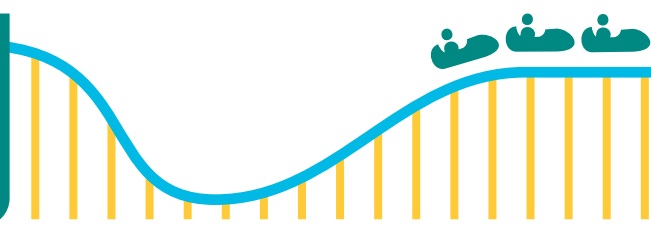


WHAT DOES STATE HIGHER EDUCATION FUNDING LOOK LIKE 10 YEARS AFTER THE GREAT RECESSION?

STATE HIGHER EDUCATION FINANCE (SHEF)

Despite substantial recovery in most state budgets, state funding for higher education has only halfway recovered in the ten years since the 2008 financial crisis. The State Higher Education Finance (SHEF) FY 2018 report explores how states navigated complex budgetary environments during the Great Recession and examines the long-term impacts of state finance policy decisions on today's state funding for higher education. Here are four key takeaways from this year's report.

HIGHER EDUCATION FUNDING IS STABILIZING.



After five years of funding increases, nationally, state support for higher education increased at the rate of inflation in 2018, indicating that appropriations increases stalled as recovery from the Great Recession slowed down.



STUDENT SHARE IS THE NEW NORM.

After adjusting for inflation, state support per student remains \$1,000 lower than before the 2008 Great Recession and nearly \$2,000 lower than before the 2001 dot-com crash. Only six states have met pre-recession funding levels.

THERE'S GOOD NEWS FOR STATE FINANCIAL AID.



In 2018, state-funded student financial aid increased more than in any year since the Great Recession, and public aid now represents nearly 10 percent of all appropriations. Encouragingly, evidence shows that states have protected this source of support during economic downturns.



ENROLLMENT DECLINES ARE SLOWING DOWN.

Fewer students continued to pursue full-time higher education in 2018 than during the peak recession years, but there was little year-over-year change in enrollment from 2017 to 2018, a trend that further suggests stabilization in the state higher education landscape. Student enrollment skyrocketed during the Great Recession and has steadily declined over the last few years of economic recovery.

While these findings are crucial to understanding the broad strokes of national finance trends in higher education, it is important to note that national trends mask considerable variation across the states.

Interested in data for an individual state? Access the digital SHEF report and interactive data visualizations at SHEEO.org/SHEF.