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State Higher Education
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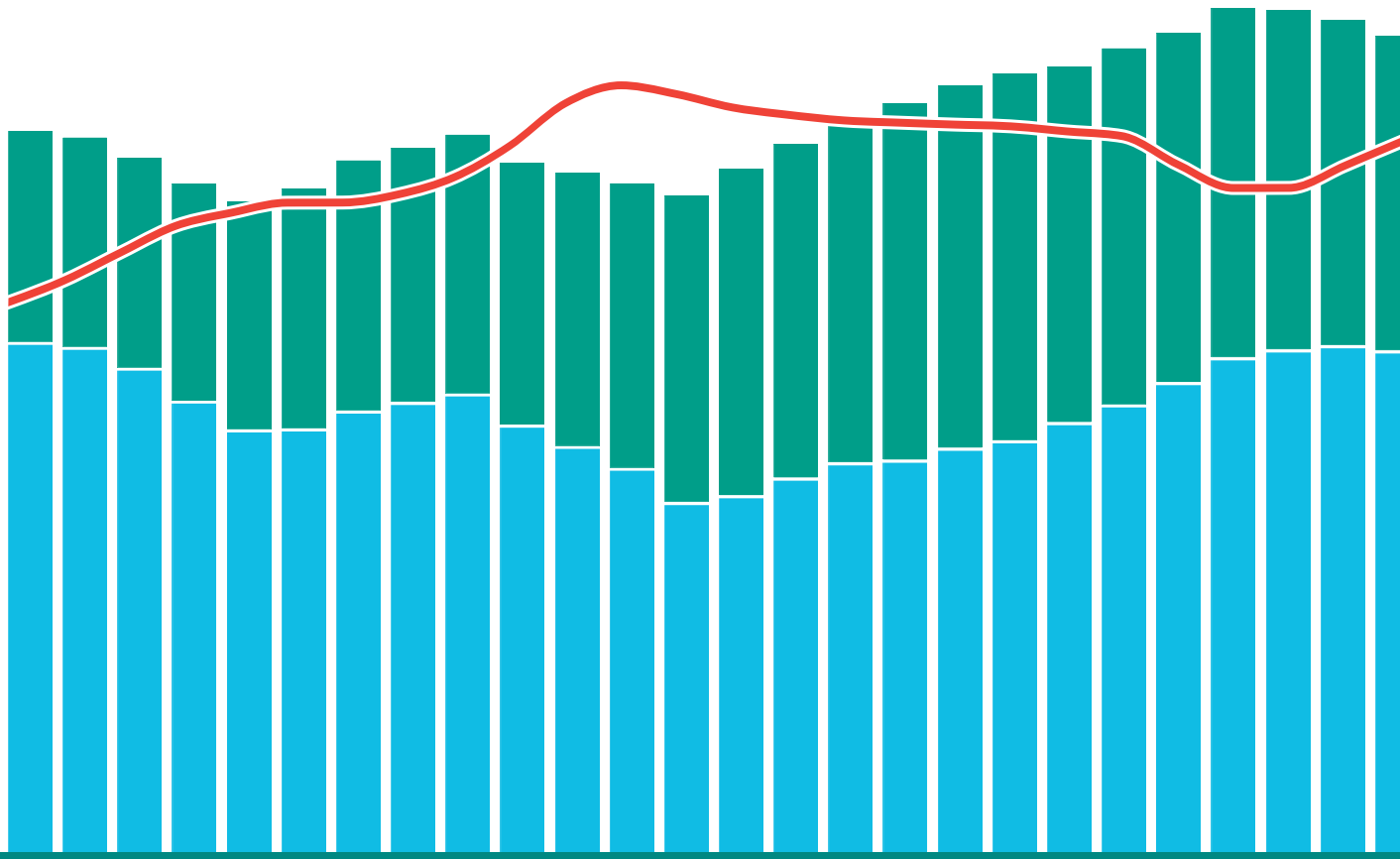
SHEF

STATE HIGHER EDUCATION FINANCE

FY 2025



The State Higher Education Executive Officers Association (SHEEO) serves the chief executives of statewide governing, policy, and coordinating boards of postsecondary education and their staffs. Founded in 1954, SHEEO promotes an environment that values higher education and its role in ensuring the equitable education of all Americans, regardless of race/ethnicity, gender, or socioeconomic factors. Together with its members, SHEEO aims to achieve this vision by equipping state higher education executive officers and their staffs with the tools to effectively advance the value of higher education, promoting public policies and academic practices that enable all Americans to achieve success in the 21st century, and serving as an advocate for state higher education leadership. For more information, visit sheeo.org.

SHEF
STATE HIGHER EDUCATION FINANCE

Since 2003, the State Higher Education Executive Officers Association (SHEEO) has produced the annual State Higher Education Finance (SHEF) report to broaden understanding and enable analysis of state-level and national funding and enrollment trends over time. The SHEF report provides the earliest possible review of state funding for higher education for the most recently completed fiscal year. SHEEO developed the SHEF report building directly on a 25-year effort by Kent Halstead, an analyst and scholar of state policy for higher education. As a result, SHEF includes a robust dataset for fiscal years 1980-2025 with detailed data on state and local funding, tuition revenue, and enrollment.

The 2025 SHEF report was authored by Rachel Burns, Senior Policy Analyst, and Dustin Weeden, Associate Vice President. The report would not have been possible without additional support, particularly from Jessica Duren and Kelsey Heckert.

We are deeply indebted to the staff of state higher education agencies who annually provide the state- and sector-level data essential for the preparation of this report. Without their diligent work, this project would not be possible.

A fully interactive version of this report, with adjustable visualizations and downloadable datasets for all figures and tables, is available at shef.sheeo.org**.**

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EXECUTIVE SUMMARY

The State Higher Education Finance (SHEF) report supplies important context and trend analysis to help inform state postsecondary finance policy decisions. SHEF provides the earliest possible review of state and local support, tuition revenue, and enrollment trends for the most recently completed fiscal year. This year's report focuses on fiscal year 2025, which for most states ran from July 1, 2024, through June 30, 2025.

REPORT HIGHLIGHTS

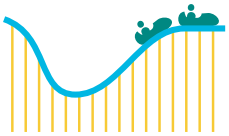
State and local government funding for higher education totaled $149.2 billion in fiscal year 2025. States contributed $133.9 billion (a 3.4% inflation-adjusted increase over 2024), and local governments in 31 states contributed $15.3 billion to higher education (a 1.7% inflation-adjusted decrease from 2024). Federal stimulus funding allocated to higher education by 19 states totaled $622.2 million in 2025, down 3.4% after adjusting for inflation from 2024 and comprising 0.4% of total support.

FULL-TIME EQUIVALENT (FTE) ENROLLMENT

Full-time equivalent (FTE) enrollment converts student credit hours to full-time academic year students. Net FTE excludes medical students.

- There were 10.8 million FTE enrolled students in 2025. Net FTE enrollment increased 3.6% in 2025, a gain of 378,895 FTE students, marking the third year of enrollment gains after 11 straight years of enrollment declines following the Great Recession. Despite this increase, FTE enrollment is still down 7.2% from its peak in 2011.
- Enrollment increased in 44 states and Washington, D.C., between 2024 and 2025, ranging from 0.1% in Colorado to 15.4% in Wyoming.
- In fiscal year 2025, both four-year and two-year institutions saw enrollment increases, with two-year institutions experiencing higher growth of 5.0% compared to 2.8% among four-year institutions.

From this point forward, all dollar figures are for public institutions and are adjusted for inflation and net FTE enrollment. The Higher Education Cost Adjustment (HECA), a measure of inflation in service industries, increased 3.2% from 2024 to 2025.



EDUCATION APPROPRIATIONS PER FTE

Education appropriations measure state and local support for public higher education operating expenses and exclude research, hospitals, and medical education. State-level education appropriations include agency funding and federal stimulus funding; sector-level appropriations do not. After sharp declines during and after the Great Recession, followed by increases for the past 12 consecutive years, education appropriations per FTE decreased 1.0% between 2024 and 2025.

In 2025, education appropriations per FTE decreased 1.0% from 2024 to $12,082. Inflation-adjusted education appropriations per FTE were greater than pre-Great Recession funding levels in 2008 by 9.2%, or $1,020 per FTE, and pre-COVID-19 pandemic funding levels in 2019 by 16.4%, or $1,704 per FTE. These increases in education appropriations per FTE at the national level can be attributed to two notable trends:

1. Increasing state commitments to higher education funding.
2. A decline in FTE enrollment.

Education appropriations vary considerably by state. Education appropriations per FTE in 2025 ranged from $4,557 in New Hampshire to $25,468 in Illinois. Consistent with national-level decreases, education appropriations per FTE declined in 31 states and Washington, D.C., between 2024 and 2025. Despite nationally exceeding 2019 levels each year since, education appropriations per FTE remain below 2019 levels in eight states and Washington, D.C., with Wyoming (18.4% below) and Indiana (17.8% below) the farthest from 2019 levels in 2025.

Many states also continue funding higher education at a lower level than prior to the 2008 Great Recession. Twenty-four states have not yet recovered from the Great Recession (meaning their education appropriations per FTE in 2025 remain below 2008 levels). Arizona (47.4% below), Louisiana (37.1% below), and Iowa (29.2% below) are furthest from recovery.

From 2024 to 2025, inflation-adjusted state and local education appropriations decreased 1.8% at two-year institutions, reaching $11,096 per FTE. At four-year institutions, education appropriations per FTE decreased 0.6% from 2024 to 2025, reaching $11,151. There were important differences in the sources of two- and four-year public institution state and local funding, despite similar levels of education appropriations per FTE:

- Two-year public institutions received $6,672 per FTE in state general operating appropriations, 69.8% of the four-year general operating appropriation ($9,552 per FTE).
- Local appropriations per FTE were 135.0 times higher at two-year institutions ($3,620 per FTE) compared to four-year institutions ($27 per FTE). There were two-year local appropriations in 28 states, compared to only eight for four-year institutions.
- Total state and local support at two-year institutions was $11,096, 83.1% of the amount at four-year institutions ($13,349).

STATE PUBLIC FINANCIAL AID PER FTE

State public financial aid is any state appropriated student financial aid for public institutions, excluding loans. These funds are included in education appropriations but do not include federal stimulus funding. Public aid accounted for 81.7% of total state financial aid in 2025.

- State public financial aid per FTE increased 5.1% from 2024 to 2025 and reached an all-time high of $1,271 per FTE. These funds made up 9.3% of all education appropriations.
- In 2025, 26 states and Washington, D.C., had a year-over-year increase in financial aid per FTE. Public state financial aid ranged from $44 per FTE in Montana to $3,662 in New Mexico.
- State financial aid awards averaged $780 per FTE at two-year institutions, an increase of 3.7% over 2024. At four-year institutions, state financial aid increased 5.3%, reaching $1,535 per FTE. Most states (34) awarded more financial aid per FTE to students attending four-year institutions.

NET TUITION AND FEE REVENUE PER FTE

Net tuition and fee revenue is the total amount of tuition and fees received by public institutions, minus state and institutional financial aid and medical tuition and fees.

Inflation-adjusted net tuition and fee revenue has increased substantially over time. Since 1980, tuition revenue per FTE at public institutions has increased 165.7%. These increases are primarily due to increases in tuition and fee rates and an increasing proportion of out-of-state, international, and graduate student enrollment.

Recently, this trend has shifted, and tuition and fee revenue has declined in four of the last five years. Public institutions received $7,459 in net tuition and fee revenue per FTE in 2025, down 3.5% from 2024, which is the second-largest one-year decrease since 1980, the start of the SHEF dataset. Decreases in net tuition revenue are largely due to increases in state financial aid and minimal tuition rate growth (lower than the rate of inflation).

Net tuition and fee revenue per FTE ranges widely across the states due to variations in the mix of students paying different tuition rates, the level of state support and availability of state public financial aid, and whether institutions can freely raise their tuition rates.

- On the low end, net tuition and fee revenue was $2,288 per FTE in Nevada. On the high end, net tuition and fee revenue was $20,707 per FTE in Delaware.
- Net tuition and fee revenue per FTE declined in 37 states and Washington, D.C., between 2024 and 2025. Despite these recent declines, since 1980, net tuition and fee revenue per FTE has increased in every state except Nevada, and by more than 100% in 41 states.

- Net tuition and fee revenue at two-year institutions averaged $2,668 per FTE in 2025, down 5.0% from 2024. At four-year institutions, net tuition and fee revenue averaged $10,505 per FTE, down 2.5% from 2024, but still 3.9 times the average net tuition and fee revenue per FTE in the two-year sector.

TOTAL EDUCATION REVENUE PER FTE

Total education revenue is the sum of education appropriations and net tuition and fee revenue, excluding net tuition and fee revenue used for capital debt service.

Total education revenue decreased 1.9% from 2024 to 2025, dropping to $19,443 per FTE. Although 2025 is the fifth-highest national-level total revenue per FTE since the beginning of the SHEF dataset in 1980, this does not indicate that all public institutions have more revenue than ever before. In fact, it is at an all-time high in only four states (Kansas, South Carolina, Virginia, and Washington). Many institutions have not been able to increase tuition and fee revenue to offset declines in state funding, and are not at an all-time high for total education revenue. This is particularly true for those most reliant on state funding and those with a more limited ability to raise tuition rates and attract out-of-state and international students.

As with other measures, total revenue per FTE varied widely by state. Total education revenue per FTE ranged from a low of $12,695 per FTE in Nevada to a high of $33,917 per FTE in Illinois. Total education revenue per FTE decreased in 36 states and Washington, D.C., from 2024 to 2025, and in three states (Alaska, Louisiana, and Nevada) since 1980.

Two-year institutions had, on average, much less total revenue per FTE than four-year institutions. At two-year public institutions, total education revenue averaged $13,722 per FTE in 2025, down 2.6% from 2024. Total education revenue at four-year institutions averaged $21,508, a 1.5% increase from 2024. Due to much higher tuition revenues, four-year institutions had, on average, 1.6 times the amount of total education revenue per FTE of two-year institutions.

STUDENT SHARE

The student share is a measure of the proportion of total education revenue at public institutions that comes from net tuition and fee revenue.

The student share has increased substantially over time due to declines in education appropriations and net tuition revenue increases. In 1980 (the earliest available data), the student share was 20.9%. In 2025, the U.S. average student share was 38.4%. This means that, on average, 38.4% of revenues at public institutions came from student tuition and fees.

There is a wide variation in the student share across states. In 2025, 18 states had a student share above 50%. From 2024 to 2025, the student share decreased in 26 states and Washington, D.C. These decreases in student share indicate that states are making efforts to address college affordability.

The student share is highly varied when comparing two- and four-year public institutions. At two-year institutions, the fiscal year 2025 student share was less than one-fifth (19.4%), while it was nearly one-half (48.8%) at four-year institutions. The four-year student share is greater than the two-year student share in all but four states: Florida, New York, South Dakota, and Wyoming.

CONCLUSION

The 2025 SHEF report suggests public higher education funding currently sits at a crossroads. Following more than a decade of increases, the 1.0% decrease in education appropriations per student in FY25 indicates that FY24 may represent a new peak level of funding. Broader demographic, economic, and political trends will impact which road the sector ultimately travels. Yet there are reasons to be both optimistic and concerned about the future of public higher education funding.

REASONS FOR OPTIMISM

- **Historical Context.** If FY24 does represent a new peak funding level, it will represent the second highest peak in the SHEF dataset, dating back to 1980.
- **Total Investment Growth.** After adjusting for inflation but not FTE enrollment, education appropriations increased 2.6% from $127.4 billion in 2024 to $130.7 billion in 2025.
- **Enrollment Recovery.** The primary reason education appropriations per student experienced a 1.0% decline nationally in 2025 is because the 3.6% increase in enrollment outpaced the increases in education appropriations.
- **Economic Resilience.** The greatest reductions in education appropriations per student are typically associated with recessionary environments, and based on current economic indicators, the national economy grew throughout 2025.

CAUSES FOR CONCERN

- **Pre-Recession Erosion Risk.** A new funding peak outside of an economic downturn can be viewed as cause for concern if the downward trend continues until it rapidly accelerates during a recession.
- **Fiscal Constraints.** The days of slack budgets coming out of the pandemic were short lived, and most states are now projecting minimal year-over-year expenditure increases in the near term.
- **State-Level Variance.** Even though education appropriations per student have exceeded the pre-Great Recession peak at the national level, 24 states allocated less funding per student in 2025 than they did in 2008.
- **The Demographic Cliff.** While FTE enrollment has increased recently, it remains 1.3% below 2019 levels, and broader demographic changes predict fewer traditional-age students over the next decade.

SOURCES AND USES OF STATE FUNDING

Two core components of the SHEF report are the sources and uses of state and local investments in higher education. This section presents data on the distribution of state and local funds at the national level over time and across states. Later sections examine trends over time using inflation-adjusted and per-student data.

In considering a state's investment in higher education, SHEF includes all state and local revenue sources, including those from taxes, lottery receipts, mineral and resource extraction revenue, and state-funded endowments. SHEF also identifies the primary purposes or uses for which this public revenue is provided, including general institutional operating expenses, student financial assistance, agency funding, and support for centrally funded research, medical education, and extension programs. Higher education is the third largest single budget area in state support, representing 8.8% of total state spending and 9.4% of general fund expenditures in fiscal year 2025. Although state higher education expenditures as a share of general fund spending has remained constant since pre-COVID-19 pandemic levels in fiscal year 2019, spending on state higher education as a share of total state expenditures has declined by 1.3 percentage points since that time.[1,2] Lacking a constitutional mandate or federal funding match like other budget categories, such as K-12 education and Medicaid, it is generally understood that state funding for higher education is one of the most discretionary budget categories and acts as a balance wheel during economic downturns, with funding reductions typically greater than those in other budget areas.[3] Additionally, it is presumed institutions will be able to partially offset funding reductions with tuition revenue increases. During strong budget years, higher education typically sees increased appropriations in most states, both to make up for past cuts and to provide the funding necessary for public institutions to cover increasing costs due to inflation and changes in student enrollment.

1. National Association of State Budget Officers. (2025). *State expenditure report: Fiscal years 2023-2025*. www.nasbo.org/reports-data/state-expenditure-report
2. Unlike the SHEF data, NASBO expenditures exclude employer contributions to pensions and health benefits. NASBO defines state general funds as the majority fund for financing a state's operations with revenues received from broad-based state taxes such as personal and corporate income tax, and sales tax.
3. Delaney, J., & Doyle, W. (2011). State spending on higher education: Testing the balance wheel over time. *Journal of Education Finance, 36*(4). www.jstor.org/stable/23018116

SOURCES OF STATE FUNDING

This section provides data and analysis of the sources of state and local government support for higher education over the last 15 years (2010-2025). **The funding amounts in this section are not adjusted for inflation or enrollment.**

1. NATIONAL TRENDS

Table 1.1 shows that state and local government funding for higher education totaled $149.2 billion in fiscal year 2025, including $622.2 million in federal stimulus funding.[4] States contributed $133.9 billion, and local governments in 31 states contributed $15.3 billion, representing increases of 6.7% and 1.5%, respectively. The largest funding source was state tax appropriations, which accounted for $123.5 billion or 82.8% of total funding, as shown in *Figure 1.1*. Non-tax support (mostly from state lotteries) increased 0.7% and totaled just under $5.8 billion. Non-appropriated support, state-funded endowments, and other sources of state funding contributed an additional $4.1 billion, an increase of 9.8% from 2024.

TABLE 1.1

SOURCES OF STATE AND LOCAL HIGHER EDUCATION FUNDING IN THE U.S., FY 2010-2025 (UNADJUSTED DOLLARS, IN MILLIONS)

SOURCE	2010	2015	2020	2024	2025	2025 % DISTRIBUTION
FEDERAL STIMULUS	$5,402	$-	$1,457	$624	$622	0.4%
TAX APPROPRIATIONS	$71,494	$77,911	$90,664	$115,519	$123,469	82.8%
NON-TAX SUPPORT	$2,971	$3,297	$4,388	$5,753	$5,793	3.9%
NON-APPROPRIATED SUPPORT	$79	$119	$280	$327	$321	0.2%
STATE-FUNDED ENDOWMENT EARNINGS	$401	$483	$1,312	$1,633	$1,903	1.3%
OTHER	$298	$211	$1,557	$1,777	$1,879	1.3%
FUNDS NOT AVAILABLE FOR USE	$394	$71	$206	$101	$75	0.1%
TOTAL STATE SUPPORT	$80,252	$81,950	$99,452	$125,532	$133,913	89.8%
LOCAL TAX APPROPRIATIONS	$8,837	$9,217	$12,300	$15,047	$15,269	10.2%
TOTAL STATE AND LOCAL SUPPORT	**$89,089**	**$91,167**	**$111,752**	**$140,580**	**$149,182**	**100.0%**
TOTAL STATE AND LOCAL SUPPORT (NO STIMULUS)	**$83,687**	**$91,167**	**$110,295**	**$139,956**	**$148,560**	**99.6%**

NOTES:

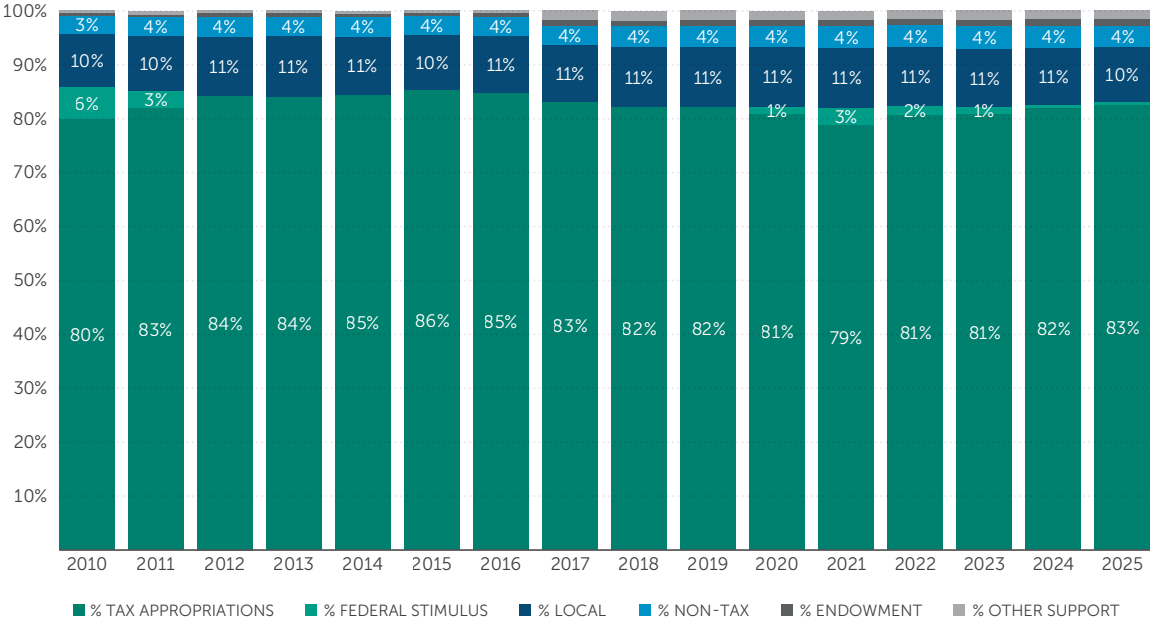
1. Federal stimulus funding is provided to state governments to stabilize state and local sources of revenue for higher education. It includes funds from the American Recovery and Reinvestment Act (ARRA) during the Great Recession, the 2020 Coronavirus Aid, Relief, and Economic Security (CARES) Act, the 2020 Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, and the 2021 American Rescue Plan (ARP) during the COVID-19 pandemic. Federal stimulus must be state allocated and excludes aid provided directly to institutions (such as HEERF) and funding used for capital projects.
2. Other includes multiyear appropriations from previous years and funds not classified in one of the other source categories.
3. Funds not available for use include appropriations that were returned to the state, and portions of multiyear appropriations to be spread over other years.
4. Total state and local support is the sum of federal stimulus funds, state and local tax appropriations, non-tax support, non-appropriated support, state-funded endowment earnings, and other state funds, net of any funds not available for use.

SOURCE: State Higher Education Executive Officers Association

4. Federal stimulus funding is provided to state governments to stabilize state and local sources of revenue for higher education. It includes funds from the American Recovery and Reinvestment Act (ARRA) during the Great Recession, the 2020 Coronavirus Aid, Relief, and Economic Security (CARES) Act, the 2020 Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, and the 2021 American Rescue Plan (ARP) during the COVID-19 pandemic. Federal stimulus must be state allocated and excludes aid used for capital projects and funds provided directly to institutions, such as the Higher Education Emergency Relief Fund (HEERF).

FIGURE 1.1

DISTRIBUTION OF STATE AND LOCAL HIGHER EDUCATION FUNDING SOURCES, U.S., FY 2010-2025



NOTES:

1. Tax appropriations are any appropriations from state government taxes to institutions for operations and other higher education activities.
2. Federal stimulus funding is provided to state governments to stabilize state and local sources of revenue for higher education. It includes funds from the American Recovery and Reinvestment Act (ARRA) during the Great Recession, the 2020 Coronavirus Aid, Relief, and Economic Security (CARES) Act, the 2020 Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, and the 2021 American Rescue Plan (ARP) during the COVID-19 pandemic. Federal stimulus must be state allocated and excludes aid provided directly to institutions (such as HEERF) and funding used for capital projects.
3. Local appropriations are the sum of tax appropriations from any government entity below the state level to public institutions for operating expenses. Local appropriations do not include grants from local nonprofit organizations such as chambers of commerce and charitable foundations.
4. Non-tax support includes any appropriated non-tax state support set aside by the state for higher education. This may include, but is not limited to, allocations from lotteries (including lottery scholarships), tobacco settlements, casinos, or other gaming sources.
5. In all years, state-funded endowment earnings and other sources accounted for 3% or less of total state and local funding for higher education. Other sources include non-appropriated funds, multiyear appropriations from previous years, and funds not classified in one of the other source categories.

SOURCE: State Higher Education Executive Officers Association

2. STATE COMPARISONS

Almost all states are heavily reliant on state tax appropriations to fund higher education, although the distribution of state and local higher education funding sources varies across the nation (see *Table 1.2* on the SHEF website). In 2025, the largest percentage of higher education funding across states came from state tax appropriations. Five states (Delaware, Massachusetts, Minnesota, North Dakota, and Washington) relied on tax appropriations as their only source of state and local funding for higher education.

Arizona is the only state in which a large proportion (45.2%) of higher education funding came from local appropriations. California, Kansas, Michigan, New Mexico, Oregon, and Texas were the only other states that relied on local appropriations for at least 15% of higher education funding. Nineteen states and Washington, D.C., received no local tax appropriations for higher education.[5]

Several states with financial aid programs funded with lottery dollars, primarily located in the southern region of the U.S., were also less reliant on tax appropriations. Florida, Georgia, Kentucky, South Carolina, and Tennessee relied on non-tax support for greater than 15% of higher education funding. Meanwhile, 23 states and Washington, D.C., had no non-tax support.

Endowments, non-appropriated support, and other sources of state revenue made up 1% or less of higher education funding in all but 13 states and Washington, D.C. In Arizona, Oklahoma, Texas, and West Virginia, these revenue sources made up more than 5% of higher education support.

In 2025, federal stimulus funding provided to state governments was used for higher education in 19 states. Of these states, stimulus funds comprised less than 3% of total state and local support in 17 states. Connecticut and Kansas are the only states that relied on federal stimulus funding for more than 3% of higher education funding in 2025.

Two noteworthy trends have emerged as states have become less reliant on tax appropriations over time. These trends can be explored more closely using the interactive version of *Figure 1.1* on the SHEF website.

1. Many states are increasingly reliant on local appropriations. Over the last 15 years, the proportion of total higher education funding from local appropriations has increased in 17 states. In two states (Arizona and New Mexico), the proportion of total higher education funding derived from local appropriations has increased by at least 7 percentage points since 2010.

2. Similarly, 15 states had increases in the proportion of higher education funding from non-tax appropriations between 2010 and 2025. In three states (Arkansas, Kentucky, and South Carolina), all of which have sizable lottery-funded student financial aid programs,[6] non-tax support as a proportion of total funding increased by more than 5 percentage points over the last 15 years.

USES OF STATE FUNDING

This section provides data and analysis of the uses of state and local government support for higher education over the last 15 years (2010-2025). **As with the prior section, this section's funding amounts are not adjusted for inflation or enrollment.** However, unlike the prior section, federal stimulus funding is *not included* in the uses of state and local funding.

1. NATIONAL TRENDS

Table 1.3 shows that, nationally, funds allocated to support general public operations at public institutions increased 5.2% in 2025 to $116.3 billion, representing 78.3% of state and local higher education funding. General public operations include funding directly used to support instruction at two- and four-year public institutions as well as funding to state higher education agencies.

5. In Washington, D.C., district taxes are classified as state tax appropriations, not local support.

6. Brown, P. (2023). *SHEF: FY 2022 Issue Brief: Analyzing Lottery Proceeds as an Aspect of State Support for Higher Education.* shef.sheeo.org/wp-content/uploads/2023/11/SHEF-Lottery-Funding_FY22.pdf

Agency funding is the allocation of operating funds to state-level coordinating and governing bodies.[7] In 2025, states provided $1.7 billion in agency funding (1.2% of all general public operations).

Other uses of funding include:

- Special purpose appropriations for research, agricultural extension programs, public health care services, and medical education (RAM) have increased 8.0% since 2024 to $14.6 billion — comprising 9.8% of total state and local support.
- State-funded student financial aid increased 11.5% to $16.8 billion — 11.3% of total support — from 2024 to 2025. In 2025, 81.7% of total student aid was allocated to students attending public institutions.
- Operating support for independent (private) institutions remained flat at $357.7 million, and support for non-credit and continuing education increased 12.4% to $455.1 million. Together, these uses of state and local funding constituted 0.5% of higher education funding.

TABLE 1.3

USES OF STATE AND LOCAL HIGHER EDUCATION FUNDING IN THE U.S., FY 2010-2025 (UNADJUSTED DOLLARS, IN MILLIONS)

USE	2010	2015	2020	2024	2025	2025 % DISTRIBUTION
GENERAL PUBLIC OPERATIONS	$64,460	$70,800	$86,845	$110,613	$116,345	78.3%
AGENCY FUNDING	N/A	N/A	$1,174	$1,834	$1,738	1.2%
RESEARCH - AGRICULTURE - MEDICAL (RAM)	$9,953	$9,775	$11,041	$13,490	$14,573	9.8%
STATE PUBLIC FINANCIAL AID	$6,349	$7,729	$9,426	$12,235	$13,750	9.3%
OUT-OF-STATE STUDENT AID	$44	$41	$38	$48	$45	0.0%
INDEPENDENT STUDENT AID	$2,362	$2,248	$2,313	$2,767	$2,986	2.0%
INDEPENDENT OPERATING SUPPORT	$210	$210	$228	$358	$358	0.2%
NON-CREDIT AND CONTINUING EDUCATION	$308	$363	$375	$405	$455	0.3%
TOTAL STUDENT FINANCIAL AID	$8,756	$10,019	$11,807	$15,090	$16,829	11.3%
TOTAL INDEPENDENT SUPPORT	$2,572	$2,458	$2,542	$3,124	$3,344	2.3%
TOTAL STATE AND LOCAL SUPPORT (NO STIMULUS)	**$83,687**	**$91,167**	**$110,295**	**$139,956**	**$148,560**	**100.0%**

NOTES:

1. General public operations are any state and local support for public higher education institutions and agencies, excluding RAM, financial aid, and non-credit and continuing education. Federal stimulus funding is not included.
2. Agency funding is included in general public operations, and is the allocation of operating funds to state-funded, state-level coordinating and governing bodies.
3. RAM refers to the total appropriations intended for the direct operations of research, agriculture, public health care services, and medical schools.
4. Total student financial aid is the sum of any state appropriated student financial aid for public, independent, and out-of-state institutions, excluding loans. Financial aid for students attending medical institutions is included in total student financial aid but excluded from all other student aid categories.
5. Total independent support is the sum of state funds for private institutions (independent student aid and independent operating support).
6. Total state and local support is the sum of tax appropriations, non-tax support, local appropriations, non-appropriated support, state funded endowment earnings, and other state funds, net of any funds not available for use. Federal stimulus funding is not included.

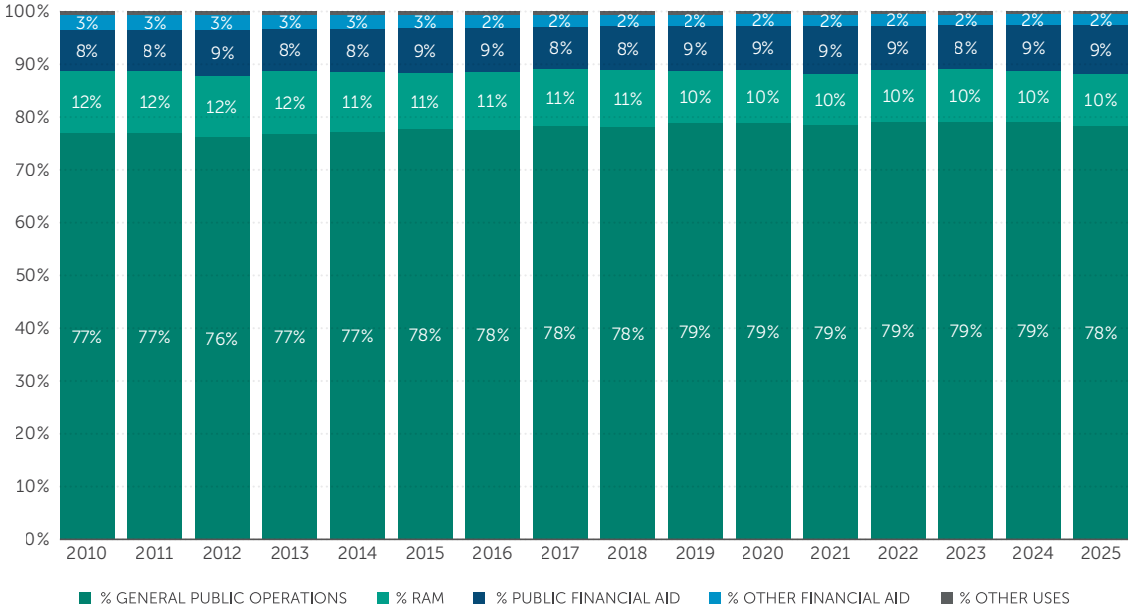
SOURCE: State Higher Education Executive Officers Association

7. These funds have always been included in general public operations but were not available as a breakout until 2019.

Overall, the uses of state and local higher education funding have remained relatively constant on a national level over time. *Figure 1.3* shows that the two biggest changes in uses of higher education funding are the proportions of funding allocated RAM and to public financial aid. Excluding stimulus funding, the proportion of state and local funding allocated to RAM decreased 2.1 percentage points from 11.9% in 2010 to 9.8% in 2025. In contrast, the proportion of funding allocated to public financial aid increased 1.7 percentage points from 7.6% in 2010 to 9.3% in 2025. Meanwhile, the proportion allocated to general public operating increased by 1.3 percentage points over the last 15 years. Financial aid to students attending independent or out-of-state institutions declined by just under one percentage point (0.8) over that same time frame and now accounts for just 2.0% of state and local support, suggesting increases in financial aid have primarily benefited students attending in-state public institutions.

FIGURE 1.3

DISTRIBUTION OF STATE AND LOCAL HIGHER EDUCATION FUNDING USES, U.S., FY 2010-2025



NOTES:

1. General public operations are any state and local support for public higher education institutions and agencies, excluding RAM, financial aid, and non-credit and continuing education. Federal stimulus funding is not included.
2. RAM refers to the total appropriations intended for the direct operations of research, agriculture, public health care services, and medical schools.
3. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, it includes aid both for tuition costs and living expenses.
4. Other financial aid includes any state appropriated student financial aid to students attending independent (private) or out-of-state institutions.
5. In all years, other uses accounted for less than 1% of total state and local funding for higher education. Other uses include funding for non-credit and independent operating.
6. Total state and local support is the sum of tax appropriations, non-tax support, local appropriations, non-appropriated support, state-funded endowment earnings, and other state funds, net of any funds not available for use. Federal stimulus funding is not included.

SOURCE: State Higher Education Executive Officers Association

2. STATE COMPARISONS

Across the states, there is significant variation in the uses of state and local funding for higher education (see *Table 1.4* on the SHEF website). All states and Washington, D.C., with the exception of West Virginia, allocated at least one-half of all funding to general public operations in fiscal year 2025. West Virginia (49.6%) allocated the smallest proportion of funding to public institutions' general operations budgets, while Washington, D.C., and Rhode Island (both 92.5%) allocated the largest. Overall, the proportion of funding allocated to general public operations increased in half of states since 2010.

Forty-six states reported agency funding in fiscal year 2025. Agency allocations ranged from 0.02% of all support in Montana to 18.0% in Idaho and accounted for less than 1% of all support in 26 of those states. States may not have agency funding if they do not have a statewide board for higher education (like in Michigan), or if systems of institutions allocate their own funding for system-level agency operations from their general budgets (as in Maine).

All but one state (Rhode Island)[8] provided state and local support for direct operations of research, agriculture, public health care services, and medical schools (RAM). In 2025, RAM ranged from 2.6% in Washington to 26.1% in Mississippi.

The proportion of state and local support allocated to student financial aid ranged from 0.5% in Montana to 27.5% in Kentucky. No other state allocated less than 1% of funding to student financial aid. Only Kentucky and South Carolina allocated greater than 25% of state and local funding to financial aid. From 2010 to 2025, the proportion of total state and local support appropriated to student financial aid increased in 35 states.

Support for independent institutions is generally one of the smallest allocations of state and local funding. In 2025, 45 states provided funding to independent institutions, ranging from 0.005% in New Mexico to 12.0% in Pennsylvania. In most states, funding for independent institutions was predominantly allocated to student financial aid rather than institutional operating appropriations. Fifteen states allocated some portion of funding to support independent (private) operating. Of those states, only two, Alabama (64.1%) and Maryland (68.7%), allocated more than 50% of their support for independent institutions toward institutional operating.

8. Rhode Island has not reported any RAM allocations since the start of the SHEF dataset.

DISTRIBUTION OF REVENUE: WAVE CHARTS AND STUDENT SHARE

This section explores historical trends in the distribution and levels of the two primary revenue sources for public institutions of higher education: state and local funding and student tuition and fee revenue. From this section forward, the SHEF report highlights trends in higher education revenue and enrollment for **public institutions** only.

Several derived metrics are analyzed throughout the report, first at the U.S. level and then across states and sectors.[9] These metrics are net full-time equivalent (FTE) enrollment, general public operations, state public financial aid, education appropriations, net tuition and fee revenue, total education revenue, and student share. Each metric is defined in *Table 2.1* and explained in more detail in the sections that follow.

SHEF's analytic methods are designed to make basic data about higher education finance as comparable as possible across states and over time. Finance metrics are provided on a per-student basis (using net FTE enrollment) and are **modified using three adjustments**:[10]

Higher Education Cost Adjustment (HECA) adjusts for inflation over time.

Cost of Living Index (COLI) accounts for cost of living differences among the states.

Enrollment Mix Index (EMI) adjusts for differences in the mix of enrollments across institutions resulting in different costs across the states (e.g., at community colleges or more expensive research institutions).

OVERVIEW: TRENDS OVER TIME

1. NATIONAL TRENDS

Table 2.1 shows the effects of FTE enrollment and inflation on the SHEF metrics. The progression shown in this table is a starting point for understanding the national story of public higher education funding from state and local sources, tuition and fee revenue from students and families, and enrollment over time. Note that the state adjustments (COLI and EMI) do not impact the U.S. average.

The first section of *Table 2.1* shows that in unadjusted dollars (without adjusting for inflation or enrollment), education appropriations increased 5.9% over 2024. Both subcomponents of education appropriations also increased, 12.4% for state public financial aid and 5.2% for general public operations. Net tuition and fee revenue (tuition and fees net of state and institutional aid and medical tuition) increased 3.2%.

9. It is important to note that the U.S. level data are not averages of state averages. For example, "U.S. total education appropriations per FTE" is the sum of all education appropriations divided by the sum of all net FTEs across the 50 states. It is not the average of each of the 50 state's individual per-FTE calculations.

10. These adjustments are described in more detail on the data definitions page of the SHEF website (shef.sheeo.org/data-definitions).

The middle section of *Table 2.1* shows that the Higher Education Cost Adjustment (HECA), a measure of inflation in service industries, increased 3.2% from 2024 to 2025. After applying HECA and accounting for inflation, state public financial aid increased 8.9%, while general public operations increased 1.9%, and net tuition and fee revenue remained flat, increasing just 0.03%.

The changes described above may be misleading if not contextualized with changes in net FTE enrollment, shown in the final section of *Table 2.1*. From 2024 to 2025, enrollment increased 3.6%, or 378,895 FTE students. After adjusting for both inflation and enrollment, we see that education appropriations decreased 1.0% (financial aid increased 5.1%, general public operations decreased 1.7%), while net tuition and fee revenue decreased 3.5%, and total education revenue decreased 1.9%.

Since the SHEF dataset began in 1980, net tuition revenue per FTE has only declined seven times: in 2000 (2.7%), 2001 (0.8%), 2019 (3.0%), 2021 (2.0%), 2023 (2.8%), 2024 (4.1%), and 2025 (3.5%). The decline in 2025, the second-largest after 2024, is partially explained by state public financial aid increases, which are removed from net tuition revenue, and increases in FTE enrollment.

TABLE 2.1

IMPACT OF INFLATION AND ENROLLMENT ON SHEF METRICS, U.S., FY 1980-2025

	1980	2001	2015	2020	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2020	% CHANGE SINCE 2015	% CHANGE SINCE 2001	% CHANGE SINCE 1980
CURRENT UNADJUSTED DOLLARS (MILLIONS)											
STATE PUBLIC FINANCIAL AID	N/A	$2,843	$7,729	$9,426	$12,235	$13,750	12.4%	45.9%	77.9%	383.6%	N/A
GENERAL PUBLIC OPERATIONS	N/A	$53,289	$70,800	$86,845	$110,613	$116,345	5.2%	34.0%	64.3%	118.3%	N/A
EDUCATION APPROPRIATIONS	$16,134	$56,118	$78,530	$97,646	$123,463	$130,714	5.9%	33.9%	66.5%	132.9%	710.2%
NET TUITION REVENUE	$4,264	$22,896	$67,662	$76,425	$78,170	$80,698	3.2%	5.6%	19.3%	252.4%	1792.6%
TOTAL EDUCATION REVENUE	**$20,398**	**$78,903**	**$145,377**	**$173,115**	**$200,574**	**$210,354**	**4.9%**	**21.5%**	**44.7%**	**166.6%**	**931.3%**
CONSTANT INFLATION ADJUSTED DOLLARS (MILLIONS)											
HECA	0.2216	0.5295	0.7491	0.8303	0.9689	1.0000	3.2%	20.4%	33.5%	88.9%	351.2%
STATE PUBLIC FINANCIAL AID	N/A	$5,369	$10,318	$11,352	$12,628	$13,750	8.9%	21.1%	33.3%	156.1%	N/A
GENERAL PUBLIC OPERATIONS	N/A	$100,639	$94,519	$104,593	$114,160	$116,345	1.9%	11.2%	23.1%	15.6%	N/A
EDUCATION APPROPRIATIONS	$72,795	$105,982	$104,839	$117,602	$127,422	$130,714	2.6%	11.1%	24.7%	23.3%	79.6%
NET TUITION REVENUE	$19,238	$43,241	$90,330	$92,043	$80,677	$80,698	0.0%	-12.3%	-10.7%	86.6%	319.5%
TOTAL EDUCATION REVENUE	**$92,033**	**$149,011**	**$194,080**	**$208,493**	**$207,007**	**$210,354**	**1.6%**	**0.9%**	**8.4%**	**41.2%**	**128.6%**
CONSTANT INFLATION ADJUSTED DOLLARS (PER FTE)											
FTE ENROLLMENT	6,852,242	8,709,255	11,125,406	10,888,462	10,440,184	10,819,079	3.6%	-0.6%	-2.8%	24.2%	57.9%
STATE PUBLIC FINANCIAL AID	N/A	$616	$927	$1,043	$1,210	$1,271	5.1%	21.9%	37.0%	106.2%	N/A
GENERAL PUBLIC OPERATIONS	N/A	$11,555	$8,496	$9,606	$10,935	$10,754	-1.7%	11.9%	26.6%	-6.9%	N/A
EDUCATION APPROPRIATIONS	$10,624	$12,169	$9,423	$10,801	$12,205	$12,082	-1.0%	11.9%	28.2%	-0.7%	13.7%
NET TUITION REVENUE	$2,808	$4,965	$8,119	$8,453	$7,728	$7,459	-3.5%	-11.8%	-8.1%	50.2%	165.7%
TOTAL EDUCATION REVENUE	**$13,431**	**$17,109**	**$17,445**	**$19,148**	**$19,828**	**$19,443**	**-1.9%**	**1.5%**	**11.5%**	**13.6%**	**44.8%**

NOTES:

1. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
2. State public financial aid is the part of education appropriations used for student financial aid at public institutions, excluding loans and aid for students attending medical schools.
3. General public operations are any state and local support for public higher education institutions and agencies, excluding RAM, financial aid, and non-credit and continuing education. Federal stimulus funding is not included.
4. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
5. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
6. Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Total education revenue includes federal stimulus funding.
7. The years 1980 and 2001 are included in this table because they are the starting points of the historical SHEF dataset and modern SHEF data collection, respectively.
8. The Higher Education Cost Adjustment (HECA) estimates inflation in the costs paid by colleges and universities. HECA adjusts for inflation from the state perspective.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR TRENDS

Modeled after the previous section, *Table 2.1A* shows the impacts of inflation and enrollment on sector-level revenue at public institutions beginning in 2019.

Sector-level education appropriations consist of state public financial aid, state public operating appropriations, and local appropriations. In unadjusted dollars, between 2024 and 2025, total education appropriations increased 6.5% at two-year institutions and 5.4% at four-year institutions. Four-year institutions also receive research, agriculture, and medical (RAM) appropriations, which increased 8.0% from 2024. In unadjusted dollars, net tuition and fee revenue increased 3.0% at two-year institutions and 3.4% at four-year institutions.

The second section of *Table 2.1A* shows that from 2024 to 2025, higher education inflation was 3.2%. After adjusting for inflation, all components of state support to two-year institutions increased between 3.2% and 8.9%, with the exceptions of local appropriations (which decreased by 1.7%) and net tuition revenue (decrease of 0.2%). At four-year institutions, most components of state support increased between 0.2% and 8.2% after adjusting for inflation, while local appropriations decreased by 1.5%.

Net FTE enrollment increased 5.0% at two-year institutions and 2.8% at four-year institutions between 2024 and 2025. After considering changes in net FTE enrollment in the third section of the table, we see that in constant inflation-adjusted dollars per FTE enrollment:

- State public financial aid per FTE increased by $28 (3.7%) at two-year institutions, and $78 (5.3%) at four-year institutions.
- State public operating per FTE increased by $25 (0.4%) at two-year institutions and decreased by $143 (1.5%) at four-year institutions.
- Local appropriations per FTE decreased by $247 (6.4%) at two-year institutions and just over $1 (4.1%) at four-year institutions.
- Research, agricultural extension, and medical (RAM) appropriations, only available to four-year institutions, increased by $40 (1.9%) per FTE.
- Total state and local support per FTE decreased by $199 (1.8%) at two-year institutions and $29 (0.2%) at four-year institutions.
- Net tuition revenue per FTE declined by $141 (5.0%) at two-year institutions and $271 (2.5%) at four-year institutions.
- Total education revenue per FTE decreased by $360 (2.6%) at two-year institutions and $333 (1.5%) at four-year institutions.

Additional analysis of sector-level trends on these metrics can be found throughout the remainder of the SHEF report.

TABLE 2.1A

IMPACT OF INFLATION AND ENROLLMENT ON SHEF METRICS BY SECTOR, U.S., FY 2019-2025

	TWO-YEAR					FOUR-YEAR				
CURRENT UNADJUSTED DOLLARS (MILLIONS)	**2019**	**2024**	**2025**	**% CHANGE SINCE 2024**	**% CHANGE SINCE 2019**	**2019**	**2024**	**2025**	**% CHANGE SINCE 2024**	**% CHANGE SINCE 2019**
STATE PUBLIC FINANCIAL AID	$2,360	$2,893	$3,251	12.4%	37.8%	$6,497	$9,140	$10,211	11.7%	57.2%
STATE PUBLIC OPERATING	$20,461	$25,559	$27,812	8.8%	35.9%	$46,401	$60,791	$63,527	4.5%	36.9%
LOCAL APPROPRIATIONS	$11,636	$14,872	$15,091	1.5%	29.7%	$150	$175	$178	1.7%	19.3%
RAM	$-	$-	$-	N/A	N/A	$10,509	$13,490	$14,573	8.0%	38.7%
STATE AND LOCAL SUPPORT	$34,458	$43,431	$46,252	6.5%	34.2%	$63,588	$83,884	$88,782	5.8%	39.6%
EDUCATION APPROPRIATIONS	$34,458	$43,431	$46,252	6.5%	34.2%	$53,048	$70,354	$74,161	5.4%	39.8%
NET TUITION REVENUE	$11,826	$10,802	$11,122	3.0%	-6.0%	$63,668	$67,570	$69,864	3.4%	9.7%
TOTAL EDUCATION REVENUE	**$46,189**	**$54,150**	**$57,200**	**5.6%**	**23.8%**	**$115,906**	**$136,947**	**$143,038**	**4.4%**	**23.4%**
CONSTANT INFLATION ADJUSTED DOLLARS (MILLIONS)										
HECA	0.8153	0.9689	1.0000	3.2%	22.6%	0.8153	0.9689	1.0000	3.2%	22.6%
STATE PUBLIC FINANCIAL AID	$2,894	$2,986	$3,251	8.9%	12.3%	$7,968	$9,434	$10,211	8.2%	28.1%
STATE PUBLIC OPERATING	$25,095	$26,379	$27,812	5.4%	10.8%	$56,910	$62,741	$63,527	1.3%	11.6%
LOCAL APPROPRIATIONS	$14,272	$15,349	$15,091	-1.7%	5.7%	$183	$181	$178	-1.5%	-2.7%
RAM	$-	$-	$-	N/A	N/A	$12,889	$13,923	$14,573	4.7%	13.1%
STATE AND LOCAL SUPPORT	$42,261	$44,824	$46,252	3.2%	9.4%	$77,989	$86,575	$88,782	2.5%	13.8%
EDUCATION APPROPRIATIONS	$42,261	$44,824	$46,252	3.2%	9.4%	$65,062	$72,610	$74,161	2.1%	14.0%
NET TUITION REVENUE	$14,504	$11,148	$11,122	-0.2%	-23.3%	$78,087	$69,737	$69,864	0.2%	-10.5%
TOTAL EDUCATION REVENUE	**$56,650**	**$55,887**	**$57,200**	**2.4%**	**1.0%**	**$142,156**	**$141,340**	**$143,038**	**1.2%**	**0.6%**
CONSTANT INFLATION ADJUSTED DOLLARS (PER FTE)										
FTE ENROLLMENT	4,365,167	3,968,768	4,168,498	5.0%	-4.5%	6,594,759	6,471,415	6,650,586	2.8%	0.8%
STATE PUBLIC FINANCIAL AID	$663	$752	$780	3.7%	17.6%	$1,208	$1,458	$1,535	5.3%	27.1%
STATE PUBLIC OPERATING	$5,749	$6,647	$6,672	0.4%	16.1%	$8,630	$9,695	$9,552	-1.5%	10.7%
LOCAL APPROPRIATIONS	$3,269	$3,867	$3,620	-6.4%	10.7%	$28	$28	$27	-4.1%	-3.5%
RAM	$-	$-	$-	N/A	N/A	$1,954	$2,151	$2,191	1.9%	12.1%
STATE AND LOCAL SUPPORT	$9,681	$11,294	$11,096	-1.8%	14.6%	$11,826	$13,378	$13,349	-0.2%	12.9%
EDUCATION APPROPRIATIONS	$9,681	$11,294	$11,096	-1.8%	14.6%	$9,866	$11,220	$11,151	-0.6%	13.0%
NET TUITION REVENUE	$3,323	$2,809	$2,668	-5.0%	-19.7%	$11,841	$10,776	$10,505	-2.5%	-11.3%
TOTAL EDUCATION REVENUE	**$12,978**	**$14,082**	**$13,722**	**-2.6%**	**5.7%**	**$21,556**	**$21,841**	**$21,508**	**-1.5%**	**-0.2%**

NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, it includes aid for both tuition costs and living expenses.
2. State public operating appropriations are a measure of state support directly allocated to public two- and four-year institutions. State public operating excludes local appropriations, agency funding, RAM, and student financial aid.
3. Local appropriations are any local government taxes allocated directly to institutions for operating expenses.
4. RAM refers to the total appropriations intended for the direct operations of research, agriculture, public health care services, and medical schools.
5. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Sector-level education appropriations include any portion of federal stimulus funding allocated specifically to each sector, but exclude state agency funding.
6. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
7. Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Sector-level total education revenue includes any portion of federal stimulus funding allocated specifically to each sector.
8. The year 2019 is included in this table because it is the starting point of the sector-level SHEF dataset.
9. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.iu.). Baccalaureate/ Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
10. The Higher Education Cost Adjustment (HECA) estimates inflation in the costs paid by colleges and universities. HECA adjusts for inflation from the state perspective.

SOURCE: State Higher Education Executive Officers Association

EDUCATION APPROPRIATIONS AND TUITION REVENUE

The historical data in *Figure 2.1* (the wave chart) demonstrate the economic cycle's impact on **public** higher education revenue from 2000 to 2025.[11] **From this point forward, all dollar figures in the SHEF report are adjusted for inflation and net FTE enrollment.**

1. NATIONAL TRENDS

The **red line** in the wave chart shows FTE enrollment over the last 25 years, which has broadly increased over time from 6.85 million in 1980 to 10.8 million in 2025.[12] Historically, enrollment increased sharply during economic recessions and would level off or decline during economic recoveries. This pattern held during the Great Recession as enrollment increased sharply from 2008 through 2011, and then slowly declined for most of the next decade as state economies recovered. However, the COVID-19 pandemic and brief economic recession in 2020 altered the traditional counter-cyclical enrollment trend with the two largest year-over-year declines on record in 2021 (3.9%) and 2022 (3.4%). **In 2025, FTE enrollment increased for the third time since declines began in 2012.** FTE enrollment in 2025 is down just 1.3% (140,847 FTE students) from 2019, the year prior to the start of the COVID-19 pandemic, but is still down 7.2% (836,028 FTE students) from the enrollment peak in 2011.

The **total of the blue and green bars** in the wave chart combines the two primary funding sources for public higher education — education appropriations and net tuition. The **blue bars** show change over time in education appropriations per FTE student. State education appropriations are made up of general operating funds for public institutions, state public financial aid, and state agency funding. The bars make the shape of a wave over time because per-student education appropriations generally fluctuate with the economic cycle. Education appropriations also include federal stimulus funding during the last two economic recessions.

In 1980, states provided, on average, $10,624 per FTE in inflation-adjusted education appropriations to public institutions. From there, funding for higher education changed in response to the economic cycle, declining during economic recessions but overall growing (on a per-FTE basis) during the next two decades. In fiscal year 2000, education appropriations reached a high of $12,287 per FTE. Since that peak, however, education appropriations have declined, down 1.7% ($205 per FTE) in the span of 24 years.

Overall, education appropriations per FTE decreased by 1.0% in 2025 after 12 years of consecutive increases. Despite this decrease, inflation-adjusted education appropriations per FTE in 2025 were 16.4%, or $1,704, above 2019 pre-pandemic levels. The increase in education appropriations per FTE since 2012 can be attributed to two notable trends:

1. Increasing state commitments to higher education funding.
2. A decline in FTE enrollment.

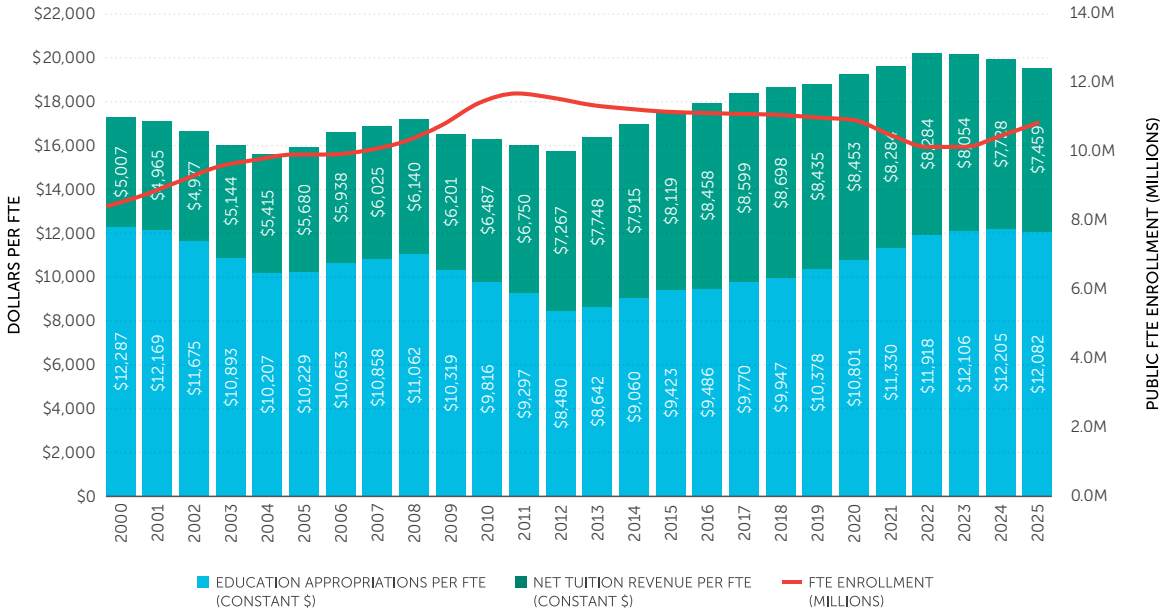
11. Visit the SHEF website for a fully interactive version of *Figure 2.1* at shef.sheeo.org/data-visualizations/figure-2-1/?report_page=distribution-of-revenue&modal=figure-2_1&labels=true.
12. The funding levels and trends over time shown in the U.S. wave chart differ substantially by state.

The **green bars** in *Figure 2.1* show net tuition and fee revenue per FTE over time. Net tuition and fee revenue measures tuition and fee revenue at public institutions, excluding state and institutional financial aid. Unlike education appropriations, until very recently, net tuition and fee revenue has increased steadily over time, with an average annual net increase of 2.2% since 1980. These increases are primarily due to increases in tuition and fee rates and an increasing proportion of out-of-state, international, and graduate student enrollment.

In 2025, public institutions received, on average, $7,459 per FTE in net tuition and fee revenue. **After reaching an all-time high in 2018 ($8,698 per FTE), net tuition and fee revenue per FTE has decreased in five of the last seven years: 3.0% in 2019, 2.0% in 2021, 2.8% in 2023, 4.1% in 2024, and 3.5% in 2025.** Notably, 2025 is the second-largest decline in net tuition and revenue per FTE after 2024 since the SHEF dataset began in 1980. Recent net tuition and fee revenue declines have been due, at least in part, to flat tuition rates, continued increases in state support and financial aid, and changes in enrollment patterns. Prior to 2019, the only times net tuition and fee revenue per FTE declined were fiscal years 2000 and 2001, two years immediately preceding an economic recession.

FIGURE 2.1

PUBLIC FTE ENROLLMENT, EDUCATION APPROPRIATIONS PER FTE, AND NET TUITION REVENUE PER FTE, U.S., FY 2000-2025 (CONSTANT DOLLARS)



NOTES:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
2. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
3. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
4. Constant 2025 dollars adjusted by the Higher Education Cost Adjustment (HECA).

SOURCE: State Higher Education Executive Officers Association

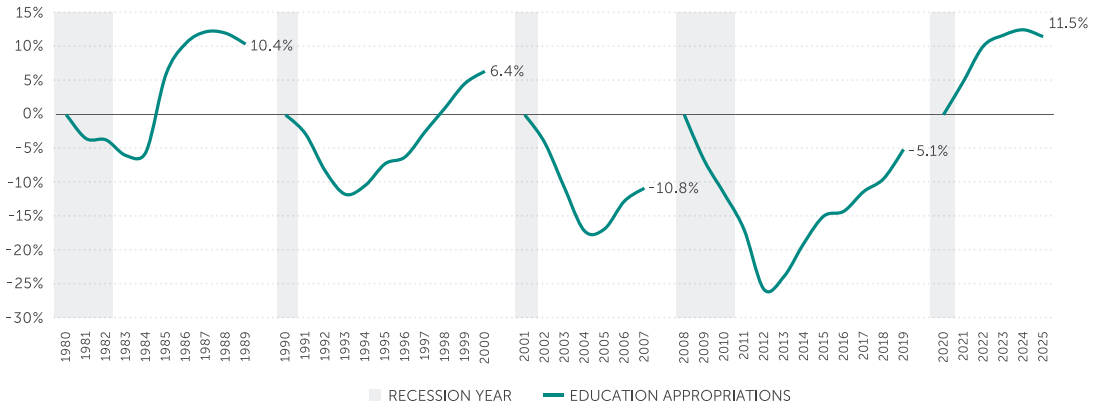
Economic recessions profoundly impact state funding for higher education. Higher education is viewed as a discretionary item in state budgets and, traditionally, has been disproportionately cut compared to other state budget areas during economic downturns.[13] *Figure 2.2* provides a more detailed look at the impact of economic recessions on state higher education appropriations.

In *Figure 2.2*, we begin each recessionary period at zero and track the cumulative percentage change over the course of the economic recession and recovery. With each recession until the most recent, in 2020, declines in state support per FTE grew steeper, and recoveries became slower and incomplete, mirroring trends in state tax revenue.[14] The COVID-19 pandemic-induced recession was the shortest on record, lasting only two months, and economic activity rebounded quickly, resulting in record tax revenues for many states.[15,16] The trend in education appropriations per FTE followed the broader economic expansion and cumulatively increased 11.5% between 2020 and 2025. The rapid growth in state tax revenue was supplemented with federal stimulus funding that helped states increase spending on higher education priorities.

The sizable increases in per-student funding are also affected by FTE enrollment declines that coincided with the COVID-19 pandemic. **Still, had FTE enrollment held constant at 2019 levels and federal stimulus funding not come through for states starting in 2020, inflation-adjusted education appropriations would have cumulatively increased 11.8% between 2020 and 2025.**

FIGURE 2.2

CUMULATIVE ANNUAL PERCENT CHANGE IN PUBLIC EDUCATION APPROPRIATIONS PER FTE FOLLOWING ECONOMIC RECESSIONS, U.S., FY 1980-2025 (CONSTANT DOLLARS)



NOTES:

1. Cumulative annual percent change calculated since the start of each recession (1980, 1990, 2001, 2008, and 2020).
2. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
3. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
4. Constant 2025 dollars adjusted by the Higher Education Cost Adjustment (HECA).

SOURCE: State Higher Education Executive Officers Association

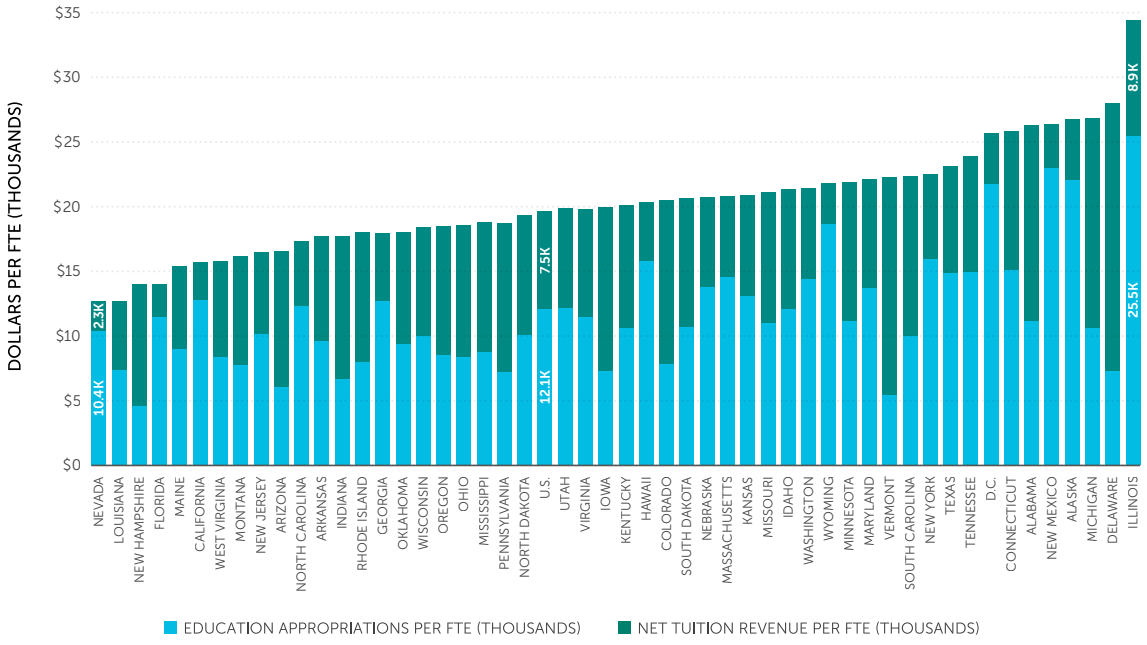
13. Delaney, J., & Doyle, W. (2011). State spending on higher education: Testing the balance wheel over time. *Journal of Education Finance, 36*(4). www.jstor.org/stable/23018116
14. Weeden, D., (2018). *State budget drivers: Slow revenue growth and increased expenditure competition.* shef.sheeo.org/wp-content/uploads/2020/04/SHEEO_SHEF_FY18_IB_Budget_Drivers.pdf
15. National Bureau of Economic Research. (2021). Business cycle dating committee announcement July 19, 2021. www.nber.org/news/business-cycle-dating-committee-announcement-july-19-2021
16. Maynard, M., (2024). *How a pandemic-era surge in tax collections drove a revenue wave–and what it means for future state budgets.* www.pewtrusts.org/en/research-and-analysis/issue-briefs/2024/08/how-a-pandemic-era-surge-in-tax-collections-drove-a-revenue-wave

2. STATE COMPARISONS

Education appropriations and net tuition and fee revenue per FTE vary considerably by state. *Figure 2.3* provides an expanded view of the *Figure 2.1* wave chart for all states in fiscal year 2025. States range widely in their total amount and distribution of revenue derived from education appropriations and net tuition and fees. For example, Nevada had the lowest combined revenue per FTE, with 82.0% from education appropriations, while New Hampshire had a similar total combined revenue, but only 32.6% of funding from education appropriations. At the other end of the spectrum, Delaware and Illinois had the two-highest combined revenues per FTE. However, in Illinois, 74.1% of the total came from education appropriations, compared to 26.1% in Delaware.[17]

FIGURE 2.3

EDUCATION APPROPRIATIONS AND NET TUITION REVENUE PER FTE BY STATE, FY 2025 (ADJUSTED)



NOTES:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
2. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
3. The U.S. calculation does not include the District of Columbia.
4. In fiscal year 2025, FTE enrollment is estimated for Arkansas and Washington, and net tuition and fee revenue is estimated for Alabama, Kentucky, and Pennsylvania.
5. Fiscal year 2025 state-level education appropriations include estimated uncategorizable state support for South Carolina and South Dakota.
6. Each year, approximately one-third of education appropriations in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.
7. Adjustment factors to account for interstate differences include the Cost of Living Index (COLI) and Enrollment Mix Index (EMI). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

17. Each year, approximately one-third of education appropriations in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.

STATE SPOTLIGHT: ILLINOIS

EDUCATION APPROPRIATIONS PER FTE

Education appropriations per FTE in Illinois continue to be an outlier at more than twice the U.S. average. The significant increase in appropriations over the last decade is driven largely by the state's efforts to address its historically underfunded state retirement pension system.

In 2019, 35.3% of all education appropriations in Illinois went to its state retirement pension system. This share fell slightly to 34.7% in 2025. Of the $2.22 billion in pension payments in 2025, 77.3% was used for past unfunded liabilities, not current employees. This means that even after considering additional funding from local governments, over one quarter (26.8%) of all education appropriations in Illinois are now spent on past pension obligations and are not available for use in 2025. This translates to $6,831 per FTE student, more than the entire per-FTE appropriations in Arizona, Indiana, New Hampshire, and Vermont.

A SHEF Issue Brief on Illinois from the 2018 SHEF report provides more detail on the funding situation in Illinois over time.

3. SECTOR COMPARISONS

Public higher education revenues vary considerably across public two-year and four-year institutions. *Figure 2.4* shows higher education revenues for public two-year and four-year institutions separately beginning in 2019.

As shown in *Figure 2.4*, education appropriations at four-year public institutions were only slightly higher than those at two-year public institutions in 2019 ($9,866 per FTE and $9,681 per FTE, respectively). That trend reversed in 2021 through 2024, with two-year appropriations per FTE outpacing those in the four-year sector. In 2025, four-year appropriations per FTE were again slightly higher than two-year appropriations per FTE ($56 per FTE higher).[18] In large part, the difference in education appropriations per FTE between two- and four-year public institutions is because SHEF data reported here include local appropriations, which primarily support two-year institutions ($3,620 per FTE compared to $27 at four-year institutions), but do not include research, agricultural extension, and medical funding (RAM), which contributed $2,191 per FTE exclusively in the four-year sector. In addition, SHEF metrics use FTE enrollment rather than student headcount, and two-year institutions have a far greater proportion of part-time students.[19]

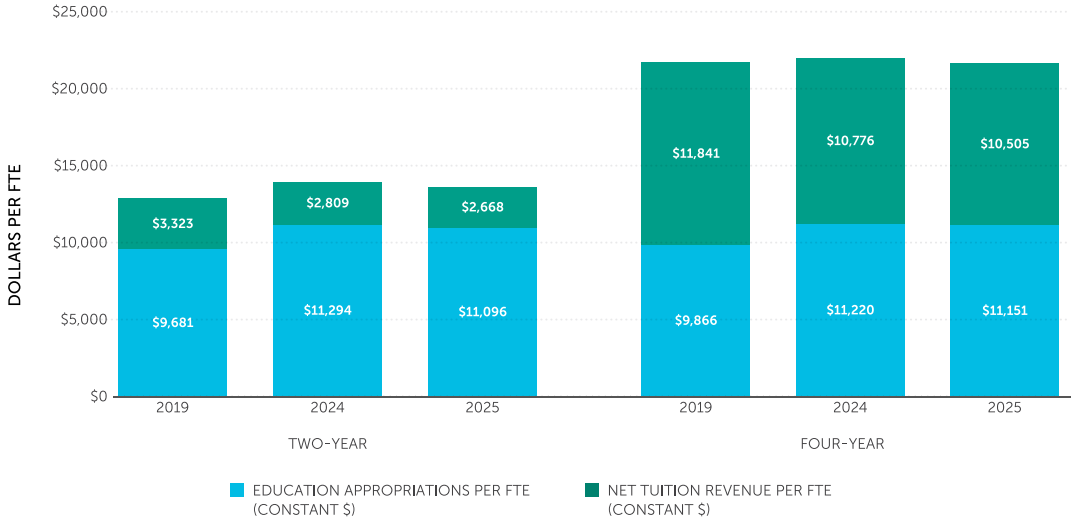
18. There are several differences in education appropriations between the state and sector levels. The state-level data include agency funding and all federal stimulus funding allocated to public institutions. The sector-level data exclude agency funding and include only the federal stimulus funding allocated to two-year or four-year public operating. In a few states, some uncategorizable state support and uncategorizable financial aid could not be allocated to either sector.

19. According to the National Center for Education Statistics, in fall 2023, an estimated 35% of two-year students (at both public and private institutions) attended full time, compared to 72% at four-year institutions. Source: Table 303.70, nces.ed.gov/programs/digest/d24/tables/dt24_303.70.asp.

Unlike education appropriations, net tuition and fee revenue is very different at two- and four-year institutions. On average, two-year institutions received $2,668 in net tuition revenue per FTE, or 25.4% of the average net tuition revenue per FTE at four-year institutions ($10,505). Due to higher net tuition and fee revenues, public four-year institutions have, on average, much higher total revenues with which to educate students than two-year institutions.

FIGURE 2.4

PUBLIC EDUCATION APPROPRIATIONS AND NET TUITION REVENUE PER FTE BY SECTOR, U.S., FY 2019-2025 (CONSTANT DOLLARS)



NOTES:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Sector-level education appropriations include any portion of federal stimulus funding allocated specifically to each sector, but exclude state agency funding.
2. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
3. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
4. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.edu). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
5. Constant 2025 dollars adjusted by the Higher Education Cost Adjustment (HECA).

SOURCE: State Higher Education Executive Officers Association

FINANCIAL AID PERCENTAGE OF EDUCATION APPROPRIATIONS

Education appropriations shown in the above sections include funding for institutions (general public operations) as well as funding for student financial aid. States allocate financial aid to students attending both public (81.7%) and private (17.7%) institutions. A small portion of financial aid (0.3%) is allocated to students attending out-of-state institutions. SHEF focuses specifically on state funding for public institutions, and financial aid for students attending independent and out-of-state institutions is excluded from education appropriations.[20] This section examines inflation-adjusted state financial aid for students attending **public, in-state institutions.**

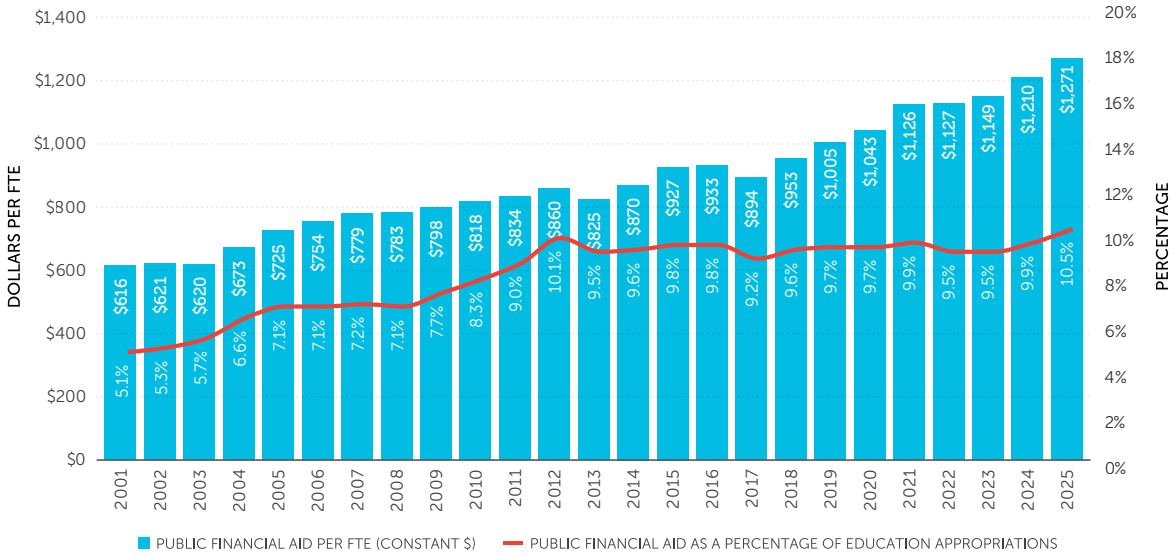
20. Trends in state-funded student financial aid for students attending public institutions differ substantially from trends in aid for students attending independent institutions. The composition of state financial aid has also changed over time. For more information, the 2019 SHEF Issue Brief (shef.sheeo.org/wp-content/uploads/2020/04/SHEEO_SHEF_FY19_IB_Financial_Aid.pdf) on state financial aid explores trends over time in state financial aid to public and private institutions by state.

Figure 2.5 shows the change in state financial aid for students at public institutions over time. Unlike the rest of education appropriations, state public financial aid has increased almost every year since these data were first collected in 2001.

- State financial aid to public institutions has increased 106.2%, from $616 per FTE in 2001 to $1,271 per FTE in 2025.
- Public aid as a percentage of all education appropriations exceeded 10% in 2012. It has since fluctuated between a low of 9.2% in 2017 and reached a new high of 10.5% in 2025. Following a decline in 2022, public aid as a percentage of education appropriations has increased for the past three consecutive years.[21]

FIGURE 2.5

PUBLIC HIGHER EDUCATION STATE FINANCIAL AID PER FTE AND AS A PERCENTAGE OF EDUCATION APPROPRIATIONS, U.S., FY 2001-2025 (CONSTANT DOLLARS)



NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, it includes aid both for tuition costs and living expenses.
2. Financial aid data are not available prior to 2001. Over time, states have shifted from reporting appropriated student financial aid to reporting actual/awarded student financial aid (see measurement note). Any such updates are made to all historical data for each state.
3. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
4. Constant 2025 dollars adjusted by the Higher Education Cost Adjustment (HECA).

SOURCE: State Higher Education Executive Officers Association

21. For more information about how states protected student affordability during the COVID-19 pandemic, see the SHEEO report, Effects of the COVID-19 pandemic on state tuition, fees, and financial assistance policies, at sheeo.org/wp-content/uploads/2023/04/COVID19-Tuition-and-Fee-Survey.pdf.

Despite increasing state allocations to student financial aid over the last several decades, student contributions to higher education revenues have increased over time. However, in recent years, growth in education appropriations and occasional declines in net tuition revenues have resulted in small decreases in institutional reliance on student tuition dollars. In the next section, we examine the student contribution to higher education, or the student share.

STUDENT SHARE

Figure 2.6 provides a comprehensive look at the reliance on net tuition and fees as a revenue source for public institutions — also known as the student share. The student share shows the proportion of total education revenue that comes from net tuition and fees. Net tuition and fee revenue excludes state and institutional financial aid but does not exclude federal financial aid or loans.

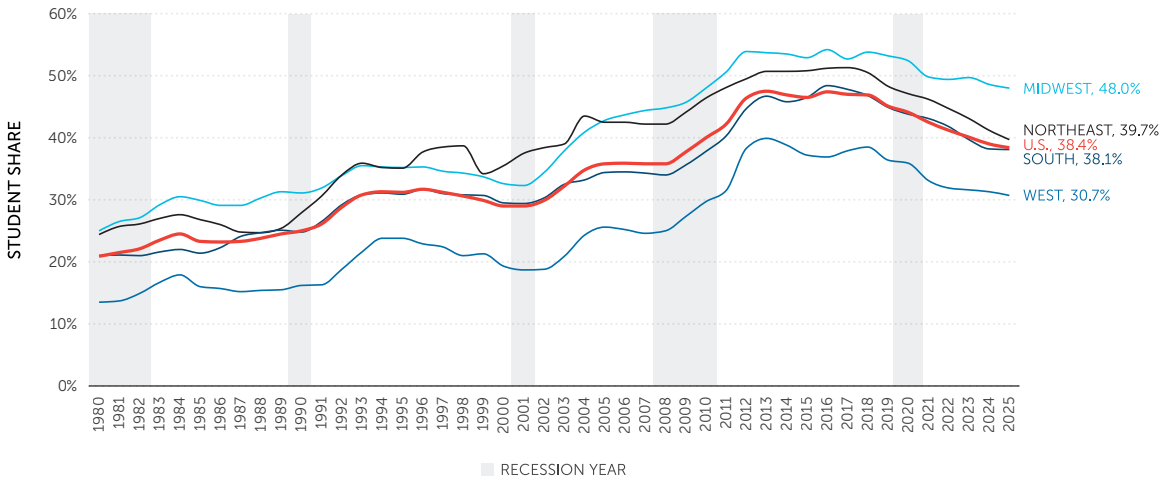
There has been a substantial shift of responsibility for financing public higher education toward net tuition and fee revenue between 1980 and 2025 (from 20.9% to 38.4%). Historically, the student share has increased most rapidly during periods of economic recession, shifting more of the higher education costs to students and families. The student share grew rapidly during the Great Recession, increasing from 35.8% in 2008 to an all-time high of 47.5% in 2013. During this time, students and their families turned to federal aid to cushion their growing share of higher education costs. Conversely, the student share has declined since 2019, the year prior to the COVID-19 economic downturn, decreasing from 45.1% to 38.4% in 2025. This steady decrease was due, in large part, to a combination of federal stimulus funding cushioning state budgets, allowing states to continue supporting higher education, and steep enrollment and tuition and fee revenue declines.

When the economy stabilizes, the student share also stabilizes and, as in recent years, decreases. Since the peak in 2013, the student share has decreased in 11 of the last 12 years, declining 9.2 percentage points to 38.4% in 2025. The student share has declined 6.7 percentage points since 2019, with the largest decrease ever observed in the SHEF dataset occurring in 2019 (1.8 percentage points). This downward trend in the student share may change in upcoming years as state budgets are expected to experience greater volatility and FTE enrollment levels out.

There are regional differences in the student share, but overall, a decrease in the student share holds across all regions. Since 2019, when the pre-pandemic student share was 45.1%, the student share has declined 8.6 percentage points in the Northeast, 6.8 in the South, 5.6 in the West, and 5.2 in the Midwest. Historically, the student share is highest in the Midwest and Northeast, while the South tracks closely to the U.S. average, and the West has the lowest regional student share. Today, the Northeast tracks more closely to the South and U.S. average (*Figure 2.6*).

FIGURE 2.6

NET TUITION AS A PERCENTAGE OF TOTAL EDUCATION REVENUE, U.S., FY 1980-2025



NOTES:

1. The student share is a measure of the proportion of total education revenue at public institutions coming from net tuition revenue. Net tuition revenue used for capital debt service is included in net tuition revenue, but excluded from total education revenue in calculating the above figures. Total education revenue includes federal stimulus funding.
2. Regional averages are based on the U.S. Census designation.

SOURCE: State Higher Education Executive Officers Association

ENROLLMENT AND STATE FUNDING

There is wide variation in higher education finance across states. This section more deeply examines trends and interstate differences for measures of enrollment and state funding (education appropriations and student financial aid).

STUDENT ENROLLMENT

Full-time equivalent (FTE) enrollment converts student credit hours to full-time, academic year students, but excludes medical students. SHEF includes enrollment for all degree-seeking undergraduate and graduate students at public institutions. After years of steady enrollment increases since the SHEF data collection began, the number of FTE students enrolled in public institutions slowly declined, both nationally and across states, over the last decade. With the onset of the COVID-19 pandemic in early 2020, FTE enrollment declined at unprecedented rates. However, FTE enrollment in 2025 showed a 3.6% increase nationally. Visit the SHEF website to view the interactive FTE enrollment map. This map shows FTE enrollment across the nation and over time.

Historically, enrollment has increased in each decade. Starting in 2009, enrollment increased rapidly during and immediately following the Great Recession, peaking at 11.7 million students in 2011.

After 2011, FTE enrollment declined for 11 straight years. **Between 2023 and 2025, enrollment increased from 10.1 million to 10.8 million students, representing the third straight year of enrollment increases.** Previous declines between 2014 and 2020 were less than 1.0% annually. In 2021, the COVID-19 pandemic led to a year-over-year decline of 3.9% in FTE enrollment, the largest decline since the start of the SHEF dataset in 1980. FTE enrollment continued to decline in 2022 (3.4%) and remained effectively flat in 2023 (an increase of 0.02%), followed by steady increases in 2024 (3.3%) and 2025 (3.6%). As a result, FTE enrollment in public institutions in 2025 was down just 7.2% from the peak in 2011.

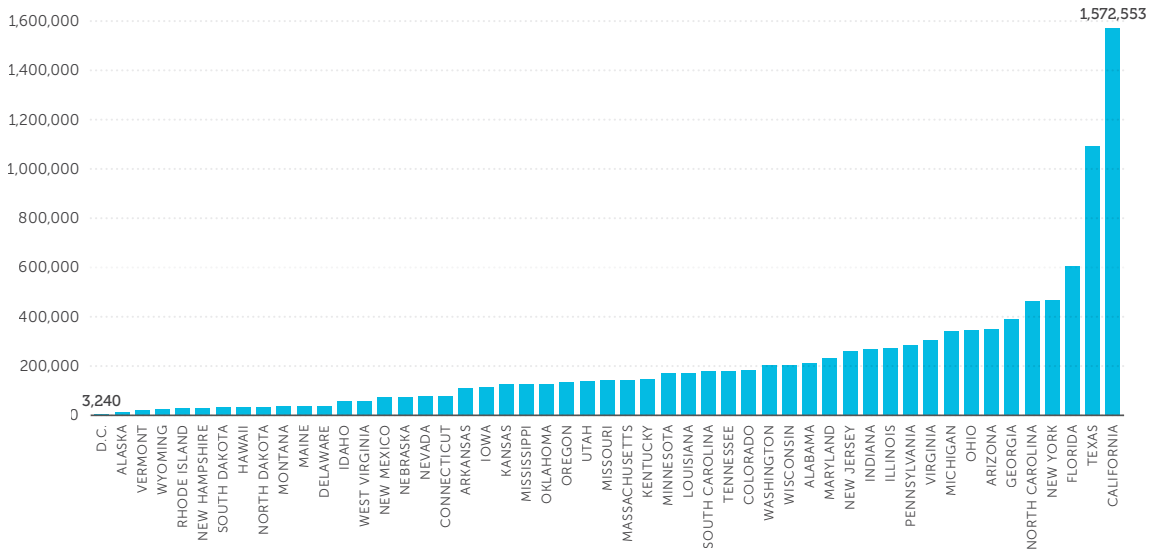
1. STATE COMPARISONS

Figure 3.1 shows net FTE enrollment for each state in fiscal year 2025. *Table 3.1* provides additional detail on how enrollment has changed over time in each state.

- Across states, FTE enrollment ranged from 3,240 students in Washington, D.C., and 12,748 in Alaska to nearly 1.6 million in California. Nearly one-fourth of all students attending a U.S. public institution were enrolled in either California or Texas, with both states exceeding one million FTE students.
- **FTE enrollment increased in 44 states and Washington, D.C., between 2024 and 2025.** These increases ranged from 0.1% in Colorado (representing 231 FTE students) to 15.4% in Wyoming (or 3,162 FTE students).
- Just six states experienced declines in FTE enrollment. Declines ranged from 0.01% (or 3 FTE students) in Rhode Island to 1.4% (or 1,606 FTE students) in Iowa.
- Despite enrollment increases in 2025, enrollment has declined in 34 states and Washington, D.C., since 2015, but in only one state since the start of the SHEF dataset: FTE enrollment in Illinois has declined 20.6% since 1980.

FIGURE 3.1

PUBLIC HIGHER EDUCATION FULL-TIME EQUIVALENT (FTE) ENROLLMENT BY STATE, FY 2025



NOTES:

1. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
2. Fiscal year 2025 FTE enrollment is estimated for Arkansas and Washington.

SOURCE: State Higher Education Executive Officers Association

TABLE 3.1

PUBLIC HIGHER EDUCATION FULL-TIME EQUIVALENT (FTE) ENROLLMENT BY STATE, FY 1980-2025

	1980	2001	2015	2020	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2020	% CHANGE SINCE 2015	% CHANGE SINCE 2001	% CHANGE SINCE 1980
ALABAMA	138,620	165,833	193,411	200,991	202,865	212,421	4.7%	5.7%	9.8%	28.1%	53.2%
ALASKA	10,530	16,079	19,934	15,051	12,684	12,748	0.5%	-15.3%	-36.0%	-20.7%	21.1%
ARIZONA	120,148	194,629	274,454	304,281	327,169	350,459	7.1%	15.2%	27.7%	80.1%	191.7%
ARKANSAS	53,130	87,337	118,416	111,155	106,724	111,230	4.2%	0.1%	-6.1%	27.4%	109.4%
CALIFORNIA	979,142	1,322,308	1,563,541	1,590,119	1,532,255	1,572,553	2.6%	-1.1%	0.6%	18.9%	60.6%
COLORADO	113,281	141,492	181,867	188,864	181,532	181,763	0.1%	-3.8%	-0.1%	28.5%	60.5%
CONNECTICUT	58,909	60,976	87,403	81,422	76,077	79,736	4.8%	-2.1%	-8.8%	30.8%	35.4%
DELAWARE	20,664	28,944	36,742	35,571	37,240	37,497	0.7%	5.4%	2.1%	29.6%	81.5%
FLORIDA	287,388	420,957	601,198	609,447	579,477	607,009	4.8%	-0.4%	1.0%	44.2%	111.2%
GEORGIA	157,155	234,998	345,467	360,193	366,748	389,118	6.1%	8.0%	12.6%	65.6%	147.6%
HAWAII	30,465	31,810	39,444	34,736	32,695	33,990	4.0%	-2.1%	-13.8%	6.9%	11.6%
IDAHO	26,647	39,495	54,102	55,155	55,835	59,017	5.7%	7.0%	9.1%	49.4%	121.5%
ILLINOIS	342,097	323,876	351,917	302,722	272,379	271,721	-0.2%	-10.2%	-22.8%	-16.1%	-20.6%
INDIANA	142,061	193,130	252,802	245,224	255,240	268,616	5.2%	9.5%	6.3%	39.1%	89.1%
IOWA	84,210	105,545	124,883	125,433	116,188	114,582	-1.4%	-8.7%	-8.2%	8.6%	36.1%
KANSAS	87,216	100,476	137,035	129,622	121,103	125,341	3.5%	-3.3%	-8.5%	24.7%	43.7%
KENTUCKY	89,389	119,500	152,954	140,429	139,663	146,179	4.7%	4.1%	-4.4%	22.3%	63.5%
LOUISIANA	106,686	168,121	165,329	165,145	164,921	172,710	4.7%	4.6%	4.5%	2.7%	61.9%
MAINE	26,250	29,287	35,445	34,005	34,393	37,191	8.1%	9.4%	4.9%	27.0%	41.7%
MARYLAND	133,228	175,085	233,208	221,418	224,820	231,640	3.0%	4.6%	-0.7%	32.3%	73.9%
MASSACHUSETTS	122,952	128,404	170,703	157,447	137,084	144,607	5.5%	-8.2%	-15.3%	12.6%	17.6%
MICHIGAN	318,166	333,584	390,047	357,224	332,227	342,952	3.2%	-4.0%	-12.1%	2.8%	7.8%
MINNESOTA	149,418	167,238	198,328	180,442	161,710	170,243	5.3%	-5.7%	-14.2%	1.8%	13.9%
MISSISSIPPI	85,292	102,490	133,910	130,891	121,925	126,533	3.8%	-3.3%	-5.5%	23.5%	48.4%
MISSOURI	120,468	156,588	186,936	163,408	144,901	144,575	-0.2%	-11.5%	-22.7%	-7.7%	20.0%
MONTANA	25,452	33,660	38,732	35,252	34,503	35,285	2.3%	0.1%	-8.9%	4.8%	38.6%
NEBRASKA	56,360	65,725	78,469	73,833	72,625	74,572	2.7%	1.0%	-5.0%	13.5%	32.3%
NEVADA	19,367	48,107	73,583	77,763	75,954	78,973	4.0%	1.6%	7.3%	64.2%	307.8%
NEW HAMPSHIRE	19,415	26,506	38,398	34,695	29,891	29,879	0.0%	-13.9%	-22.2%	12.7%	53.9%
NEW JERSEY	171,390	178,671	270,053	264,467	248,055	258,475	4.2%	-2.3%	-4.3%	44.7%	50.8%
NEW MEXICO	48,268	66,847	96,110	70,090	73,343	74,478	1.5%	6.3%	-22.5%	11.4%	54.3%
NEW YORK	418,679	449,959	566,620	525,589	456,600	467,083	2.3%	-11.1%	-17.6%	3.8%	11.6%
NORTH CAROLINA	165,642	266,217	391,990	403,093	409,585	461,726	12.7%	14.5%	17.8%	73.4%	178.7%
NORTH DAKOTA	26,735	31,922	36,801	32,660	33,418	34,777	4.1%	6.5%	-5.5%	8.9%	30.1%
OHIO	291,000	337,379	393,845	385,027	341,812	343,784	0.6%	-10.7%	-12.7%	1.9%	18.1%
OKLAHOMA	96,476	121,111	136,311	126,370	121,543	127,878	5.2%	1.2%	-6.2%	5.6%	32.5%
OREGON	96,946	111,006	155,725	137,801	128,457	133,750	4.1%	-2.9%	-14.1%	20.5%	38.0%
PENNSYLVANIA	243,296	288,334	354,891	329,025	289,327	286,795	-0.9%	-12.8%	-19.2%	-0.5%	17.9%
RHODE ISLAND	23,237	25,622	32,687	32,220	29,193	29,190	0.0%	-9.4%	-10.7%	13.9%	25.6%
SOUTH CAROLINA	95,600	132,404	174,643	168,719	175,188	180,432	3.0%	6.9%	3.3%	36.3%	88.7%
SOUTH DAKOTA	18,623	22,064	33,938	31,962	31,182	32,548	4.4%	1.8%	-4.1%	47.5%	74.8%
TENNESSEE	124,022	159,838	179,248	184,954	179,740	180,519	0.4%	-2.4%	0.7%	12.9%	45.6%
TEXAS	466,900	667,534	1,010,334	1,062,059	1,044,484	1,090,797	4.4%	2.7%	8.0%	63.4%	133.6%
UTAH	47,061	91,953	120,352	127,833	133,372	137,970	3.4%	7.9%	14.6%	50.0%	193.2%
VERMONT	13,656	15,914	20,616	20,562	19,987	20,057	0.4%	-2.5%	-2.7%	26.0%	46.9%
VIRGINIA	175,197	236,014	314,066	301,730	296,469	306,145	3.3%	1.5%	-2.5%	29.7%	74.7%
WASHINGTON	163,866	204,663	242,221	228,720	199,389	202,774	1.7%	-11.3%	-16.3%	-0.9%	23.7%
WEST VIRGINIA	53,331	62,902	72,765	65,445	58,308	59,506	2.1%	-9.1%	-18.2%	-5.4%	11.6%
WISCONSIN	174,163	196,523	219,490	206,545	199,417	203,606	2.1%	-1.4%	-7.2%	3.6%	16.9%
WYOMING	14,048	20,198	24,042	21,653	20,487	23,649	15.4%	9.2%	-1.6%	17.1%	68.3%
U.S.	**6,852,242**	**8,709,255**	**11,125,406**	**10,888,462**	**10,440,184**	**10,819,079**	**3.6%**	**-0.6%**	**-2.8%**	**24.2%**	**57.9%**
D.C.	N/A	N/A	3,723	3,176	3,211	3,240	0.9%	2.0%	-13.0%	N/A	N/A

NOTES:

1. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
2. The U.S. calculation does not include the District of Columbia. Data for the District of Columbia are not available prior to 2011.
3. The years 1980 and 2001 are included in this table because they are the starting points of the historical SHEF dataset and modern SHEF data collection, respectively.
4. Fiscal year 2025 FTE enrollment is estimated for Arkansas and Washington.
5. Texas updated the methodology to capture FTE enrollment starting in 2017. Years prior to 2017 do not reflect this new methodology, which may affect some year-to-year comparisons.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR COMPARISONS

Table 3.1A presents data on net FTE enrollment for the public two-year and four-year sectors separately. In 2025, there were 4.17 million FTE students enrolled at two-year institutions. Two-year FTE enrollment across states ranged from 2,540 in Vermont to 888,992 in California. Twenty-one percent of students attending a U.S. public two-year institution in 2025 attended a California community college.

- From 2024 to 2025, two-year FTE enrollment increased in 40 states. Enrollment increases ranged from 2.6% (or 4,176 FTE students) in New York to 28.5% (or 3,140 FTE students) in Wyoming.
- Two-year FTE enrollment declined in just nine states from 2024 to 2025. Enrollment declines ranged from 0.2% (or 177 FTE students) in Illinois to 6.2% (or 3,176 FTE students) in Iowa.

There were 6.65 million FTE students enrolled at four-year institutions in 2025, about 1.6 times the number of two-year students. Enrollment at four-year institutions ranged from 3,240 in Washington, D.C., and 9,474 in Wyoming to 683,561 in California. Notably, California represented one-tenth of all four-year public FTE enrollment in 2025.

- From 2024 to 2025, four-year FTE enrollment increased in 45 states and Washington, D.C., enrollment increases ranged from 0.1% (or 39 FTE students) in West Virginia to 12.4% (or 27,412 FTE students) in Arizona.
- Four-year FTE enrollment declined in just five states between 2024 and 2025. Enrollment declines ranged from 0.3% (or 481 FTE students) in Illinois to 1.9% (or 4,410 FTE students) in Pennsylvania.

In 2025, 36 states had year-over-year FTE enrollment increases in both sectors, while one (Illinois) had enrollment declines across both sectors. The two-year sector generally had larger enrollment increases across states — in 37 states, enrollment increased by a larger percentage in the two-year sector than in the four-year sector from 2024 to 2025.

TABLE 3.1A

PUBLIC HIGHER EDUCATION FULL-TIME EQUIVALENT (FTE) ENROLLMENT BY SECTOR AND STATE, FY 2019-2025

	TWO-YEAR FTE					FOUR-YEAR FTE				
	2019	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2019	2019	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2019
ALABAMA	59,288	58,462	62,883	7.6%	6.1%	143,485	144,403	149,538	3.6%	4.2%
ALASKA	0	0	0	N/A	N/A	16,721	12,684	12,748	0.5%	-23.8%
ARIZONA	110,557	105,282	101,160	-3.9%	-8.5%	182,299	221,887	249,299	12.4%	36.8%
ARKANSAS	30,934	27,806	29,543	6.2%	-4.5%	82,311	78,918	81,687	3.5%	-0.8%
CALIFORNIA	918,444	863,782	888,992	2.9%	-3.2%	672,687	668,473	683,561	2.3%	1.6%
COLORADO	56,000	58,316	57,521	-1.4%	2.7%	127,744	123,216	124,242	0.8%	-2.7%
CONNECTICUT	26,419	21,708	22,651	4.3%	-14.3%	57,374	54,369	57,085	5.0%	-0.5%
DELAWARE	8,886	7,855	8,286	5.5%	-6.8%	27,524	29,385	29,211	-0.6%	6.1%
FLORIDA	315,763	280,428	300,433	7.1%	-4.9%	293,179	299,049	306,576	2.5%	4.6%
GEORGIA	86,540	82,553	89,344	8.2%	3.2%	269,808	284,195	299,774	5.5%	11.1%
HAWAII	14,820	11,971	12,499	4.4%	-15.7%	20,434	20,723	21,490	3.7%	5.2%
IDAHO	14,811	15,284	16,873	10.4%	13.9%	39,610	40,551	42,144	3.9%	6.4%
ILLINOIS	140,713	112,774	112,597	-0.2%	-20.0%	166,254	159,605	159,124	-0.3%	-4.3%
INDIANA	63,913	70,988	77,306	8.9%	21.0%	182,388	184,251	191,310	3.8%	4.9%
IOWA	57,239	51,282	48,106	-6.2%	-16.0%	72,148	64,906	66,477	2.4%	-7.9%
KANSAS	52,895	46,909	49,216	4.9%	-7.0%	79,358	74,194	76,126	2.6%	-4.1%
KENTUCKY	43,446	42,736	45,903	7.4%	5.7%	98,557	96,927	100,276	3.5%	1.7%
LOUISIANA	43,091	41,134	43,675	6.2%	1.4%	120,841	123,787	129,035	4.2%	6.8%
MAINE	9,773	11,276	12,503	10.9%	27.9%	24,174	23,117	24,688	6.8%	2.1%
MARYLAND	89,990	77,336	81,328	5.2%	-9.6%	139,253	147,484	150,312	1.9%	7.9%
MASSACHUSETTS	49,799	42,767	48,979	14.5%	-1.6%	110,528	94,318	95,628	1.4%	-13.5%
MICHIGAN	116,340	100,496	108,201	7.7%	-7.0%	249,978	231,731	234,751	1.3%	-6.1%
MINNESOTA	76,219	66,701	72,028	8.0%	-5.5%	108,148	95,009	98,215	3.4%	-9.2%
MISSISSIPPI	61,799	54,427	56,240	3.3%	-9.0%	71,200	67,498	70,293	4.1%	-1.3%
MISSOURI	59,765	42,855	44,480	3.8%	-25.6%	122,734	102,046	100,096	-1.9%	-18.4%
MONTANA	6,678	6,434	6,662	3.5%	-0.2%	29,697	28,069	28,623	2.0%	-3.6%
NEBRASKA	26,142	24,394	26,139	7.2%	0.0%	49,798	48,231	48,433	0.4%	-2.7%
NEVADA	29,026	27,538	28,722	4.3%	-1.0%	47,024	48,416	50,251	3.8%	6.9%
NEW HAMPSHIRE	9,853	7,348	7,558	2.9%	-23.3%	26,500	22,543	22,321	-1.0%	-15.8%
NEW JERSEY	99,904	86,990	90,237	3.7%	-9.7%	165,182	161,065	168,238	4.5%	1.9%
NEW MEXICO	37,798	31,403	32,317	2.9%	-14.5%	39,242	41,940	42,161	0.5%	7.4%
NEW YORK	210,891	159,144	163,320	2.6%	-22.6%	327,088	297,457	303,763	2.1%	-7.1%
NORTH CAROLINA	179,659	192,388	239,437	24.5%	33.3%	214,263	217,197	222,289	2.3%	3.7%
NORTH DAKOTA	7,028	7,384	7,920	7.3%	12.7%	26,753	26,033	26,857	3.2%	0.4%
OHIO	99,164	91,210	87,288	-4.3%	-12.0%	287,287	250,602	256,497	2.4%	-10.7%
OKLAHOMA	40,585	35,703	37,564	5.2%	-7.4%	88,260	85,840	90,314	5.2%	2.3%
OREGON	60,770	48,624	51,842	6.6%	-14.7%	83,519	79,833	81,908	2.6%	-1.9%
PENNSYLVANIA	79,979	60,522	62,400	3.1%	-22.0%	251,685	228,805	224,395	-1.9%	-10.8%
RHODE ISLAND	9,333	7,679	7,570	-1.4%	-18.9%	22,645	21,514	21,620	0.5%	-4.5%
SOUTH CAROLINA	57,624	59,571	62,059	4.2%	7.7%	109,116	115,616	118,374	2.4%	8.5%
SOUTH DAKOTA	5,810	5,792	6,083	5.0%	4.7%	27,006	25,390	26,465	4.2%	-2.0%
TENNESSEE	72,783	63,526	63,374	-0.2%	-12.9%	111,635	116,213	117,145	0.8%	4.9%
TEXAS	477,746	453,125	481,653	6.3%	0.8%	571,287	591,359	609,144	3.0%	6.6%
UTAH	25,832	26,017	26,909	3.4%	4.2%	102,270	107,356	111,061	3.5%	8.6%
VERMONT	2,652	2,619	2,540	-3.0%	-4.2%	17,806	17,368	17,517	0.9%	-1.6%
VIRGINIA	100,141	90,626	94,910	4.7%	-5.2%	201,878	205,844	211,235	2.6%	4.6%
WASHINGTON	123,981	103,022	101,839	-1.1%	-17.9%	112,000	96,367	100,935	4.7%	-9.9%
WEST VIRGINIA	11,076	9,622	10,782	12.1%	-2.7%	55,501	48,686	48,725	0.1%	-12.2%
WISCONSIN	72,054	61,924	64,451	4.1%	-10.6%	137,600	137,493	139,155	1.2%	1.1%
WYOMING	11,214	11,035	14,175	28.5%	26.4%	10,980	9,452	9,474	0.2%	-13.7%
U.S.	**4,365,167**	**3,968,768**	**4,168,498**	**5.0%**	**-4.5%**	**6,594,759**	**6,471,415**	**6,650,586**	**2.8%**	**0.8%**
D.C.	0	0	0	N/A	N/A	3,518	3,211	3,240	0.9%	-7.9%

NOTES:

1. Full-time equivalent enrollment converts student credit hours to full-time, academic year students, but excludes medical students.
2. The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
3. The year 2019 is included in this table because it is the starting point of the sector-level SHEF dataset.
4. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.). Baccalaureate/ Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
5. Fiscal year 2025 sector-level FTE enrollment is estimated for Arkansas and four-year FTE enrollment is estimated for Washington.

SOURCE: State Higher Education Executive Officers Association

States enroll different proportions of students across sectors (see *Figure 3.1A* on the SHEF website). Overall, 38.5% of public FTE students attended a two-year institution in the United States — a decline of 1.3 percentage points from 2019. The portion of FTE students enrolled at two-year institutions in 2025 varied from 12.7% in Vermont to 60.0% in Wyoming. **Only California, North Carolina, Washington, and Wyoming had more FTE students enrolled in the two-year sector than in the four-year sector.**

MEASUREMENT NOTE: SECTOR ENROLLMENT MIX

States vary in the proportion of enrollment attending two-year and four-year public institutions. In addition, as the following sections will show, the two-year and four-year public sectors have very different revenue structures and total revenues. These varying enrollment proportions and different revenue structures make state-level data more difficult to compare. The Enrollment Mix Index (EMI) adjustment used throughout the state-level metrics in this report attempts to correct for this variation in FTE enrollment. Sector-level data are not adjusted for EMI (and do not need to be). See the SHEF website to learn more about how the EMI adjustment is calculated.

EDUCATION APPROPRIATIONS

Education appropriations measure state and local support available for public higher education operating expenses and exclude appropriations for independent institutions, financial aid for students attending independent or out-of-state institutions, research, hospitals, and medical education. State-level education appropriations include state higher education agency allocations and all federal stimulus funding allocated to public institutions, while sector-level education appropriations exclude agency funding and include only the federal stimulus funding allocated to two-year or four-year public operating. In a handful of states, some uncategorizable state support and uncategorizable financial aid are not allocated to either sector. Visit the SHEF website to view the interactive education appropriations map. This map shows education appropriations per FTE across the nation and over time.

Fiscal year 2025 marks the first year of a per-FTE decrease in education appropriations after 12 straight years of increases. Inflation-adjusted education appropriations per FTE decreased by 1.0% between 2024 and 2025, falling to $12,082 (*Table 3.2*). This decrease is the first year of declining education appropriations since appropriations began increasing in 2013, following four years of decreases between 2009 and 2012 due to the Great Recession. **Despite this year's decrease, per-FTE education appropriations in 2025 exceeded 2008 pre-recession levels by 9.2% and 2019 pre-COVID pandemic levels by 16.4%.** Education appropriations per FTE in 2025 remained just slightly below (0.7%) 2001 levels, another pre-recession high point.

1. STATE COMPARISONS

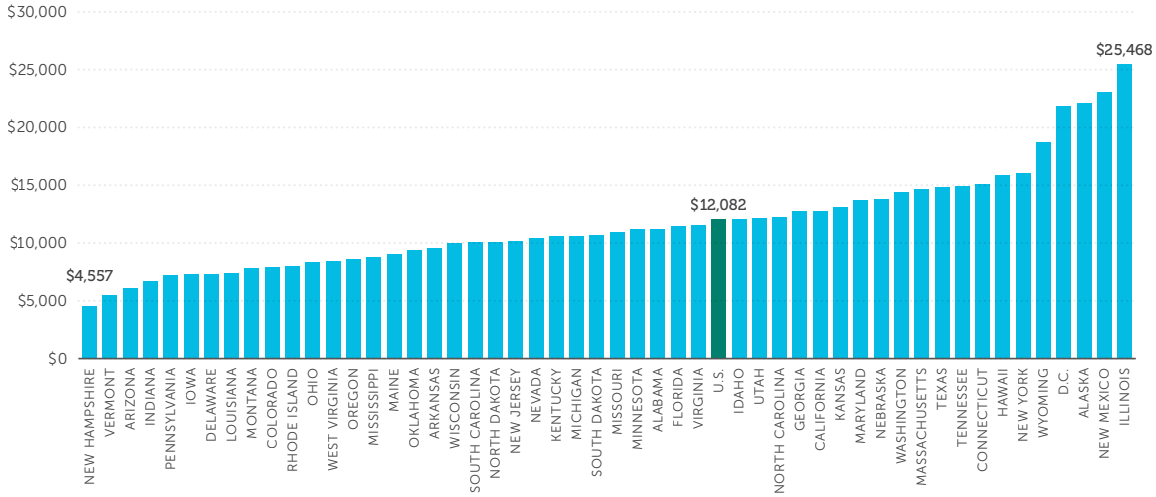
States vary widely in their per-student funding for higher education. Education appropriations per FTE in 2025 ranged from $4,557 in New Hampshire to $25,468 in Illinois (*Figure 3.2*).[22]

- Consistent with national-level increases, education appropriations per FTE declined in 31 states and Washington, D.C., between 2024 and 2025. Decreases ranged from 0.3% (or $41 per FTE) in Tennessee to 15.4% (or $3,401 per FTE) in Wyoming.
- Education appropriations per FTE increased in 19 states between 2024 and 2025. Increases ranged from 0.3% (or $52 per FTE) in New York to 15.9% (or $1,805 per FTE) in Kansas.

Although nationally, education appropriations have recovered to 2008 levels and grown consistently between 2019 and 2024, 24 states continue funding higher education at a lower level than prior to the Great Recession, and eight states and Washington, D.C., continue funding at a lower level than prior to the COVID-19 pandemic. Of the states with 2025 education appropriations per FTE below 2019 levels, Wyoming (18.4% below) and Indiana (17.8% below) were the furthest from pre-pandemic funding. Of the 24 states that had not yet recovered from the Great Recession by 2025, Arizona (47.4% below) and Louisiana (37.1% below). Additionally, in 29 states, education appropriations per FTE remain below the level seen in 2001 prior to the tech bust.

FIGURE 3.2

PUBLIC HIGHER EDUCATION APPROPRIATIONS PER FTE BY STATE, FY 2025 (ADJUSTED)



NOTES:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
2. The U.S. calculation does not include the District of Columbia.
3. Fiscal year 2025 state-level education appropriations include estimated uncategorizable state support for South Carolina and South Dakota.
4. Each year, approximately one-third of education appropriations in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.
5. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Enrollment Mix Index (EMI). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

22. Each year, approximately one-third of education appropriations in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.

TABLE 3.2

PUBLIC HIGHER EDUCATION APPROPRIATIONS PER FTE BY STATE, FY 1980-2025 (CONSTANT ADJUSTED DOLLARS)

	1980	2001	2015	2020	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2020	% CHANGE SINCE 2015	% CHANGE SINCE 2001	% CHANGE SINCE 1980
ALABAMA	$8,679	$10,216	$7,999	$9,635	$12,117	$11,210	-7.5%	16.3%	40.1%	9.7%	29.2%
ALASKA	$27,454	$16,961	$20,278	$19,832	$20,894	$22,141	6.0%	11.6%	9.2%	30.5%	-19.4%
ARIZONA	$9,405	$10,654	$7,503	$7,085	$6,874	$6,064	-11.8%	-14.4%	-19.2%	-43.1%	-35.5%
ARKANSAS	$11,351	$12,136	$10,616	$10,320	$10,840	$9,557	-11.8%	-7.4%	-10.0%	-21.2%	-15.8%
CALIFORNIA	$9,907	$10,877	$9,537	$10,954	$12,342	$12,773	3.5%	16.6%	33.9%	17.4%	28.9%
COLORADO	$6,568	$7,955	$4,942	$6,272	$7,687	$7,933	3.2%	26.5%	60.5%	-0.3%	20.8%
CONNECTICUT	$9,251	$18,147	$11,230	$11,382	$16,627	$15,096	-9.2%	32.6%	34.4%	-16.8%	63.2%
DELAWARE	$9,621	$11,132	$7,218	$8,262	$7,033	$7,322	4.1%	-11.4%	1.4%	-34.2%	-23.9%
FLORIDA	$8,026	$12,169	$8,075	$9,690	$11,625	$11,503	-1.0%	18.7%	42.4%	-5.5%	43.3%
GEORGIA	$11,268	$17,431	$10,963	$12,588	$13,379	$12,727	-4.9%	1.1%	16.1%	-27.0%	12.9%
HAWAII	$10,997	$11,013	$11,333	$15,995	$16,188	$15,837	-2.2%	-1.0%	39.7%	43.8%	44.0%
IDAHO	$14,842	$15,806	$10,524	$12,045	$12,783	$12,100	-5.3%	0.5%	15.0%	-23.4%	-18.5%
ILLINOIS	$11,109	$16,838	$19,319	$21,482	$25,062	$25,468	1.6%	18.6%	31.8%	51.3%	129.3%
INDIANA	$11,457	$11,370	$7,842	$7,979	$7,198	$6,716	-6.7%	-15.8%	-14.4%	-40.9%	-41.4%
IOWA	$12,356	$13,532	$8,493	$7,394	$7,221	$7,296	1.0%	-1.3%	-14.1%	-46.1%	-41.0%
KANSAS	$11,541	$13,165	$8,488	$9,080	$11,316	$13,121	15.9%	44.5%	54.6%	-0.3%	13.7%
KENTUCKY	$12,480	$15,173	$9,467	$9,346	$10,494	$10,608	1.1%	13.5%	12.0%	-30.1%	-15.0%
LOUISIANA	$10,961	$9,691	$7,521	$7,365	$8,704	$7,402	-15.0%	0.5%	-1.6%	-23.6%	-32.5%
MAINE	$7,761	$11,464	$8,186	$8,826	$9,729	$9,028	-7.2%	2.3%	10.3%	-21.3%	16.3%
MARYLAND	$8,579	$11,521	$8,819	$10,677	$13,997	$13,674	-2.3%	28.1%	55.0%	18.7%	59.4%
MASSACHUSETTS	$9,508	$12,831	$8,803	$10,238	$14,835	$14,644	-1.3%	43.0%	66.3%	14.1%	54.0%
MICHIGAN	$12,088	$14,823	$8,537	$9,273	$11,737	$10,640	-9.3%	14.7%	24.6%	-28.2%	-12.0%
MINNESOTA	$12,645	$12,814	$8,423	$10,664	$11,849	$11,191	-5.6%	4.9%	32.9%	-12.7%	-11.5%
MISSISSIPPI	$10,435	$12,710	$9,002	$7,977	$9,289	$8,764	-5.7%	9.9%	-2.6%	-31.0%	-16.0%
MISSOURI	$12,722	$15,236	$9,734	$10,567	$10,767	$10,972	1.9%	3.8%	12.7%	-28.0%	-13.8%
MONTANA	$9,081	$7,004	$7,051	$7,535	$7,658	$7,839	2.4%	4.0%	11.2%	11.9%	-13.7%
NEBRASKA	$10,524	$10,479	$12,058	$12,995	$13,628	$13,760	1.0%	5.9%	14.1%	31.3%	30.7%
NEVADA	$10,802	$11,328	$8,410	$9,952	$10,740	$10,407	-3.1%	4.6%	23.7%	-8.1%	-3.7%
NEW HAMPSHIRE	$5,510	$6,100	$4,488	$4,041	$4,673	$4,557	-2.5%	12.8%	1.5%	-25.3%	-17.3%
NEW JERSEY	$9,494	$12,827	$9,248	$9,770	$10,729	$10,194	-5.0%	4.3%	10.2%	-20.5%	7.4%
NEW MEXICO	$12,826	$13,017	$14,192	$22,495	$24,041	$23,020	-4.2%	2.3%	62.2%	76.8%	79.5%
NEW YORK	$13,089	$12,364	$12,777	$14,549	$15,995	$16,047	0.3%	10.3%	25.6%	29.8%	22.6%
NORTH CAROLINA	$12,310	$15,923	$12,308	$12,814	$13,903	$12,271	-11.7%	-4.2%	-0.3%	-22.9%	-0.3%
NORTH DAKOTA	$9,958	$8,461	$11,324	$10,315	$10,804	$10,066	-6.8%	-2.4%	-11.1%	19.0%	1.1%
OHIO	$9,848	$11,829	$7,721	$7,728	$8,391	$8,352	-0.5%	8.1%	8.2%	-29.4%	-15.2%
OKLAHOMA	$10,194	$12,461	$10,075	$8,995	$9,877	$9,379	-5.0%	4.3%	-6.9%	-24.7%	-8.0%
OREGON	$8,662	$9,379	$5,192	$7,684	$8,886	$8,580	-3.4%	11.7%	65.3%	-8.5%	-0.9%
PENNSYLVANIA	$11,845	$11,855	$5,708	$6,746	$7,070	$7,227	2.2%	7.1%	26.6%	-39.0%	-39.0%
RHODE ISLAND	$12,288	$10,647	$6,014	$6,241	$8,164	$7,966	-2.4%	27.6%	32.4%	-25.2%	-35.2%
SOUTH CAROLINA	$11,588	$9,942	$6,663	$8,052	$9,607	$10,049	4.6%	24.8%	50.8%	1.1%	-13.3%
SOUTH DAKOTA	$11,218	$9,285	$7,660	$9,479	$10,493	$10,711	2.1%	13.0%	39.8%	15.4%	-4.5%
TENNESSEE	$10,689	$11,203	$10,397	$13,125	$14,997	$14,955	-0.3%	13.9%	43.8%	33.5%	39.9%
TEXAS	$9,952	$11,563	$9,740	$13,471	$14,811	$14,879	0.5%	10.4%	52.8%	28.7%	49.5%
UTAH	$11,761	$10,205	$9,016	$10,525	$13,347	$12,153	-8.9%	15.5%	34.8%	19.1%	3.3%
VERMONT	$5,436	$4,962	$3,513	$4,396	$5,568	$5,470	-1.8%	24.4%	55.7%	10.2%	0.6%
VIRGINIA	$9,159	$11,402	$6,633	$8,753	$10,252	$11,547	12.6%	31.9%	74.1%	1.3%	26.1%
WASHINGTON	$10,332	$9,941	$7,365	$10,069	$13,434	$14,409	7.3%	43.1%	95.6%	44.9%	39.5%
WEST VIRGINIA	$9,688	$9,275	$7,042	$7,566	$7,640	$8,432	10.4%	11.4%	19.7%	-9.1%	-13.0%
WISCONSIN	$12,437	$13,913	$10,211	$10,127	$10,306	$9,955	-3.4%	-1.7%	-2.5%	-28.4%	-20.0%
WYOMING	$18,382	$15,017	$21,539	$22,727	$22,090	$18,689	-15.4%	-17.8%	-13.2%	24.5%	1.7%
U.S.	**$10,624**	**$12,169**	**$9,423**	**$10,801**	**$12,205**	**$12,082**	**-1.0%**	**11.9%**	**28.2%**	**-0.7%**	**13.7%**
D.C.	N/A	N/A	$19,878	$29,319	$22,583	$21,848	-3.3%	-25.5%	9.9%	N/A	N/A

NOTES:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
2. The U.S. calculation does not include the District of Columbia. Data for the District of Columbia are not available prior to 2011.
3. The years 1980 and 2001 are included in this table because they are the starting points of the historical SHEF dataset and modern SHEF data collection, respectively.
4. Fiscal year 2025 state-level education appropriations include estimated uncategorizable state support for South Carolina and South Dakota.
5. Each year, approximately one-third of education appropriations in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.
6. Texas developed a new methodology to capture state funding to institutions of higher education and updated FTE enrollment starting in 2017. Years prior to 2017 do not reflect this new methodology, which may affect some year-to-year comparisons.
7. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI), Enrollment Mix Index (EMI), and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR COMPARISONS

Table 3.2A presents data on education appropriations per FTE for the public two-year and four-year sectors separately. Two- and four-year institutions have different funding structures and allocation models in many states and vary in the amount of funding they receive from state and local sources.[23]

From 2024 to 2025, inflation-adjusted state and local education appropriations per FTE decreased 1.8% at two-year institutions, totaling $11,096 per FTE. Two-year public education appropriations per FTE ranged widely across states, from $5,069 in Louisiana to $19,954 per FTE in New Mexico. From 2024 to 2025, two-year education appropriations per FTE declined in 37 states, ranging from 0.2% (or $26 per FTE) in Connecticut to 20.5% (or $2,024 per FTE) in North Carolina. Twelve states had increases in two-year education appropriations per FTE in 2025. These year-over-year increases ranged from 0.5% (or $43 per FTE) in Mississippi to 10.7% (or $810 per FTE) in Vermont.

At four-year institutions, education appropriations per FTE decreased 0.6% from 2024 to 2025, falling to $11,151. Appropriations ranged even more widely in the four-year sector, from less than $5,000 per FTE in Arizona, New Hampshire, and Vermont to over $20,000 per FTE in Alaska, Illinois, New Mexico, Washington, D.C., and Wyoming. Twenty states experienced increases in four-year education appropriations per FTE between 2024 and 2025, ranging from 0.3% (or $40 per FTE) in Tennessee to 17.4% (or $1,860 per FTE) in Virginia. The remaining 30 states and Washington, D.C., experienced decreases ranging from 0.2% (or $32 per FTE) in Maryland to 19.1% (or $881 per FTE) in Arizona.

Figure 3.2A displays the disparity in funding between the two- and four-year public sectors within each state. States on the left side of the figure (the **light blue** bars) have relatively higher per-FTE appropriations in the two-year sector, while states on the right side of the figure (the **dark blue** bars) have higher per-FTE appropriations in the four-year sector.

- In 2025, four-year education appropriations per FTE were 0.5% higher than two-year education appropriations, with 26 states reporting higher per-FTE funding in the four-year sector.
- Arizona had the largest education appropriation disparity favoring the two-year sector (106.1% higher), although this is entirely due to local appropriations that exclusively support community colleges. Florida has the highest disparity favoring the four-year sector, with 88.6% greater education appropriations per FTE at four-year institutions.

These high-level data on education appropriations should be interpreted cautiously and with consideration of each state's broader context. This is because education appropriations attempt to make higher education funding more comparable across states by including local appropriations (which primarily support two-year institutions) but excluding research, agriculture, and medical (RAM) appropriations, which only support four-year institutions. For example, if RAM appropriations were included in the education appropriations total, four-year institutions would have received $2,247 per FTE more than two-year institutions, or 20.3% higher.

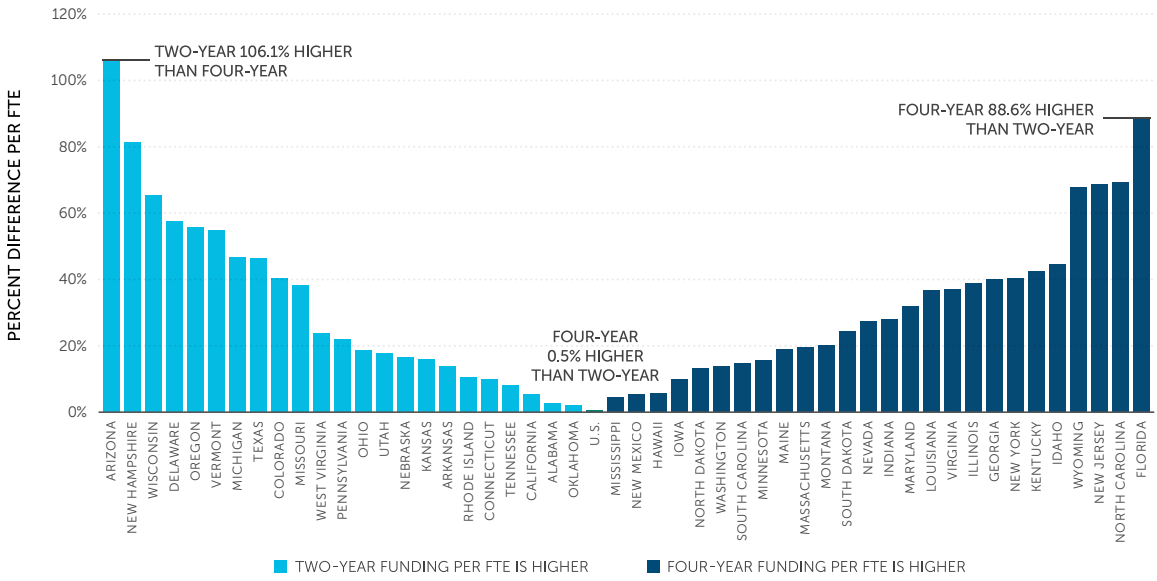
23. Unlike state-level education appropriations, sector-level education appropriations exclude agency funding and include only the portion of federal stimulus funding known to be allocated for two-year or four-year public operating purposes. In a handful of states, some state support and financial aid are uncategorizable, meaning they are not allocated to either sector, and are excluded from the sector-level data.

To help explain the components of sector-level education appropriations, *Table 3.2B* breaks out the different sources of state and local support per FTE for two- and four-year public institutions in fiscal year 2025.

- Two-year public institutions received $6,672 per FTE in state general operating appropriations, 69.8% of the four-year general operating appropriation ($9,552 per FTE).
- State financial aid awards averaged $780 per FTE at two-year institutions, 50.8% of the $1,535 per FTE awarded to students attending four-year institutions.
- Local appropriations were 135.0 times higher at two-year institutions ($3,620 per FTE) compared to four-year institutions ($27 per FTE). There were two-year local appropriations in 28 states, compared to only eight for four-year institutions.
- RAM averaged $2,191 per FTE at four-year institutions. These funds, which are only allocated to four-year institutions, are excluded from education appropriations but included in total state support.
- Total state and local support at two-year institutions was $11,096 per FTE, 83.1% of the amount at four-year institutions ($13,349 per FTE).

FIGURE 3.2A

PERCENT DIFFERENCE IN TWO-YEAR AND FOUR-YEAR PUBLIC HIGHER EDUCATION APPROPRIATIONS PER FTE BY STATE, FY 2025



NOTES:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Sector-level education appropriations include any portion of federal stimulus funding allocated specifically to each sector, but exclude state agency funding.
2. Alaska and the District of Columbia are excluded from this figure because they do not have any public two-year institutions.
3. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.edu). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
4. In California, state funds used for nontuition financial aid are classified as uncategorizable state support. Therefore, they are not included in sector-level education appropriations.
5. Each year, approximately one-third of education appropriations in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.

SOURCE: State Higher Education Executive Officers Association

TABLE 3.2A

PUBLIC HIGHER EDUCATION APPROPRIATIONS PER FTE BY SECTOR AND STATE, FY 2019-2025 (CONSTANT ADJUSTED DOLLARS)

	TWO-YEAR EDUCATION APPROPRIATIONS					FOUR-YEAR EDUCATION APPROPRIATIONS				
	2019	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2019	2019	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2019
ALABAMA	$8,821	$13,139	$11,468	-12.7%	30.0%	$8,484	$11,696	$11,166	-4.5%	31.6%
ALASKA	$-	$-	$-	N/A	N/A	$18,794	$20,073	$21,265	5.9%	13.1%
ARIZONA	$11,599	$12,053	$12,140	0.7%	4.7%	$4,325	$4,606	$3,726	-19.1%	-13.9%
ARKANSAS	$9,855	$10,449	$10,204	-2.3%	3.5%	$9,653	$9,409	$8,880	-5.6%	-8.0%
CALIFORNIA	$10,415	$10,768	$11,709	8.7%	12.4%	$10,016	$11,369	$11,108	-2.3%	10.9%
COLORADO	$7,284	$10,060	$10,329	2.7%	41.8%	$5,004	$6,505	$6,855	5.4%	37.0%
CONNECTICUT	$10,624	$15,799	$15,773	-0.2%	48.5%	$11,709	$15,645	$14,265	-8.8%	21.8%
DELAWARE	$10,877	$11,994	$11,757	-2.0%	8.1%	$6,734	$6,122	$6,505	6.2%	-3.4%
FLORIDA	$5,758	$7,279	$6,565	-9.8%	14.0%	$14,286	$16,372	$17,000	3.8%	19.0%
GEORGIA	$8,388	$9,167	$8,686	-5.2%	3.6%	$12,372	$13,669	$13,034	-4.6%	5.4%
HAWAII	$12,742	$14,186	$13,987	-1.4%	9.8%	$16,012	$15,162	$14,818	-2.3%	-7.5%
IDAHO	$7,176	$7,465	$6,529	-12.5%	-9.0%	$10,742	$10,680	$10,290	-3.6%	-4.2%
ILLINOIS	$14,912	$19,802	$18,974	-4.2%	27.2%	$23,686	$26,965	$28,085	4.2%	18.6%
INDIANA	$7,001	$6,053	$5,474	-9.6%	-21.8%	$8,443	$7,550	$7,256	-3.9%	-14.1%
IOWA	$5,674	$6,590	$6,998	6.2%	23.3%	$8,172	$7,938	$7,725	-2.7%	-5.5%
KANSAS	$10,586	$13,297	$12,626	-5.0%	19.3%	$7,337	$9,944	$10,764	8.2%	46.7%
KENTUCKY	$7,433	$7,714	$7,549	-2.1%	1.6%	$9,691	$11,053	$11,622	5.2%	19.9%
LOUISIANA	$4,450	$5,253	$5,069	-3.5%	13.9%	$7,706	$7,752	$7,342	-5.3%	-4.7%
MAINE	$8,905	$9,111	$8,055	-11.6%	-9.6%	$8,776	$10,259	$9,759	-4.9%	11.2%
MARYLAND	$9,233	$11,623	$10,840	-6.7%	17.4%	$9,728	$14,976	$14,944	-0.2%	53.6%
MASSACHUSETTS	$8,056	$13,847	$12,570	-9.2%	56.0%	$10,070	$14,841	$15,284	3.0%	51.8%
MICHIGAN	$11,820	$16,619	$14,501	-12.7%	22.7%	$7,866	$8,736	$9,022	3.3%	14.7%
MINNESOTA	$8,080	$10,346	$9,568	-7.5%	18.4%	$9,718	$11,499	$11,171	-2.9%	14.9%
MISSISSIPPI	$7,090	$8,455	$8,498	0.5%	19.9%	$7,986	$9,874	$8,884	-10.0%	11.2%
MISSOURI	$8,164	$13,796	$13,630	-1.2%	67.0%	$8,966	$9,021	$9,250	2.5%	3.2%
MONTANA	$6,651	$6,950	$6,726	-3.2%	1.1%	$7,543	$8,177	$8,233	0.7%	9.2%
NEBRASKA	$13,701	$15,371	$15,198	-1.1%	10.9%	$11,582	$12,649	$12,884	1.9%	11.2%
NEVADA	$7,367	$8,786	$8,649	-1.6%	17.4%	$10,933	$11,294	$11,396	0.9%	4.2%
NEW HAMPSHIRE	$5,478	$8,486	$8,345	-1.7%	52.3%	$2,766	$3,678	$3,524	-4.2%	27.4%
NEW JERSEY	$4,974	$5,956	$5,644	-5.2%	13.5%	$9,175	$12,051	$11,568	-4.0%	26.1%
NEW MEXICO	$13,115	$20,841	$19,954	-4.3%	52.1%	$19,869	$21,648	$21,043	-2.8%	5.9%
NEW YORK	$10,728	$12,308	$11,747	-4.6%	9.5%	$16,104	$17,351	$17,699	2.0%	9.9%
NORTH CAROLINA	$9,813	$9,860	$7,836	-20.5%	-20.1%	$15,093	$16,523	$16,123	-2.4%	6.8%
NORTH DAKOTA	$8,744	$8,917	$8,111	-9.0%	-7.2%	$9,013	$9,848	$9,248	-6.1%	2.6%
OHIO	$9,345	$9,317	$9,564	2.7%	2.3%	$7,371	$7,957	$7,928	-0.4%	7.6%
OKLAHOMA	$7,210	$9,271	$8,829	-4.8%	22.4%	$8,301	$9,137	$8,654	-5.3%	4.3%
OREGON	$8,648	$12,666	$11,591	-8.5%	34.0%	$5,565	$6,424	$6,531	1.7%	17.4%
PENNSYLVANIA	$6,600	$8,488	$8,532	0.5%	29.3%	$6,059	$6,869	$6,833	-0.5%	12.8%
RHODE ISLAND	$6,487	$8,188	$8,069	-1.4%	24.4%	$6,000	$7,478	$7,266	-2.8%	21.1%
SOUTH CAROLINA	$8,332	$9,130	$9,006	-1.4%	8.1%	$6,847	$9,503	$10,438	9.8%	52.4%
SOUTH DAKOTA	$5,863	$6,843	$7,060	3.2%	20.4%	$7,289	$9,220	$9,021	-2.2%	23.8%
TENNESSEE	$10,829	$15,297	$14,971	-2.1%	38.2%	$12,446	$13,759	$13,799	0.3%	10.9%
TEXAS	$10,119	$12,082	$11,683	-3.3%	15.5%	$8,578	$7,747	$7,288	-5.9%	-15.0%
UTAH	$11,138	$14,345	$14,123	-1.5%	26.8%	$9,592	$13,005	$11,813	-9.2%	23.2%
VERMONT	$3,222	$7,582	$8,392	10.7%	160.5%	$3,331	$4,973	$4,788	-3.7%	43.7%
VIRGINIA	$5,895	$8,187	$8,639	5.5%	46.6%	$7,821	$10,708	$12,568	17.4%	60.7%
WASHINGTON	$7,928	$11,963	$12,883	7.7%	62.5%	$9,909	$13,683	$14,811	8.2%	49.5%
WEST VIRGINIA	$8,463	$10,205	$10,260	0.5%	21.2%	$6,307	$7,126	$8,071	13.3%	28.0%
WISCONSIN	$14,346	$14,992	$14,099	-6.0%	-1.7%	$6,683	$7,275	$7,158	-1.6%	7.1%
WYOMING	$20,171	$14,843	$12,344	-16.8%	-38.8%	$22,582	$26,898	$25,037	-6.9%	10.9%
U.S.	**$9,681**	**$11,294**	**$11,096**	**-1.8%**	**14.6%**	**$9,866**	**$11,220**	**$11,151**	**-0.6%**	**13.0%**
D.C.	$-	$-	$-	N/A	N/A	$21,757	$21,545	$20,844	-3.3%	-4.2%

NOTES:

1. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Sector-level education appropriations include any portion of federal stimulus funding allocated specifically to each sector but exclude state agency funding.
2. The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
3. The year 2019 is included in this table because it is the starting point of the sector-level SHEF dataset.
4. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.edu). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
5. Each year, approximately one-third of education appropriations in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.
6. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time. The Enrollment Mix Index (EMI) is not applied to sector-level data.

SOURCE: State Higher Education Executive Officers Association

TABLE 3.2B

COMPONENTS OF PUBLIC HIGHER EDUCATION APPROPRIATIONS PER FTE BY SECTOR AND STATE, FY 2025 (ADJUSTED)

	TWO-YEAR PUBLIC INSTITUTIONS					FOUR-YEAR PUBLIC INSTITUTIONS					
	STATE OPERATING	STATE FINANCIAL AID	LOCAL	EDUC. APPROPS.	STATE AND LOCAL	STATE OPERATING	STATE FINANCIAL AID	LOCAL	EDUC. APPROPS.	RAM	STATE AND LOCAL
ALABAMA	$11,300	$116	$53	$11,468	$11,468	$10,784	$381	$-	$11,166	$3,201	$14,394
ALASKA	$-	$-	$-	$-	$-	$20,050	$1,165	$51	$21,265	$1,482	$22,748
ARIZONA	$1,302	$6	$10,832	$12,140	$12,140	$3,323	$373	$-	$3,726	$1,006	$4,732
ARKANSAS	$7,752	$735	$1,718	$10,204	$10,204	$7,361	$1,519	$-	$8,880	$3,386	$12,279
CALIFORNIA	$7,348	$618	$3,742	$11,709	$11,709	$9,100	$2,008	$-	$11,108	$1,684	$12,793
COLORADO	$5,706	$1,327	$3,297	$10,329	$10,329	$5,508	$1,346	$-	$6,855	$1,589	$8,443
CONNECTICUT	$11,990	$1,100	$-	$15,773	$15,773	$10,972	$437	$-	$14,265	$4,850	$19,115
DELAWARE	$11,653	$103	$-	$11,757	$11,757	$5,777	$728	$-	$6,505	$345	$6,849
FLORIDA	$5,921	$505	$140	$6,565	$6,565	$14,500	$2,500	$-	$17,000	$1,977	$18,977
GEORGIA	$7,607	$1,079	$-	$8,686	$8,686	$9,836	$3,198	$-	$13,034	$1,918	$14,952
HAWAII	$13,641	$346	$-	$13,987	$13,987	$14,727	$87	$-	$14,818	$4,940	$19,758
IDAHO	$4,036	$123	$2,369	$6,529	$6,529	$9,835	$454	$-	$10,290	$1,791	$12,081
ILLINOIS	$9,589	$860	$8,524	$18,974	$18,974	$25,861	$2,224	$-	$28,085	$1,259	$29,345
INDIANA	$4,800	$674	$-	$5,474	$5,474	$5,815	$1,442	$-	$7,256	$1,695	$8,952
IOWA	$5,341	$663	$993	$6,998	$6,998	$7,467	$257	$-	$7,725	$2,087	$9,840
KANSAS	$5,373	$313	$6,941	$12,626	$12,626	$9,535	$741	$479	$10,764	$4,033	$14,889
KENTUCKY	$5,173	$2,357	$-	$7,549	$7,549	$8,617	$2,523	$473	$11,622	$1,624	$13,246
LOUISIANA	$4,203	$866	$-	$5,069	$5,069	$4,786	$2,555	$-	$7,342	$3,297	$10,660
MAINE	$6,461	$1,594	$-	$8,055	$8,055	$8,694	$631	$-	$9,759	$1,424	$11,183
MARYLAND	$5,426	$178	$5,236	$10,840	$10,840	$14,305	$639	$-	$14,944	$2,409	$17,353
MASSACHUSETTS	$9,950	$2,620	$-	$12,570	$12,570	$13,825	$1,459	$-	$15,284	$683	$15,967
MICHIGAN	$4,969	$1,634	$7,897	$14,501	$14,501	$7,860	$1,163	$-	$9,022	$970	$9,992
MINNESOTA	$8,430	$1,138	$-	$9,568	$9,568	$9,352	$1,818	$-	$11,171	$2,248	$13,419
MISSISSIPPI	$6,514	$155	$1,828	$8,498	$8,498	$8,258	$626	$-	$8,884	$5,675	$14,559
MISSOURI	$5,691	$1,732	$6,208	$13,630	$13,630	$8,427	$823	$-	$9,250	$2,589	$11,838
MONTANA	$5,151	$41	$1,534	$6,726	$6,726	$8,185	$48	$-	$8,233	$1,789	$10,022
NEBRASKA	$14,797	$401	$-	$15,198	$15,198	$12,202	$682	$-	$12,884	$4,710	$17,594
NEVADA	$8,115	$534	$-	$8,649	$8,649	$9,029	$2,355	$12	$11,396	$2,548	$13,944
NEW HAMPSHIRE	$7,602	$602	$-	$8,345	$8,345	$3,160	$326	$-	$3,524	$549	$4,073
NEW JERSEY	$2,242	$818	$2,585	$5,644	$5,644	$9,111	$2,457	$-	$11,568	$1,824	$13,392
NEW MEXICO	$8,251	$1,128	$10,576	$19,954	$19,954	$14,790	$5,500	$753	$21,043	$5,690	$26,763
NEW YORK	$4,223	$880	$6,644	$11,747	$11,747	$16,056	$1,477	$166	$17,699	$1,264	$18,963
NORTH CAROLINA	$6,123	$113	$1,505	$7,836	$7,836	$15,222	$901	$-	$16,123	$3,270	$19,393
NORTH DAKOTA	$7,395	$716	$-	$8,111	$8,111	$8,674	$575	$-	$9,248	$3,879	$13,127
OHIO	$6,437	$107	$3,020	$9,564	$9,564	$7,019	$909	$-	$7,928	$1,079	$9,007
OKLAHOMA	$5,763	$1,003	$2,063	$8,829	$8,829	$7,098	$1,556	$-	$8,654	$2,017	$10,671
OREGON	$6,084	$1,308	$4,198	$11,591	$11,591	$5,349	$1,182	$-	$6,531	$1,859	$8,390
PENNSYLVANIA	$5,180	$521	$2,831	$8,532	$8,532	$5,725	$1,108	$-	$6,833	$432	$7,265
RHODE ISLAND	$6,749	$1,115	$-	$8,069	$8,069	$6,953	$313	$-	$7,266	$-	$7,266
SOUTH CAROLINA	$4,465	$2,665	$1,876	$9,006	$9,006	$8,233	$2,166	$40	$10,438	$2,219	$12,660
SOUTH DAKOTA	$7,021	$40	$-	$7,060	$7,060	$8,772	$249	$-	$9,021	$2,244	$11,265
TENNESSEE	$10,645	$4,325	$-	$14,971	$14,971	$11,451	$2,348	$-	$13,799	$4,535	$18,334
TEXAS	$3,702	$125	$7,856	$11,683	$11,683	$6,207	$1,081	$-	$7,288	$4,910	$12,218
UTAH	$14,004	$119	$-	$14,123	$14,123	$11,578	$236	$-	$11,813	$1,209	$13,022
VERMONT	$6,021	$2,371	$-	$8,392	$8,392	$4,283	$397	$-	$4,788	$1,079	$5,905
VIRGINIA	$6,614	$1,961	$64	$8,639	$8,639	$9,915	$2,582	$70	$12,568	$2,007	$14,666
WASHINGTON	$11,235	$1,648	$-	$12,883	$12,883	$12,072	$2,739	$-	$14,811	$791	$15,603
WEST VIRGINIA	$7,425	$2,835	$-	$10,260	$10,260	$5,441	$2,630	$-	$8,071	$3,811	$11,882
WISCONSIN	$9,187	$468	$4,444	$14,099	$14,099	$6,240	$734	$-	$7,158	$1,701	$8,860
WYOMING	$9,086	$154	$3,105	$12,344	$12,344	$21,804	$3,008	$-	$25,037	$6,178	$31,215
U.S.	**$6,672**	**$780**	**$3,620**	**$11,096**	**$11,096**	**$9,552**	**$1,535**	**$27**	**$11,151**	**$2,191**	**$13,349**
D.C.	$-	$-	$-	$-	$-	$20,160	$684	$-	$20,844	$959	$21,803

NOTES:

1. State public operating appropriations are a measure of state support directly allocated to public two- and four-year institutions. State public operating excludes local appropriations, agency funding, RAM, and student financial aid.
2. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, it includes aid for both tuition costs and living expenses.
3. Local appropriations are any local government taxes allocated directly to institutions for operating expenses.
4. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Sector-level education appropriations include any portion of federal stimulus funding allocated specifically to each sector but exclude state agency funding.
5. RAM refers to the total appropriations intended for the direct operations of research, agriculture, public health care services, and medical schools.
6. Total state and local support is the sum of federal stimulus funds, state and local tax appropriations, non-tax support, non-appropriated support, state-funded endowment earnings, and other state funds, net of any funds not available for use. RAM is included in four-year state and local support. Sector-level state and local support includes any portion of federal stimulus funding allocated specifically to each sector.
7. The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
8. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.edu). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
9. Each year, approximately one-third of education appropriations in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.
10. In California, state funds used for nontuition financial aid are classified as uncategorizable state support, which is not included in sector-level state and local support, sector-level education appropriations, nor sector-level financial aid.
11. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time. The Enrollment Mix Index (EMI) is not applied to sector-level data.

SOURCE: State Higher Education Executive Officers Association

STATE SPOTLIGHT: NEBRASKA

LOCAL APPROPRIATIONS PER FTE

In fiscal year 2025, Nebraska changed the way community colleges in the state receive public funding for operations. Historically, community colleges levied local property taxes and received state aid to support operations at two-year institutions. In FY24, two-year institutions received $224.0 million in local property tax support for operations, or $9,675 per FTE. This accounted for almost 65% of all public higher education appropriations for two-year institutions in the state. State operating support for two-year institutions in FY24 was $4,985 per FTE, or roughly one-third of total education appropriations.

In 2023, the Nebraska unicameral legislature passed Legislative Bill 243, which phased in elimination of the community college property tax for operations as part of a broader shift to lower local property taxes. To replace the local taxes, the Nebraska legislature created the Community College Future Fund. Beginning in FY25, local tax appropriations for operations at two-year institutions in Nebraska dropped to $0, while state support from the Community College Future Fund and state operating aid increased to $367.4 million, or $14,797 per FTE. State operating support now accounts for over 97% of all public higher education appropriations for two-year institutions in Nebraska.

While the state intends to maintain the Community College Future Fund through transfers from the state's General Fund and grow it based on a formula that applies the greater of 3.5% annual increases or program-weighted enrollment growth, LB243 also permits the community colleges to again levy local property taxes for operations, limited to the amount equal to lost funding, if state aid is reduced from the previous or base year or the calculated amount due from the Community College Future Fund is not provided to them.

STATE PUBLIC FINANCIAL AID

State public financial aid is the part of education appropriations allocated to financial aid for students attending public institutions, excluding loans. While we present financial aid on a per-FTE basis along with all other metrics in the SHEF report, it is important to note that financial aid is not awarded to all students, and changes in aid per FTE could be due to rising award amounts or an increase in the number of students receiving an award.

Financial aid has increased steadily despite economic recessions that negatively impacted the rest of education appropriations. The SHEF data collection on financial aid goes back to 2001. From that year forward, financial aid per FTE has increased in all but three years. Visit the SHEF website to view the interactive financial aid map. This map shows state public financial aid per FTE across the nation.

State public financial aid per FTE increased 5.1% from 2024 to 2025 and reached an all-time high of $1,271 per FTE. Because financial aid per FTE has a low base, percentage increases represent smaller dollar-amount increases than similar figures in the other revenue metrics. The 5.1% increase in the last year corresponded to an additional $61 per FTE in financial aid.

1. STATE COMPARISONS

States vary considerably in the size and extent of their financial aid programs (*Figure 3.3*). In 2025, all states and Washington, D.C., had at least one public financial aid program. Public state financial aid ranged from $44 per FTE in Montana to $3,662 per FTE in New Mexico.

Since 2001, per-student aid has increased in 47 states. Despite the longstanding increases in financial aid nationally, per-student aid decreased in 24 states, from 2024 to 2025 (*Table 3.3*). The largest percentage decrease was in Maine (21.0%), with a decrease of $249 per FTE. The smallest decrease in financial aid was in Tennessee (0.4%), with a decrease of $12 per FTE.

Financial aid per FTE increased in 26 states and Washington, D.C., from 2024 to 2025. Increases ranged from 0.4% (or $5 per FTE) in New York to 195.5% (or $399 per FTE) in Connecticut.

STATE SPOTLIGHT: MICHIGAN

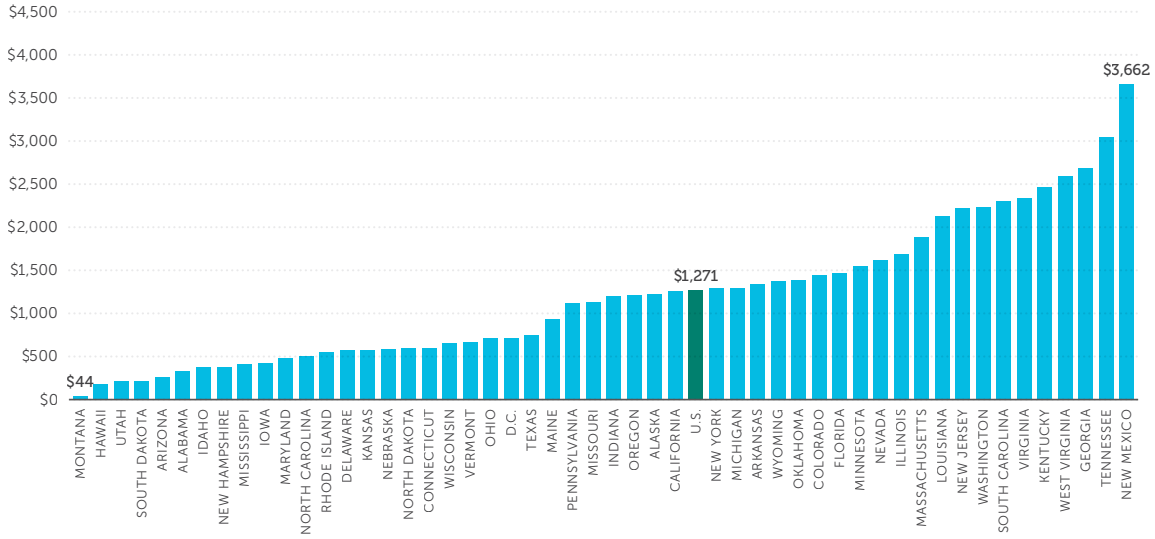
STATE PUBLIC FINANCIAL AID PER FTE

In fiscal year (FY) 2025, state financial aid to students attending public institutions in Michigan increased 118.9% to reach $1,298 per FTE. Financial aid increases in Michigan in recent years have primarily benefited students attending community colleges due to the Futures for Frontliners and Michigan Reconnect programs. After a few years of growth in these programs, nearly 92% of total state public financial aid was allocated to the two-year sector in FY 2023. This most recent increase in state public financial aid from 2024 to 2025 can be attributed to the creation of the Michigan Achievement Scholarship (MAS), Michigan's new flagship scholarship program, which benefited students attending both two- and four-year public institutions. After the implementation of this scholarship in 2024, per-student state financial aid to public four-year institutions increased 4,071% from 2023 to 2025 and 157.0% from 2024 to 2025. Students in the two-year sector also saw increases of 130.1% since 2023 and 74.4% since 2024.

The Michigan Achievement Scholarship, created in 2023 and funded through Michigan's Postsecondary Scholarship Fund, is the state's flagship financial aid program supporting students at community colleges, public universities, private nonprofit institutions, and programs leading to industry-recognized skill certificates. The program promotes full-time enrollment within one year of high school graduation and served approximately 64,000 students in FY2025, with participation expected to reach about 128,000 students annually once fully implemented in FY2028. Through the Community College Guarantee, all recent high school graduates who enroll full time at their local community college qualify for in-district tuition coverage, with Pell Grant recipients receiving an additional $1,000 to help cover living expenses. At four-year institutions, the scholarship provides up to $5,500 annually, with approximately two-thirds of incoming full-time recent high school graduates qualifying. To implement the program, the state deposited $250 million into the Postsecondary Scholarship Fund in 2023 and has continued building the reserve with additional appropriations of $300 million in FY2024, $330 million in FY2025, and $380 million in FY2026. Once fully implemented in 2028, MAS is expected to provide more than $600 million annually in state financial aid.

FIGURE 3.3

PUBLIC HIGHER EDUCATION STATE FINANCIAL AID PER FTE BY STATE, FY 2025 (ADJUSTED)



NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, it includes aid for both tuition costs and living expenses. In several states, financial aid may include unawarded funds that were reverted back to the state.
2. The U.S. calculation does not include the District of Columbia.
3. Fiscal year 2025 total state financial aid includes estimated public financial aid for Nevada and Pennsylvania.
4. In California, state funds used for nontuition financial aid are classified as uncategorizable state support. Therefore, they are not included in state financial aid.
5. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Enrollment Mix Index (EMI). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

TABLE 3.3

PUBLIC HIGHER EDUCATION STATE FINANCIAL AID PER FTE BY STATE, FY 2001-2025 (CONSTANT ADJUSTED DOLLARS)

	2001	2015	2020	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2020	% CHANGE SINCE 2015	% CHANGE SINCE 2001
ALABAMA	$184	$462	$463	$318	$334	4.9%	-27.9%	-27.8%	81.1%
ALASKA	$-	$838	$907	$781	$1,225	56.9%	35.0%	46.1%	N/A
ARIZONA	$35	$55	$105	$298	$262	-12.0%	149.9%	377.9%	654.2%
ARKANSAS	$769	$1,614	$1,326	$1,149	$1,344	16.9%	1.3%	-16.7%	74.7%
CALIFORNIA	$442	$1,358	$958	$1,213	$1,261	3.9%	31.5%	-7.2%	185.2%
COLORADO	$819	$998	$1,242	$1,416	$1,447	2.2%	16.5%	45.0%	76.7%
CONNECTICUT	$556	$342	$339	$204	$603	195.5%	77.8%	76.4%	8.4%
DELAWARE	$570	$473	$490	$531	$573	8.0%	16.9%	21.2%	0.6%
FLORIDA	$987	$835	$1,697	$1,571	$1,466	-6.7%	-13.6%	75.7%	48.5%
GEORGIA	$2,197	$2,293	$2,714	$2,771	$2,683	-3.2%	-1.2%	17.0%	22.1%
HAWAII	$12	$84	$133	$186	$177	-5.0%	33.4%	110.4%	1405.8%
IDAHO	$121	$163	$465	$395	$373	-5.7%	-19.9%	128.9%	207.2%
ILLINOIS	$1,245	$791	$1,121	$1,713	$1,685	-1.7%	50.3%	112.9%	35.3%
INDIANA	$724	$1,319	$1,399	$1,185	$1,203	1.5%	-14.0%	-8.8%	66.2%
IOWA	$64	$150	$253	$425	$420	-1.2%	65.8%	180.2%	558.8%
KANSAS	$139	$134	$150	$646	$573	-11.3%	283.1%	326.6%	311.8%
KENTUCKY	$374	$1,439	$1,888	$2,298	$2,463	7.2%	30.5%	71.1%	559.0%
LOUISIANA	$995	$2,239	$2,457	$2,009	$2,127	5.9%	-13.4%	-5.0%	113.8%
MAINE	$477	$475	$556	$1,187	$938	-21.0%	68.6%	97.5%	96.7%
MARYLAND	$429	$392	$405	$458	$482	5.2%	19.1%	22.9%	12.4%
MASSACHUSETTS	$700	$390	$453	$1,617	$1,881	16.3%	314.9%	382.2%	168.7%
MICHIGAN	$852	$23	$19	$593	$1,298	118.9%	6594.5%	5531.8%	52.4%
MINNESOTA	$852	$835	$935	$1,056	$1,549	46.6%	65.7%	85.6%	81.8%
MISSISSIPPI	$640	$416	$443	$471	$412	-12.6%	-7.0%	-1.0%	-35.6%
MISSOURI	$354	$760	$913	$1,150	$1,127	-2.0%	23.4%	48.2%	218.2%
MONTANA	$162	$221	$78	$46	$44	-4.3%	-44.1%	-80.2%	-73.1%
NEBRASKA	$64	$224	$318	$614	$585	-4.7%	84.0%	160.9%	820.2%
NEVADA	$1,112	$1,262	$1,491	$1,740	$1,622	-6.8%	8.7%	28.5%	45.8%
NEW HAMPSHIRE	$44	$8	$131	$240	$379	57.9%	188.8%	4751.8%	771.4%
NEW JERSEY	$1,050	$1,193	$1,500	$1,917	$2,219	15.7%	48.0%	85.9%	111.3%
NEW MEXICO	$1,061	$1,296	$1,440	$3,935	$3,662	-6.9%	154.4%	182.5%	245.1%
NEW YORK	$1,187	$1,474	$1,628	$1,284	$1,289	0.4%	-20.8%	-12.6%	8.6%
NORTH CAROLINA	$359	$551	$483	$569	$502	-11.8%	4.0%	-8.8%	40.1%
NORTH DAKOTA	$58	$476	$624	$629	$597	-5.0%	-4.3%	25.4%	927.8%
OHIO	$369	$275	$371	$568	$716	26.1%	92.8%	160.0%	94.2%
OKLAHOMA	$418	$1,084	$1,095	$1,100	$1,383	25.7%	26.2%	27.5%	230.6%
OREGON	$233	$401	$702	$1,261	$1,214	-3.8%	72.8%	203.0%	421.9%
PENNSYLVANIA	$1,023	$827	$690	$764	$1,114	45.8%	61.4%	34.8%	8.9%
RHODE ISLAND	$199	$161	$486	$536	$546	1.9%	12.4%	238.8%	174.5%
SOUTH CAROLINA	$610	$1,974	$2,760	$2,612	$2,308	-11.6%	-16.4%	16.9%	278.1%
SOUTH DAKOTA	$9	$226	$266	$234	$219	-6.3%	-17.8%	-3.3%	2474.1%
TENNESSEE	$348	$2,338	$3,267	$3,061	$3,049	-0.4%	-6.7%	30.4%	776.8%
TEXAS	$24	$387	$771	$811	$752	-7.3%	-2.6%	94.1%	3016.8%
UTAH	$104	$177	$282	$242	$209	-13.8%	-25.9%	18.3%	101.4%
VERMONT	$581	$512	$511	$648	$670	3.4%	31.2%	31.0%	15.4%
VIRGINIA	$603	$762	$1,100	$2,020	$2,341	15.9%	112.8%	207.0%	288.4%
WASHINGTON	$792	$1,501	$1,673	$2,024	$2,238	10.6%	33.8%	49.1%	182.4%
WEST VIRGINIA	$498	$1,633	$1,646	$1,721	$2,598	50.9%	57.8%	59.1%	421.6%
WISCONSIN	$498	$754	$718	$622	$650	4.5%	-9.5%	-13.8%	30.4%
WYOMING	$1,189	$1,587	$1,627	$1,592	$1,377	-13.5%	-15.4%	-13.2%	15.8%
U.S.	**$616**	**$927**	**$1,043**	**$1,210**	**$1,271**	**5.1%**	**21.9%**	**37.0%**	**106.2%**
D.C.	N/A	$1,383	$1,192	$691	$716	3.8%	-39.9%	-48.2%	N/A

NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, it includes aid for both tuition costs and living expenses. In several states, financial aid may include unawarded funds that were reverted back to the state.
2. Financial aid data are not available prior to 2001. Over time, states have shifted from reporting appropriated student financial aid to reporting actual/awarded student financial aid. Any such updates are made to all historical data for each state.
3. The U.S. calculation does not include the District of Columbia. Data for the District of Columbia are not available prior to 2011.
4. Fiscal year 2025 total state financial aid includes estimated public financial aid for Nevada and Pennsylvania.
5. In fiscal year 2024, Michigan launched the Michigan Achievement Scholarship, which will give out over $600 million in state financial aid once fully implemented in fiscal year 2028. Michigan has been ramping up ongoing spending to support the fully implemented costs by depositing additional funds into the Post-Secondary Scholarship reserve fund. See the Michigan State Spotlight for more details.
6. In California, state funds used for nontuition financial aid are estimated and classified as uncategorizable state support. Therefore, they are not included in state financial aid.
7. Texas developed a new methodology to capture state funding to institutions of higher education and updated FTE enrollment starting in 2017. Years prior to 2017 do not reflect this new methodology, which may affect some year-to-year comparisons.
8. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI), Enrollment Mix Index (EMI), and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR COMPARISONS

Table 3.3A presents state financial aid allocated to FTE students in the public two-year and four-year sectors, separately. In some cases, states were not able to identify the sector for some of their financial aid dollars. In those cases, the funds were listed as "uncategorizable" and are excluded from this section.[24]

At two-year institutions, state public financial aid per FTE increased 3.7% from 2024 to 2025 (a $28 increase per FTE), reaching $780 per FTE. Aid ranged from $6 per FTE in Arizona to $4,325 in Tennessee. Montana and South Dakota were the only other states to provide less than $100 per FTE student, while Kentucky, Massachusetts, South Carolina, Vermont, and West Virginia were the only other states to provide more than $2,000 per FTE.

Financial aid to two-year institutions increased in 22 states from 2024 to 2025. The largest increase was in Connecticut (173.5%, or $698 per FTE), while the smallest was in Kentucky (3.3%, or $74 per FTE). Of the 27 states with declines, decreases ranged from 0.2% (or $1 per FTE) in Indiana to 38.3% (or $74 per FTE) in Utah.

At four-year institutions, state public financial aid increased 5.3%, or $78 per FTE, between 2024 and 2025, totaling $1,535 per FTE. Aid ranged from $48 per FTE in Montana to $5,500 per FTE in New Mexico. New Mexico provided 1.7 times the amount of four-year financial aid per FTE than Georgia, which had the second largest amount at $3,198 per FTE.

From 2024 to 2025, four-year aid allocations increased in 25 states and Washington, D.C. The other 25 had decreases in per-FTE financial aid ranging from 0.3% (or $3 per FTE) in Missouri to 29.1% (or $163 per FTE) in Vermont.

24. Overall, 2.1% of state public financial aid was uncategorizable. Thirty-eight states and Washington, D.C., were able to classify all state public financial aid by sector and listed no uncategorizable aid. In four states, more than 10% of aid could not be classified by sector: Alabama (11.2%), New Jersey (14.0%), Pennsylvania (14.3%), and Texas (12.3%). Additionally, in California, state funds for nontuition financial aid are classified as uncategorizable state support. Therefore, they are not included in sector-level data.

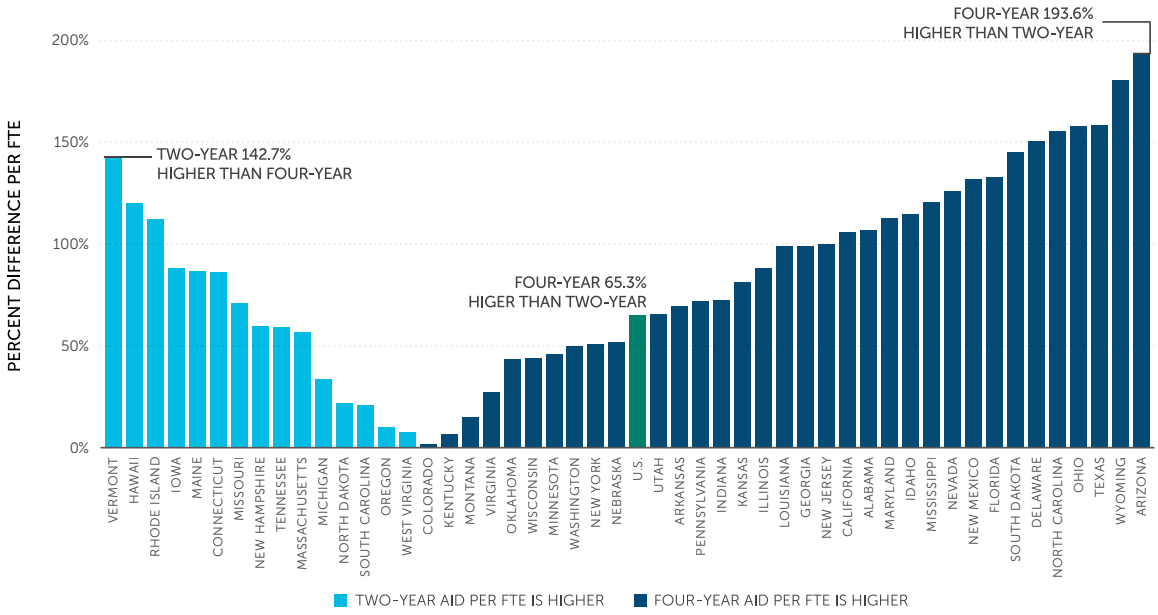
MEASUREMENT NOTE: FINANCIAL AID REPORTING

Starting with fiscal year (FY) 2019, the SHEF data collection asked states to provide state financial aid by sector. For many statewide programs, there is not a separate financial aid appropriation for two-year and four-year public institutions, and actual allocations must be reported to obtain accurate sector-level data. As a result, many states switched from reporting financial aid appropriations to reporting actual allocations by sector. A handful of states, including those with multiple sector-level data providers, have always provided financial aid allocations. This reporting change is noteworthy because financial aid awards depend on the number of students who qualify and apply for each aid program, and appropriations rarely match allocations. In all cases, prior year data were corrected to match the new reporting methodology, or unallocated funds were listed as "uncategorizable public aid" to ensure continuity in state support definitions over time. Nevertheless, this reporting change marks a departure from the historical practice of SHEF reporting state appropriations for financial aid.

Figure 3.3A displays the disparity in state financial aid between the two- and four-year public sectors within each state. States on the left side of the figure (the **light blue** bars) have higher per-FTE financial aid in the two-year sector, while states on the right side of the figure (the **dark blue** bars) have relatively higher per-FTE financial aid in the four-year sector. While most states have greater per-FTE financial aid in the four-year sector (65.3% higher, nationally), the four-year sector also has much higher tuition rates. Arizona had the largest disparity in financial aid favoring its four-year sector (193.6% higher in the four-year than two-year sector), while Vermont had the largest disparity favoring its two-year sector (142.7% higher in the two-year than four-year sector).

FIGURE 3.3A

PERCENT DIFFERENCE IN TWO-YEAR AND FOUR-YEAR PUBLIC HIGHER EDUCATION STATE FINANCIAL AID PER FTE BY STATE, FY 2025



NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, it includes aid for both tuition costs and living expenses. Sector-level state public financial aid excludes any financial aid that could not be categorized by sector. Differences in aid amounts across sector capture variation in the proportion of students receiving an award as well as differences in average award size.
2. Alaska and the District of Columbia are excluded from this figure because they do not have any public two-year institutions.
3. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.edu). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
4. Fiscal year 2025 sector-level state financial aid includes estimated public financial aid for Nevada and Pennsylvania.
5. In California, state funds used for nontuition financial aid are classified as uncategorizable state support. Therefore, they are not included in sector-level financial aid.

SOURCE: State Higher Education Executive Officers Association

TABLE 3.3A

PUBLIC HIGHER EDUCATION STATE FINANCIAL AID PER FTE BY SECTOR AND STATE, FY 2019-2025 (CONSTANT ADJUSTED DOLLARS)

	TWO-YEAR FINANCIAL AID					FOUR-YEAR FINANCIAL AID				
	2019	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2019	2019	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2019
ALABAMA	$196	$125	$116	-7.8%	-41.1%	$615	$315	$381	20.9%	-38.0%
ALASKA	$-	$-	$-	N/A	N/A	$847	$744	$1,165	56.5%	37.5%
ARIZONA	$7	$6	$6	-1.9%	-15.1%	$73	$445	$373	-16.1%	411.1%
ARKANSAS	$345	$538	$735	36.6%	112.9%	$1,600	$1,270	$1,519	19.6%	-5.0%
CALIFORNIA	$795	$656	$618	-5.9%	-22.3%	$1,078	$1,847	$2,008	8.7%	86.3%
COLORADO	$1,108	$1,246	$1,327	6.5%	19.7%	$978	$1,254	$1,346	7.4%	37.6%
CONNECTICUT	$376	$402	$1,100	173.5%	192.8%	$330	$136	$437	222.5%	32.3%
DELAWARE	$119	$113	$103	-8.7%	-13.1%	$622	$660	$728	10.2%	17.1%
FLORIDA	$575	$566	$505	-10.9%	-12.3%	$2,762	$2,609	$2,500	-4.2%	-9.5%
GEORGIA	$980	$1,091	$1,079	-1.0%	10.1%	$3,151	$3,298	$3,198	-3.0%	1.5%
HAWAII	$169	$361	$346	-4.1%	104.2%	$113	$94	$87	-7.9%	-23.5%
IDAHO	$266	$165	$123	-25.3%	-53.7%	$445	$463	$454	-1.8%	2.0%
ILLINOIS	$392	$892	$860	-3.6%	119.3%	$1,473	$2,248	$2,224	-1.1%	51.0%
INDIANA	$780	$675	$674	-0.2%	-13.7%	$1,720	$1,406	$1,442	2.6%	-16.2%
IOWA	$145	$639	$663	3.8%	357.3%	$78	$270	$257	-4.8%	229.9%
KANSAS	$25	$420	$313	-25.6%	1134.6%	$231	$788	$741	-6.0%	220.6%
KENTUCKY	$1,855	$2,282	$2,357	3.3%	27.0%	$1,690	$2,315	$2,523	9.0%	49.3%
LOUISIANA	$526	$538	$866	61.1%	64.5%	$3,169	$2,498	$2,555	2.3%	-19.4%
MAINE	$862	$2,126	$1,594	-25.0%	84.9%	$522	$735	$631	-14.2%	20.9%
MARYLAND	$93	$140	$178	27.7%	91.5%	$507	$618	$639	3.3%	26.1%
MASSACHUSETTS	$455	$1,898	$2,620	38.0%	475.6%	$428	$1,453	$1,459	0.4%	240.6%
MICHIGAN	$8	$937	$1,634	74.4%	20035.0%	$33	$452	$1,163	157.0%	3393.1%
MINNESOTA	$630	$695	$1,138	63.7%	80.7%	$1,141	$1,289	$1,818	41.1%	59.3%
MISSISSIPPI	$148	$213	$155	-27.1%	5.1%	$646	$689	$626	-9.2%	-3.1%
MISSOURI	$1,032	$1,838	$1,732	-5.8%	67.8%	$680	$825	$823	-0.3%	21.0%
MONTANA	$29	$37	$41	13.1%	42.9%	$59	$52	$48	-7.1%	-19.2%
NEBRASKA	$251	$410	$401	-2.3%	59.8%	$311	$714	$682	-4.5%	119.0%
NEVADA	$652	$575	$534	-7.1%	-18.0%	$2,157	$2,523	$2,355	-6.6%	9.2%
NEW HAMPSHIRE	$371	$418	$602	44.2%	62.5%	$45	$196	$326	66.1%	627.8%
NEW JERSEY	$757	$873	$818	-6.4%	7.9%	$1,718	$2,346	$2,457	4.7%	43.0%
NEW MEXICO	$310	$1,011	$1,128	11.5%	263.4%	$2,116	$6,012	$5,500	-8.5%	159.9%
NEW YORK	$1,309	$833	$880	5.6%	-32.8%	$1,842	$1,493	$1,477	-1.1%	-19.8%
NORTH CAROLINA	$124	$88	$113	27.4%	-9.4%	$802	$973	$901	-7.4%	12.2%
NORTH DAKOTA	$521	$731	$716	-2.1%	37.3%	$564	$613	$575	-6.3%	1.9%
OHIO	$42	$77	$107	39.2%	153.3%	$399	$632	$909	43.9%	128.1%
OKLAHOMA	$775	$1,014	$1,003	-1.1%	29.3%	$1,266	$1,145	$1,556	35.9%	22.9%
OREGON	$851	$1,430	$1,308	-8.5%	53.7%	$527	$1,187	$1,182	-0.5%	124.4%
PENNSYLVANIA	$399	$454	$521	14.8%	30.5%	$722	$872	$1,108	27.0%	53.4%
RHODE ISLAND	$969	$1,145	$1,115	-2.6%	15.1%	$214	$286	$313	9.7%	46.1%
SOUTH CAROLINA	$2,696	$2,855	$2,665	-6.7%	-1.2%	$2,632	$2,538	$2,166	-14.7%	-17.7%
SOUTH DAKOTA	$34	$50	$40	-20.4%	18.5%	$298	$264	$249	-5.6%	-16.6%
TENNESSEE	$3,527	$4,377	$4,325	-1.2%	22.6%	$2,934	$2,331	$2,348	0.7%	-20.0%
TEXAS	$149	$137	$125	-8.8%	-15.9%	$1,224	$1,148	$1,081	-5.9%	-11.7%
UTAH	$95	$194	$119	-38.3%	25.1%	$312	$260	$236	-9.4%	-24.5%
VERMONT	$1,006	$1,061	$2,371	123.5%	135.7%	$449	$560	$397	-29.1%	-11.7%
VIRGINIA	$703	$1,842	$1,961	6.5%	178.9%	$1,171	$2,155	$2,582	19.8%	120.5%
WASHINGTON	$901	$1,367	$1,648	20.5%	83.0%	$2,033	$2,690	$2,739	1.8%	34.7%
WEST VIRGINIA	$1,201	$1,944	$2,835	45.8%	136.1%	$1,776	$1,717	$2,630	53.2%	48.1%
WISCONSIN	$590	$484	$468	-3.2%	-20.6%	$805	$684	$734	7.3%	-8.8%
WYOMING	$763	$139	$154	11.2%	-79.8%	$2,441	$3,090	$3,008	-2.6%	23.2%
U.S.	**$663**	**$752**	**$780**	**3.7%**	**17.6%**	**$1,208**	**$1,458**	**$1,535**	**5.3%**	**27.1%**
D.C.	$-	$-	$-	N/A	N/A	$1,357	$659	$684	3.8%	-49.6%

NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, it includes aid for both tuition costs and living expenses. Sector-level state public financial aid excludes any financial aid that could not be categorized by sector.
2. The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
3. The year 2019 is included in this table because it is the starting point of the sector-level SHEF dataset.
4. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.edu). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
5. In California, state funds used for nontuition financial aid are classified as uncategorizable state support. Therefore, they are not included in sector-level financial aid.
6. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time. The Enrollment Mix Index (EMI) is not applied to sector-level data.

SOURCE: State Higher Education Executive Officers Association

FINANCIAL AID PERCENTAGE OF EDUCATION APPROPRIATIONS

Financial aid is one component of education appropriations. This section provides data on state public financial aid as a percentage of education appropriations (the financial aid allocation) by state and sector. The percentage of education appropriations allocated to state financial aid has increased over time. In 2001, 5.1% of education appropriations were directed toward student financial aid; by 2025, this proportion had increased to 10.5% (an increase of 5.5 percentage points).

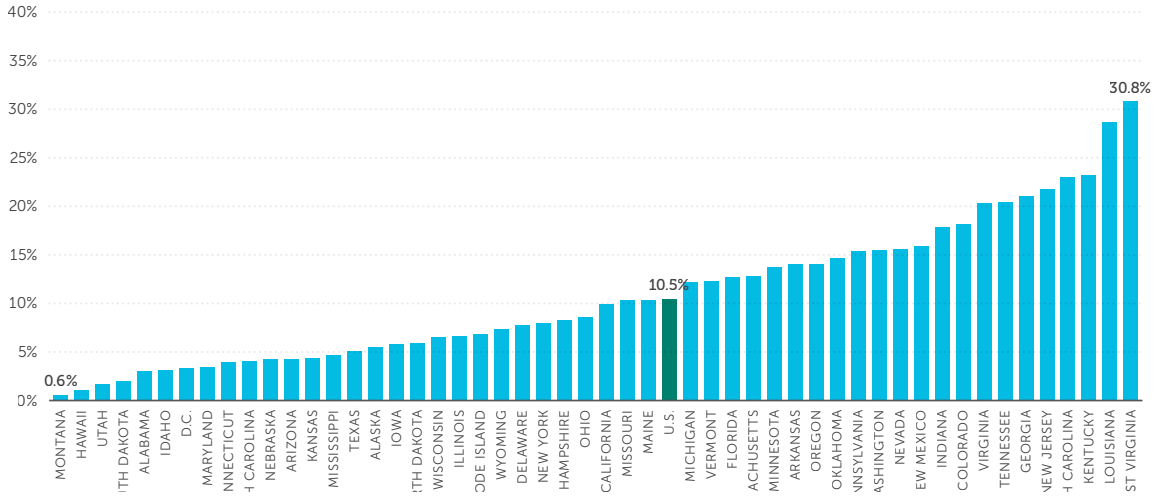
1. STATE COMPARISONS

States vary considerably in how much of their total funding is allocated to student financial aid. On the low end, Montana has a very small aid program that comprised only 0.6% of its total education appropriations. On the high end, the financial aid allocation accounted for 30.8% of West Virginia's total funding for public higher education (*Figure 3.4*).

Financial aid as a percentage of education appropriations has increased in 44 states since 2001, when financial aid data was first collected for the SHEF dataset. Of the six states with declines in the proportion of education appropriations allocated to financial aid, Maryland (0.2 percentage points) had the smallest decline, while Montana (1.8 percentage points) had the largest.

FIGURE 3.4

PUBLIC HIGHER EDUCATION STATE FINANCIAL AID AS A PERCENTAGE OF EDUCATION APPROPRIATIONS BY STATE, FY 2025



NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, it includes aid for both tuition costs and living expenses. In several states, financial aid may include unawarded funds that were reverted back to the state.
2. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Education appropriations include federal stimulus funding.
3. Fiscal year 2025 state-level education appropriations include estimated uncategorizable state support for South Carolina and South Dakota and estimated public financial aid for Nevada and Pennsylvania.
4. Each year, approximately one-third of education appropriations in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.
5. In California, state funds used for nontuition financial aid are classified as uncategorizable state support, which is included in state-level education appropriations but not included in state financial aid.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR COMPARISONS

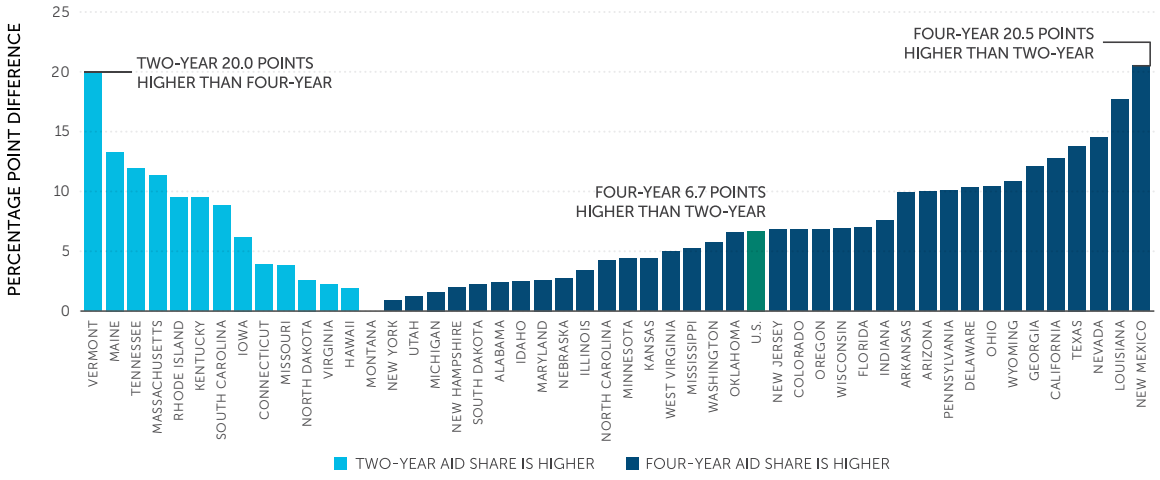
The percentage of education appropriations allocated to financial aid differs for two- and four-year institutions. In fiscal year 2025, 7.0% of funding at two-year institutions went to financial aid, compared to 13.8% of funding at four-year institutions.[25]

- The financial aid allocation at two-year institutions ranged from 0.05% in Arizona to 31.2% in Kentucky. Including Arizona, five states had a two-year financial aid allocation of less than 1%.
- At four-year institutions, Montana had the lowest financial aid allocation (0.6%), and Louisiana had the highest (34.8%). Hawai'i was the only other state that had a four-year financial aid allocation of less than 1%.

Figure 3.4A shows the difference in the financial aid allocation as a percentage of sector-level education appropriations between two- and four-year institutions. In states on the figure's left side (the **light blue** bars), the financial aid allocation as a percentage of two-year education appropriations is highest in the two-year sector. Most states are on the right side of *Figure 3.4A* (the **dark blue** bars), indicating that in a majority of states, the mix of funding for four-year institutions leans more toward student aid than at two-year institutions.

FIGURE 3.4A

DIFFERENCE IN TWO-YEAR AND FOUR-YEAR STATE FINANCIAL AID AS A PERCENTAGE OF EDUCATION APPROPRIATIONS BY STATE, FY 2025



NOTES:

1. State public financial aid is any state appropriated student financial aid for public institutions, excluding loans and aid for students attending medical schools. For many states, it includes aid for both tuition costs and living expenses. Sector-level state public financial aid excludes any financial aid that could not be categorized by sector. Differences in aid amounts across sector capture variation in the proportion of students receiving an award as well as differences in average award size.
2. Education appropriations are a measure of state and local support available for public higher education operating expenses and student financial aid, excluding appropriations for research, hospitals, and medical education. Sector-level education appropriations include any portion of federal stimulus funding allocated specifically to each sector, but exclude state agency funding.
3. Percentage point differences show the number of percentage points by which the financial aid share is higher at either two- or four-year institutions, not the percent difference between the two.
4. Alaska and the District of Columbia are excluded from this figure because they do not have any public two-year institutions.
5. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.edu). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
6. Fiscal year 2025 sector-level state financial aid includes estimated public financial aid for Nevada and Pennsylvania.
7. In California, state funds used for nontuition financial aid are classified as uncategorizable state support, which is not included in sector-level education appropriations or sector-level financial aid.
8. Each year, approximately one-third of education appropriations in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.

SOURCE: State Higher Education Executive Officers Association

25. For a breakdown of state aid as a percentage of education appropriations over time for each state and by sector, visit the web-only Tables 3.4 and 3.4A on the SHEF website at shef.sheeo.org/report/?report_page=state-funding-and-enrollment#financial-aid-share.

NET TUITION AND TOTAL EDUCATION REVENUE

This section thoroughly examines the trends and interstate differences in net tuition and fee revenue and total education revenue, including the student share. We also present sector-level breakouts for each of these metrics.

NET TUITION AND FEE REVENUE

Net tuition and fee revenue is calculated by taking the gross amount of tuition and fees net of state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees. Federal financial aid and student loans are included in net tuition and fee revenue. Visit the SHEF website to view the interactive tuition revenue map. This map shows net tuition and fee revenue per FTE across the nation.

After decades of steady tuition and fee increases, this trend has recently shifted; tuition and fee revenue has declined in four of the last five years. **Public institutions received $7,459 in net tuition revenue from in-state and out-of-state students in 2025, down 3.5% from 2024. This is the second-largest one-year decrease (after 2024) since 1980, the start of the SHEF dataset.** Collectively, net tuition and fee revenue is down 11.8% over the last five years (since 2020). Decreases in net tuition revenue are largely due to increases in state financial aid and minimal tuition rate growth (lower than the rate of inflation).

1. STATE COMPARISONS

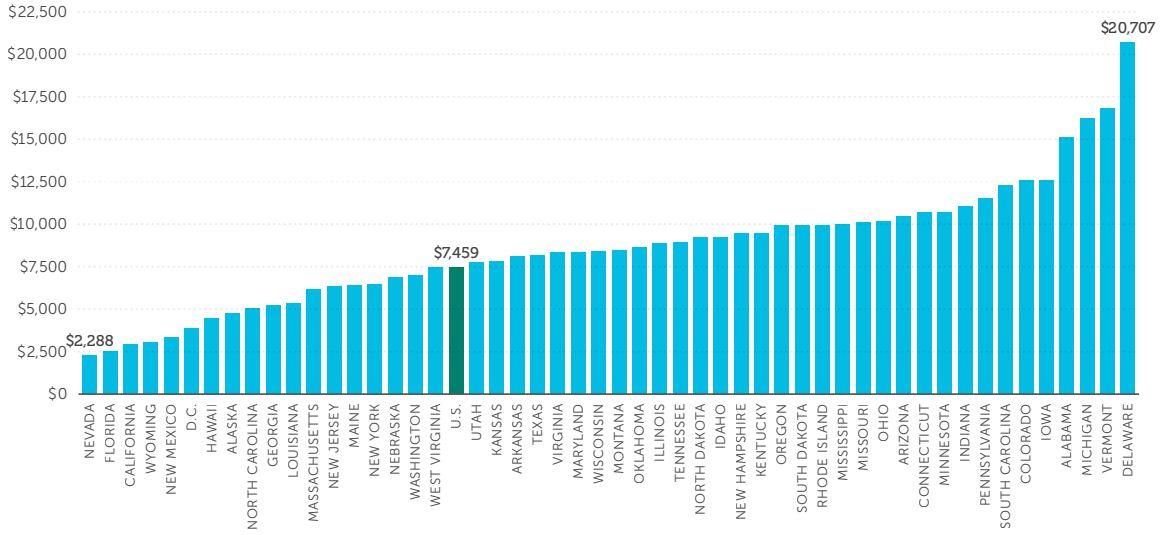
Net tuition and fee revenue per FTE ranged widely across the states due to variations in the mix of students paying different tuition rates, the level of state support and availability of state public financial aid, and whether institutions can freely raise their tuition rates (*Figure 4.1*). On the low end, net tuition and fee revenue was $2,288 per FTE in Nevada. On the high end, net tuition and fee revenue was $20,707 in Delaware.

- *Table 4.1* shows that net tuition and fee revenue per FTE declined in 37 states and Washington, D.C., between 2024 and 2025. Year-over-year declines ranged from 0.1% (or $10 per FTE) in Montana to 23.8% (or $958 per FTE) in Wyoming.
- Thirteen states had net tuition and fee revenue increases from 2024 to 2025. Of those, increases ranged from 0.1% (or $3 per FTE) in Florida to 10.1% (or $310 per FTE) in New Mexico.

Between 2020 and 2025, net tuition and fee revenue declined in 42 states and Washington, D.C. Despite these recent declines, net tuition revenue per FTE has increased in every state but one (Nevada, which has declined by 9.6%), and by more than 100% in 41 states, since 1980. The smallest increase between 1980 and 2025 was 2.1% in Wyoming; the largest increase was 378.8% in Alabama.

FIGURE 4.1

PUBLIC HIGHER EDUCATION NET TUITION REVENUE PER FTE BY STATE, FY 2025 (ADJUSTED)



NOTES:

1. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
2. The U.S. calculation does not include the District of Columbia.
3. In fiscal year 2025 net tuition and fee revenue is estimated for Alabama, Kentucky, and Pennsylvania.
4. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Enrollment Mix Index (EMI). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

TABLE 4.1

PUBLIC HIGHER EDUCATION NET TUITION REVENUE PER FTE BY STATE, FY 1980-2025 (CONSTANT ADJUSTED DOLLARS)

	1980	2001	2015	2020	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2020	% CHANGE SINCE 2015	% CHANGE SINCE 2001	% CHANGE SINCE 1980
ALABAMA	$3,155	$7,529	$15,546	$17,139	$16,078	$15,106	-6.0%	-11.9%	-2.8%	100.6%	378.8%
ALASKA	$2,839	$3,777	$5,259	$6,032	$5,167	$4,735	-8.4%	-21.5%	-10.0%	25.3%	66.8%
ARIZONA	$2,539	$4,999	$9,714	$10,398	$10,428	$10,463	0.3%	0.6%	7.7%	109.3%	312.1%
ARKANSAS	$3,490	$4,123	$7,464	$8,630	$9,057	$8,099	-10.6%	-6.2%	8.5%	96.4%	132.0%
CALIFORNIA	$808	$1,318	$3,215	$3,837	$3,033	$2,936	-3.2%	-23.5%	-8.7%	122.8%	263.6%
COLORADO	$3,797	$5,661	$11,252	$12,571	$12,600	$12,574	-0.2%	0.0%	11.8%	122.1%	231.1%
CONNECTICUT	$2,521	$6,169	$10,972	$13,573	$11,013	$10,671	-3.1%	-21.4%	-2.7%	73.0%	323.3%
DELAWARE	$5,869	$13,015	$20,679	$23,562	$20,280	$20,707	2.1%	-12.1%	0.1%	59.1%	252.8%
FLORIDA	$2,020	$3,720	$4,360	$2,889	$2,518	$2,520	0.1%	-12.8%	-42.2%	-32.3%	24.7%
GEORGIA	$2,514	$3,088	$6,647	$6,321	$5,191	$5,207	0.3%	-17.6%	-21.7%	68.6%	107.1%
HAWAII	$1,026	$2,677	$5,559	$5,347	$4,919	$4,482	-8.9%	-16.2%	-19.4%	67.5%	336.9%
IDAHO	$2,505	$4,847	$9,785	$9,615	$9,132	$9,222	1.0%	-4.1%	-5.8%	90.3%	268.2%
ILLINOIS	$2,179	$3,855	$9,652	$9,827	$9,201	$8,890	-3.4%	-9.5%	-7.9%	130.6%	307.9%
INDIANA	$4,369	$8,043	$12,459	$12,567	$11,642	$11,024	-5.3%	-12.3%	-11.5%	37.1%	152.4%
IOWA	$4,008	$7,347	$12,572	$12,423	$12,121	$12,607	4.0%	1.5%	0.3%	71.6%	214.5%
KANSAS	$3,480	$5,223	$8,720	$8,884	$8,002	$7,810	-2.4%	-12.1%	-10.4%	49.5%	124.4%
KENTUCKY	$3,247	$6,434	$11,685	$11,662	$10,171	$9,452	-7.1%	-19.0%	-19.1%	46.9%	191.1%
LOUISIANA	$2,492	$3,462	$6,526	$6,351	$5,996	$5,335	-11.0%	-16.0%	-18.2%	54.1%	114.1%
MAINE	$3,673	$6,784	$8,544	$7,959	$6,408	$6,395	-0.2%	-19.6%	-25.1%	-5.7%	74.1%
MARYLAND	$3,072	$6,812	$8,788	$9,309	$8,380	$8,355	-0.3%	-10.3%	-4.9%	22.6%	172.0%
MASSACHUSETTS	$2,812	$5,239	$6,564	$6,887	$7,043	$6,193	-12.1%	-10.1%	-5.7%	18.2%	120.2%
MICHIGAN	$5,102	$8,986	$16,788	$18,339	$17,074	$16,246	-4.9%	-11.4%	-3.2%	80.8%	218.4%
MINNESOTA	$2,860	$5,415	$11,447	$11,917	$11,034	$10,702	-3.0%	-10.2%	-6.5%	97.6%	274.3%
MISSISSIPPI	$3,625	$4,973	$8,380	$9,792	$9,939	$9,982	0.4%	1.9%	19.1%	100.7%	175.4%
MISSOURI	$3,587	$5,778	$9,444	$9,140	$9,795	$10,093	3.0%	10.4%	6.9%	74.7%	181.3%
MONTANA	$2,385	$5,273	$7,945	$8,361	$8,458	$8,448	-0.1%	1.0%	6.3%	60.2%	254.2%
NEBRASKA	$3,018	$5,117	$7,907	$8,585	$7,092	$6,895	-2.8%	-19.7%	-12.8%	34.7%	128.5%
NEVADA	$2,530	$3,261	$4,440	$3,036	$2,419	$2,288	-5.4%	-24.6%	-48.5%	-29.8%	-9.6%
NEW HAMPSHIRE	$6,558	$11,510	$11,765	$11,197	$9,841	$9,438	-4.1%	-15.7%	-19.8%	-18.0%	43.9%
NEW JERSEY	$2,355	$8,074	$11,923	$8,649	$7,215	$6,321	-12.4%	-26.9%	-47.0%	-21.7%	168.4%
NEW MEXICO	$2,469	$1,863	$3,684	$5,825	$3,060	$3,369	10.1%	-42.2%	-8.5%	80.8%	36.5%
NEW YORK	$3,192	$5,213	$7,086	$7,101	$6,805	$6,485	-4.7%	-8.7%	-8.5%	24.4%	103.2%
NORTH CAROLINA	$2,425	$3,721	$6,278	$6,139	$5,527	$5,041	-8.8%	-17.9%	-19.7%	35.5%	107.9%
NORTH DAKOTA	$2,906	$5,735	$9,813	$10,948	$10,018	$9,206	-8.1%	-15.9%	-6.2%	60.5%	216.8%
OHIO	$4,816	$8,191	$11,777	$11,711	$11,217	$10,174	-9.3%	-13.1%	-13.6%	24.2%	111.2%
OKLAHOMA	$2,516	$3,379	$7,910	$10,183	$9,524	$8,645	-9.2%	-15.1%	9.3%	155.9%	243.6%
OREGON	$2,857	$5,244	$9,684	$10,240	$9,993	$9,913	-0.8%	-3.2%	2.4%	89.0%	247.0%
PENNSYLVANIA	$5,583	$11,265	$13,494	$13,550	$12,380	$11,547	-6.7%	-14.8%	-14.4%	2.5%	106.8%
RHODE ISLAND	$3,752	$8,379	$9,857	$10,230	$10,908	$9,958	-8.7%	-2.7%	1.0%	18.9%	165.4%
SOUTH CAROLINA	$2,784	$5,847	$11,703	$12,950	$11,494	$12,285	6.9%	-5.1%	5.0%	110.1%	341.2%
SOUTH DAKOTA	$4,244	$7,917	$10,147	$11,050	$10,212	$9,935	-2.7%	-10.1%	-2.1%	25.5%	134.1%
TENNESSEE	$3,110	$5,661	$9,467	$8,333	$8,368	$8,915	6.5%	7.0%	-5.8%	57.5%	186.7%
TEXAS	$2,273	$5,954	$6,688	$8,916	$8,045	$8,168	1.5%	-8.4%	22.1%	37.2%	259.4%
UTAH	$2,926	$3,701	$7,482	$7,847	$7,564	$7,728	2.2%	-1.5%	3.3%	108.8%	164.1%
VERMONT	$8,980	$15,971	$19,084	$19,328	$16,892	$16,795	-0.6%	-13.1%	-12.0%	5.2%	87.0%
VIRGINIA	$2,902	$5,430	$9,735	$10,587	$8,851	$8,347	-5.7%	-21.2%	-14.3%	53.7%	187.7%
WASHINGTON	$2,637	$3,063	$7,032	$6,894	$7,420	$6,974	-6.0%	1.2%	-0.8%	127.7%	164.5%
WEST VIRGINIA	$2,277	$5,316	$9,482	$9,537	$8,788	$7,437	-15.4%	-22.0%	-21.6%	39.9%	226.7%
WISCONSIN	$4,437	$4,850	$8,086	$8,485	$8,513	$8,407	-1.3%	-0.9%	4.0%	73.3%	89.5%
WYOMING	$2,995	$4,147	$3,797	$4,423	$4,017	$3,059	-23.8%	-30.8%	-19.4%	-26.2%	2.1%
U.S.	**$2,808**	**$4,965**	**$8,119**	**$8,453**	**$7,728**	**$7,459**	**-3.5%**	**-11.8%**	**-8.1%**	**50.2%**	**165.7%**
D.C.	N/A	N/A	$7,471	$5,909	$4,083	$3,883	-4.9%	-34.3%	-48.0%	N/A	N/A

NOTES:

1. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
2. The U.S. calculation does not include the District of Columbia. Data for the District of Columbia are not available prior to 2011.
3. The years 1980 and 2001 are included in this table because they are the starting points of the historical SHEF dataset and modern SHEF data collection, respectively.
4. Fiscal year 2025 net tuition and fee revenue is estimated for Alabama, Kentucky, and Pennsylvania.
5. In fiscal year 2019, Mississippi changed the methodology for collecting four-year tuition and fee revenue; data prior to 2019 may not be comparable.
6. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI), Enrollment Mix Index (EMI), and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR COMPARISONS

Table 4.1A presents data on net tuition and fee revenue per FTE for the two- and four-year public sectors separately.

Net tuition and fee revenue at two-year institutions averaged $2,668 per FTE in 2025, down 5.0% ($141 per FTE) from 2024 and 19.7% ($655 per FTE) from 2019. In 2025, two-year net tuition revenue ranged from a low of $603 per FTE in California to $7,670 per FTE in South Dakota.

In the last year, per-FTE tuition revenue decreased at two-year institutions in 35 states. Massachusetts had the largest two-year tuition and fee revenue decline (59.0%) while Florida had the smallest (1.0%). Of the 14 states with increases, South Dakota had the smallest (0.1%) while Tennessee had the largest (113.6%).

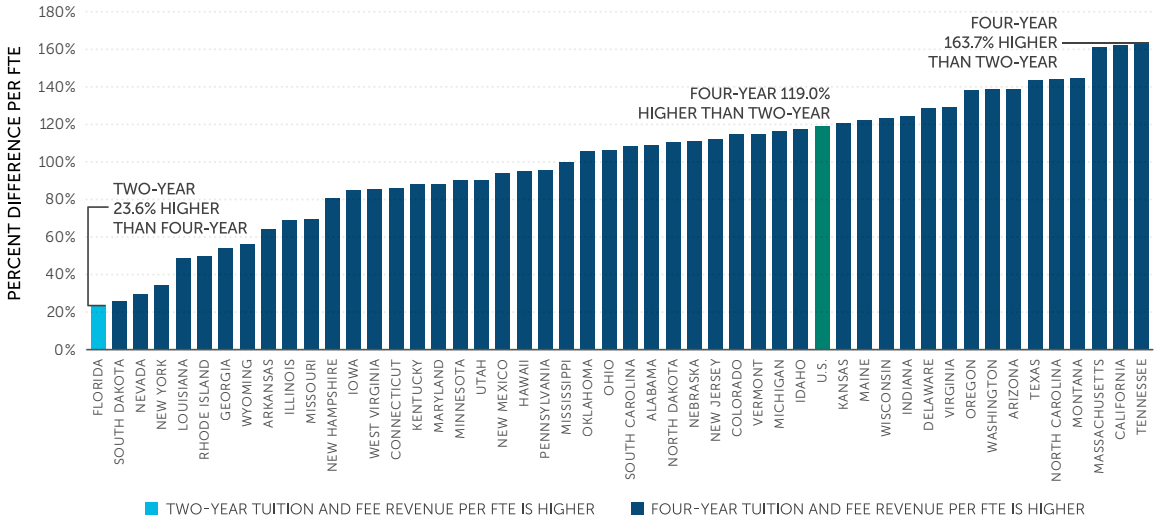
At four-year institutions, tuition revenue declined 2.5%, averaging $10,505 per FTE. This is still 3.9 times the average net tuition and fee revenue per FTE in the two-year sector. Florida had the lowest four-year tuition and fee revenue ($2,296 per FTE) while Delaware had the highest ($26,304 per FTE).

From 2024 to 2025, four-year net tuition revenue decreased in 35 states and Washington, D.C. The largest percent decline was 14.0% (or $1,397 per FTE) in West Virginia, while Oregon had the smallest (0.2%, or $27 per FTE). Fifteen states had one-year increases that ranged from 0.1% (or $9 per FTE) in Georgia to 16.6% (or $654 per FTE) in New Mexico.

Figure 4.1A displays the disparity in net tuition revenue per FTE between each state's two- and four-year public sectors. On average, four-year institutions received 119.0% more tuition and fee revenue than two-year institutions. Only Florida is on the figure's left side (the **light blue** bar), with 23.6% higher per-FTE net tuition and fee revenue in the two-year sector. All other states are on the figure's right side (the **dark blue** bars), with relatively higher net tuition revenue per FTE in the four-year sector. Tennessee had the largest disparity in net tuition revenue across sectors, with 163.7% higher per-FTE net tuition and fee revenue in the four-year sector.

FIGURE 4.1A

PERCENT DIFFERENCE IN TWO-YEAR AND FOUR-YEAR PUBLIC HIGHER EDUCATION NET TUITION REVENUE PER FTE BY STATE, FY 2025



NOTES:

1. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
2. Alaska and the District of Columbia are excluded from this figure because they do not have any public two-year institutions.
3. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.edu). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
4. In fiscal year 2025, sector-level FTE enrollment is estimated for Arkansas and Washington, and sector-level net tuition and fee revenue is estimated for Alabama, Kentucky, and Pennsylvania.

SOURCE: State Higher Education Executive Officers Association

TABLE 4.1A

PUBLIC HIGHER EDUCATION NET TUITION REVENUE PER FTE BY SECTOR AND STATE, FY 2019-2025 (CONSTANT ADJUSTED DOLLARS)

	TWO-YEAR TUITION REVENUE					FOUR-YEAR TUITION REVENUE				
	2019	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2019	2019	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2019
ALABAMA	$6,637	$5,816	$5,744	-1.2%	-13.5%	$21,464	$20,799	$19,550	-6.0%	-8.9%
ALASKA	$-	$-	$-	N/A	N/A	$5,667	$4,971	$4,562	-8.2%	-19.5%
ARIZONA	$2,514	$2,392	$2,524	5.5%	0.4%	$15,862	$14,552	$13,982	-3.9%	-11.8%
ARKANSAS	$5,446	$5,112	$4,816	-5.8%	-11.6%	$9,821	$10,569	$9,355	-11.5%	-4.7%
CALIFORNIA	$740	$621	$603	-2.9%	-18.5%	$7,780	$5,937	$5,764	-2.9%	-25.9%
COLORADO	$5,205	$4,118	$4,599	11.7%	-11.6%	$16,863	$17,416	$16,979	-2.5%	0.7%
CONNECTICUT	$6,713	$5,984	$5,327	-11.0%	-20.6%	$16,441	$13,582	$13,335	-1.8%	-18.9%
DELAWARE	$6,953	$5,353	$5,693	6.4%	-18.1%	$28,589	$25,564	$26,304	2.9%	-8.0%
FLORIDA	$3,314	$2,941	$2,910	-1.0%	-12.2%	$3,206	$2,275	$2,296	0.9%	-28.4%
GEORGIA	$3,755	$3,248	$3,344	3.0%	-10.9%	$7,206	$5,827	$5,835	0.1%	-19.0%
HAWAII	$2,992	$2,449	$2,146	-12.4%	-28.3%	$7,510	$6,558	$6,035	-8.0%	-19.6%
IDAHO	$3,950	$3,245	$2,941	-9.4%	-25.5%	$10,330	$10,909	$11,283	3.4%	9.2%
ILLINOIS	$6,502	$5,763	$5,418	-6.0%	-16.7%	$12,926	$11,388	$11,114	-2.4%	-14.0%
INDIANA	$4,263	$3,418	$3,342	-2.2%	-21.6%	$15,620	$15,042	$14,352	-4.6%	-8.1%
IOWA	$6,899	$6,436	$6,914	7.4%	0.2%	$17,423	$17,002	$17,116	0.7%	-1.8%
KANSAS	$3,593	$2,867	$2,736	-4.6%	-23.9%	$12,495	$11,239	$11,080	-1.4%	-11.3%
KENTUCKY	$5,704	$4,719	$4,558	-3.4%	-20.1%	$14,274	$12,618	$11,733	-7.0%	-17.8%
LOUISIANA	$4,849	$4,182	$3,611	-13.7%	-25.5%	$7,327	$6,601	$5,921	-10.3%	-19.2%
MAINE	$3,536	$1,574	$2,112	34.1%	-40.3%	$10,005	$8,957	$8,734	-2.5%	-12.7%
MARYLAND	$4,656	$4,246	$4,088	-3.7%	-12.2%	$12,003	$10,421	$10,536	1.1%	-12.2%
MASSACHUSETTS	$3,823	$2,297	$942	-59.0%	-75.4%	$7,879	$9,041	$8,742	-3.3%	10.9%
MICHIGAN	$7,688	$6,519	$5,654	-13.3%	-26.5%	$22,797	$21,907	$21,376	-2.4%	-6.2%
MINNESOTA	$6,192	$5,660	$5,412	-4.4%	-12.6%	$15,286	$14,582	$14,359	-1.5%	-6.1%
MISSISSIPPI	$5,295	$5,121	$4,799	-6.3%	-9.4%	$14,096	$14,037	$14,342	2.2%	1.7%
MISSOURI	$3,559	$4,647	$5,682	22.3%	59.6%	$11,171	$11,659	$11,740	0.7%	5.1%
MONTANA	$2,099	$1,772	$1,732	-2.3%	-17.5%	$10,608	$10,704	$10,726	0.2%	1.1%
NEBRASKA	$3,434	$2,703	$2,621	-3.0%	-23.7%	$10,979	$9,279	$9,168	-1.2%	-16.5%
NEVADA	$2,158	$2,242	$1,955	-12.8%	-9.4%	$3,801	$2,686	$2,636	-1.9%	-30.6%
NEW HAMPSHIRE	$6,120	$5,248	$4,908	-6.5%	-19.8%	$13,843	$11,911	$11,527	-3.2%	-16.7%
NEW JERSEY	$3,490	$2,633	$2,453	-6.8%	-29.7%	$11,936	$9,652	$8,747	-9.4%	-26.7%
NEW MEXICO	$2,513	$1,779	$1,657	-6.9%	-34.1%	$8,326	$3,931	$4,585	16.6%	-44.9%
NEW YORK	$5,029	$5,363	$5,029	-6.2%	0.0%	$8,227	$7,408	$7,107	-4.1%	-13.6%
NORTH CAROLINA	$2,267	$1,744	$1,415	-18.8%	-37.6%	$9,855	$8,661	$8,727	0.8%	-11.4%
NORTH DAKOTA	$4,542	$3,584	$3,228	-9.9%	-28.9%	$12,524	$12,048	$11,159	-7.4%	-10.9%
OHIO	$4,711	$4,312	$3,832	-11.1%	-18.6%	$13,928	$14,056	$12,538	-10.8%	-10.0%
OKLAHOMA	$4,934	$3,621	$3,390	-6.4%	-31.3%	$12,099	$12,190	$11,023	-9.6%	-8.9%
OREGON	$3,790	$2,557	$2,675	4.6%	-29.4%	$14,134	$14,750	$14,723	-0.2%	4.2%
PENNSYLVANIA	$5,472	$5,180	$4,938	-4.7%	-9.8%	$17,014	$14,698	$13,984	-4.9%	-17.8%
RHODE ISLAND	$5,896	$6,162	$6,361	3.2%	7.9%	$10,817	$11,929	$10,607	-11.1%	-1.9%
SOUTH CAROLINA	$4,116	$4,642	$4,864	4.8%	18.2%	$18,310	$15,249	$16,417	7.7%	-10.3%
SOUTH DAKOTA	$4,331	$7,660	$7,670	0.1%	77.1%	$12,107	$10,269	$9,944	-3.2%	-17.9%
TENNESSEE	$2,271	$608	$1,299	113.6%	-42.8%	$12,526	$12,582	$13,006	3.4%	3.8%
TEXAS	$2,638	$2,306	$2,151	-6.7%	-18.5%	$13,967	$12,614	$13,085	3.7%	-6.3%
UTAH	$3,558	$2,979	$3,377	13.4%	-5.1%	$8,881	$8,854	$8,964	1.2%	0.9%
VERMONT	$7,298	$4,592	$4,823	5.0%	-33.9%	$20,975	$18,058	$17,850	-1.2%	-14.9%
VIRGINIA	$4,810	$2,627	$2,434	-7.4%	-49.4%	$14,014	$11,965	$11,360	-5.1%	-18.9%
WASHINGTON	$2,950	$2,486	$2,153	-13.4%	-27.0%	$10,486	$12,691	$11,895	-6.3%	13.4%
WEST VIRGINIA	$4,908	$4,359	$3,445	-21.0%	-29.8%	$11,016	$9,963	$8,565	-14.0%	-22.2%
WISCONSIN	$3,532	$2,673	$2,639	-1.3%	-25.3%	$10,966	$11,149	$11,084	-0.6%	1.1%
WYOMING	$3,186	$3,431	$2,196	-36.0%	-31.1%	$5,708	$4,199	$3,910	-6.9%	-31.5%
U.S.	**$3,323**	**$2,809**	**$2,668**	**-5.0%**	**-19.7%**	**$11,841**	**$10,776**	**$10,505**	**-2.5%**	**-11.3%**
D.C.	$-	$-	$-	N/A	N/A	$7,083	$3,895	$3,705	-4.9%	-47.7%

NOTES:

1. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees.
2. The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
3. The year 2019 is included in this table because it is the starting point of the sector-level SHEF dataset.
4. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.edu). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
5. Fiscal year 2025 two- and four-year net tuition and fee revenue is estimated for Alabama, Kentucky, and Pennsylvania.
6. In fiscal year 2019, Mississippi changed the methodology for collecting four-year tuition and fee revenue; data prior to 2019 may not be comparable.
7. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time. The Enrollment Mix Index (EMI) is not applied to sector-level data.

SOURCE: State Higher Education Executive Officers Association

TOTAL EDUCATION REVENUE

Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Visit the SHEF website to view the interactive education revenue map. This map shows total education revenue per FTE across the nation.

Total education revenue was $19,443 per FTE in 2025, a 1.9% (or $385 per FTE) decrease from 2024. This marks the third consecutive year of declines after 10 years of increases between 2013 and 2022. Overall, total education revenue has decreased 3.3% (or $657 per FTE) since the record high of $20,100 in 2022 but increased 3.9% (or $732 per FTE) since 2019, and 44.8% (or $6,012 per FTE) since the start of the SHEF dataset in 1980.

Near record high total revenue does not mean that all public institutions have more revenue than ever before. Following high levels of volatility in public funding as a result of two recessions in the early 2000s, institutions varied widely in their ability to increase tuition revenue (either by increasing rates or out-of-state enrollment). While total education revenue was still the fifth-highest on record in 2025, it was at an all-time high in only four states. Many institutions, particularly those most reliant on state funding and those with a more limited ability to raise tuition rates and attract out-of-state and international students, have not been able to increase tuition revenue to offset declines in state funding and are not at an all-time high for total education revenue.[26]

1. STATE COMPARISONS

In fiscal year 2025, total education revenue per FTE ranged from a low of $12,695 in Nevada to a high of $33,917 in Illinois (*Figure 4.2*).[27]

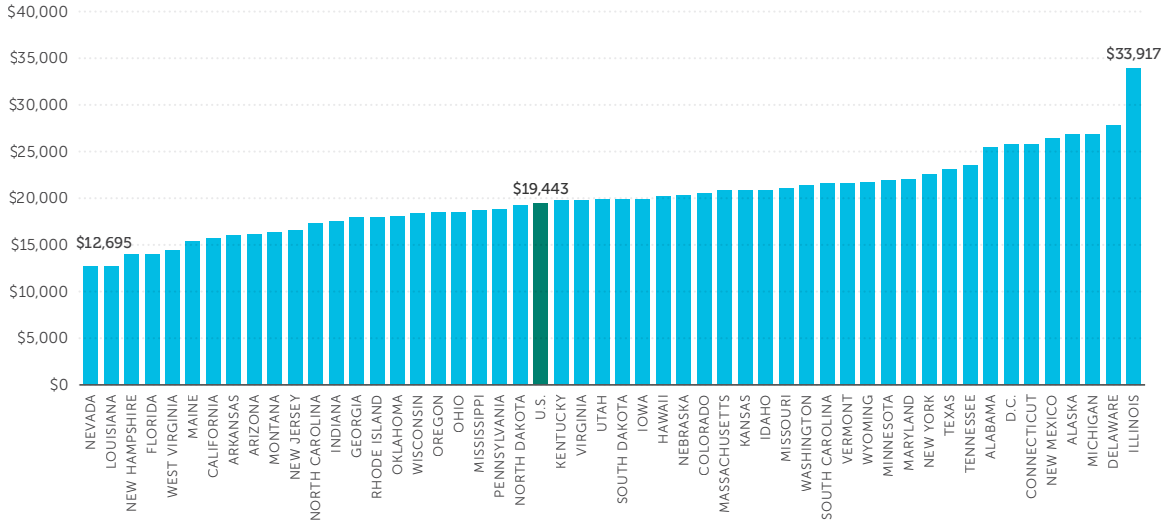
- **Public institutions in 23 states and Washington, D.C., had more than $20,000 per FTE in education revenue.** Of these states, education revenues came mainly from tuition and fees in four states (Colorado, Delaware, Michigan, and Vermont). Education revenues came from mixed sources in six states (Alabama, Connecticut, Idaho, Minnesota, Missouri, and South Carolina), while revenues primarily came from education appropriations in the other 13 states and Washington, D.C.
- Total education revenue per FTE decreased in 36 states and Washington, D.C., from 2024 to 2025 (*Table 4.2*). Declines ranged from 0.1% (or $19 per FTE) in South Dakota to 16.7% (or $4,352 per FTE) in Wyoming.
- Total education revenue increased in the other 14 states in 2025. Year-over-year increases ranged from 0.2% (or $73 per FTE) in Illinois to 8.4% (or $1,621 per FTE) in Kansas.
- Alaska, Louisiana, and Nevada were the only states in which inflation-adjusted total education revenue per FTE was lower in 2025 than in 1980, down 11.3%, 5.3%, and 4.8%, respectively.

26. State Higher Education Executive Officers Association. (2021). *Investigating the impacts of state higher education appropriations and financial aid.* sheeo.org/wp-content/uploads/2021/05/SHEEO_ImpactAppropationsFinancialAid.pdf

27. Each year, approximately one-third of education appropriations, a primary component of total education revenue, in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.

FIGURE 4.2

PUBLIC HIGHER EDUCATION TOTAL EDUCATION REVENUE PER FTE BY STATE, FY 2025 (ADJUSTED)



NOTES:

1. Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Total education revenue includes federal stimulus funding.
2. The U.S. calculation does not include the District of Columbia.
3. Fiscal year 2025 total education revenue includes estimated uncategorizable state support for South Carolina and South Dakota and estimated net tuition and fee revenue for Alabama, Kentucky, and Pennsylvania.
4. Each year, approximately one-third of education appropriations, a component of total education revenue, in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.
5. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Enrollment Mix Index (EMI). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

TABLE 4.2

PUBLIC HIGHER EDUCATION TOTAL EDUCATION REVENUE PER FTE BY STATE, FY 1980-2025 (CONSTANT ADJUSTED DOLLARS)

	1980	2001	2015	2020	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2020	% CHANGE SINCE 2015	% CHANGE SINCE 2001	% CHANGE SINCE 1980
ALABAMA	$11,834	$17,745	$22,473	$25,702	$27,304	$25,430	-6.9%	-1.1%	13.2%	43.3%	114.9%
ALASKA	$30,293	$20,739	$25,537	$25,865	$26,061	$26,876	3.1%	3.9%	5.2%	29.6%	-11.3%
ARIZONA	$11,943	$15,235	$16,752	$17,051	$16,821	$16,086	-4.4%	-5.7%	-4.0%	5.6%	34.7%
ARKANSAS	$14,841	$16,259	$16,656	$16,220	$17,613	$16,046	-8.9%	-1.1%	-3.7%	-1.3%	8.1%
CALIFORNIA	$10,714	$12,195	$12,752	$14,791	$15,375	$15,709	2.2%	6.2%	23.2%	28.8%	46.6%
COLORADO	$10,366	$13,616	$16,194	$18,843	$20,286	$20,507	1.1%	8.8%	26.6%	50.6%	97.8%
CONNECTICUT	$11,772	$24,316	$22,202	$24,955	$27,639	$25,767	-6.8%	3.3%	16.1%	6.0%	118.9%
DELAWARE	$15,490	$24,148	$27,846	$31,577	$27,104	$27,791	2.5%	-12.0%	-0.2%	15.1%	79.4%
FLORIDA	$10,047	$15,889	$12,436	$12,579	$14,143	$14,023	-0.8%	11.5%	12.8%	-11.7%	39.6%
GEORGIA	$13,782	$20,463	$17,598	$18,891	$18,562	$17,924	-3.4%	-5.1%	1.8%	-12.4%	30.0%
HAWAII	$12,022	$13,689	$16,893	$21,173	$20,966	$20,184	-3.7%	-4.7%	19.5%	47.4%	67.9%
IDAHO	$17,347	$20,653	$20,310	$21,089	$21,483	$20,877	-2.8%	-1.0%	2.8%	1.1%	20.4%
ILLINOIS	$13,288	$20,693	$28,325	$30,932	$33,844	$33,917	0.2%	9.7%	19.7%	63.9%	155.2%
INDIANA	$15,825	$19,413	$20,068	$20,258	$18,602	$17,528	-5.8%	-13.5%	-12.7%	-9.7%	10.8%
IOWA	$16,364	$20,878	$21,066	$19,816	$19,342	$19,903	2.9%	0.4%	-5.5%	-4.7%	21.6%
KANSAS	$15,021	$18,389	$17,208	$17,964	$19,224	$20,845	8.4%	16.0%	21.1%	13.4%	38.8%
KENTUCKY	$15,727	$21,607	$20,936	$20,672	$20,387	$19,791	-2.9%	-4.3%	-5.5%	-8.4%	25.8%
LOUISIANA	$13,452	$13,153	$14,047	$13,716	$14,701	$12,737	-13.4%	-7.1%	-9.3%	-3.2%	-5.3%
MAINE	$11,434	$18,248	$16,730	$16,785	$16,136	$15,423	-4.4%	-8.1%	-7.8%	-15.5%	34.9%
MARYLAND	$11,651	$18,333	$17,607	$19,986	$22,377	$22,028	-1.6%	10.2%	25.1%	20.2%	89.1%
MASSACHUSETTS	$12,321	$18,070	$15,368	$17,125	$21,878	$20,837	-4.8%	21.7%	35.6%	15.3%	69.1%
MICHIGAN	$17,190	$23,810	$25,325	$27,612	$28,811	$26,885	-6.7%	-2.6%	6.2%	12.9%	56.4%
MINNESOTA	$15,504	$18,230	$19,870	$22,582	$22,854	$21,866	-4.3%	-3.2%	10.0%	19.9%	41.0%
MISSISSIPPI	$14,060	$17,683	$17,382	$17,769	$19,228	$18,746	-2.5%	5.5%	7.8%	6.0%	33.3%
MISSOURI	$16,310	$21,014	$19,178	$19,707	$20,561	$21,064	2.4%	6.9%	9.8%	0.2%	29.2%
MONTANA	$11,466	$12,277	$14,996	$15,895	$16,115	$16,287	1.1%	2.5%	8.6%	32.7%	42.1%
NEBRASKA	$13,542	$15,596	$19,649	$21,270	$20,395	$20,335	-0.3%	-4.4%	3.5%	30.4%	50.2%
NEVADA	$13,332	$14,589	$12,850	$12,988	$13,159	$12,695	-3.5%	-2.3%	-1.2%	-13.0%	-4.8%
NEW HAMPSHIRE	$12,068	$17,610	$16,253	$15,239	$14,514	$13,995	-3.6%	-8.2%	-13.9%	-20.5%	16.0%
NEW JERSEY	$11,849	$20,900	$21,170	$18,419	$17,944	$16,515	-8.0%	-10.3%	-22.0%	-21.0%	39.4%
NEW MEXICO	$15,295	$14,881	$17,875	$28,320	$27,100	$26,390	-2.6%	-6.8%	47.6%	77.3%	72.5%
NEW YORK	$16,281	$17,577	$19,864	$21,650	$22,800	$22,533	-1.2%	4.1%	13.4%	28.2%	38.4%
NORTH CAROLINA	$14,734	$19,644	$18,586	$18,953	$19,430	$17,312	-10.9%	-8.7%	-6.9%	-11.9%	17.5%
NORTH DAKOTA	$12,864	$14,196	$21,137	$21,263	$20,822	$19,272	-7.4%	-9.4%	-8.8%	35.8%	49.8%
OHIO	$14,664	$20,020	$19,499	$19,439	$19,608	$18,526	-5.5%	-4.7%	-5.0%	-7.5%	26.3%
OKLAHOMA	$12,710	$15,840	$17,985	$19,178	$19,401	$18,023	-7.1%	-6.0%	0.2%	13.8%	41.8%
OREGON	$11,519	$14,623	$14,876	$17,924	$18,878	$18,493	-2.0%	3.2%	24.3%	26.5%	60.5%
PENNSYLVANIA	$17,428	$23,120	$19,202	$20,296	$19,450	$18,774	-3.5%	-7.5%	-2.2%	-18.8%	7.7%
RHODE ISLAND	$16,040	$19,026	$15,871	$16,472	$19,072	$17,924	-6.0%	8.8%	12.9%	-5.8%	11.7%
SOUTH CAROLINA	$14,372	$15,335	$17,581	$20,332	$20,436	$21,630	5.8%	6.4%	23.0%	41.1%	50.5%
SOUTH DAKOTA	$15,462	$17,202	$17,073	$19,924	$19,901	$19,881	-0.1%	-0.2%	16.4%	15.6%	28.6%
TENNESSEE	$13,799	$16,865	$19,592	$21,121	$23,066	$23,570	2.2%	11.6%	20.3%	39.8%	70.8%
TEXAS	$12,225	$17,517	$16,428	$22,388	$22,856	$23,047	0.8%	2.9%	40.3%	31.6%	88.5%
UTAH	$14,687	$13,905	$16,498	$18,373	$20,911	$19,880	-4.9%	8.2%	20.5%	43.0%	35.4%
VERMONT	$14,415	$20,795	$21,931	$22,989	$21,794	$21,637	-0.7%	-5.9%	-1.3%	4.0%	50.1%
VIRGINIA	$12,060	$16,832	$16,261	$19,233	$19,009	$19,807	4.2%	3.0%	21.8%	17.7%	64.2%
WASHINGTON	$12,969	$13,004	$14,398	$16,964	$20,854	$21,383	2.5%	26.1%	48.5%	64.4%	64.9%
WEST VIRGINIA	$11,964	$13,550	$15,499	$16,128	$15,015	$14,462	-3.7%	-10.3%	-6.7%	6.7%	20.9%
WISCONSIN	$16,874	$18,763	$18,297	$18,613	$18,819	$18,362	-2.4%	-1.3%	0.4%	-2.1%	8.8%
WYOMING	$21,377	$19,163	$25,287	$27,105	$26,068	$21,716	-16.7%	-19.9%	-14.1%	13.3%	1.6%
U.S.	**$13,431**	**$17,109**	**$17,445**	**$19,148**	**$19,828**	**$19,443**	**-1.9%**	**1.5%**	**11.5%**	**13.6%**	**44.8%**
D.C.	N/A	N/A	$27,349	$35,228	$26,666	$25,731	-3.5%	-27.0%	-5.9%	N/A	N/A

NOTES:

1. Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Total education revenue includes federal stimulus funding.
2. The U.S. calculation does not include the District of Columbia. Data for the District of Columbia are not available prior to 2011.
3. The years 1980 and 2001 are included in this table because they are the starting points of the historical SHEF dataset and modern SHEF data collection, respectively.
4. Fiscal year 2025 total education revenue includes estimated uncategorizable state support for South Carolina and South Dakota and estimated net tuition and fee revenue for Alabama, Kentucky, and Pennsylvania.
5. Each year, approximately one-third of education appropriations, a component of total education revenue, in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.
6. Texas developed a new methodology to capture state funding to institutions of higher education and updated FTE enrollment starting in 2017. Years prior to 2017 do not reflect this new methodology, which may affect some year-to-year comparisons.
7. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI), Enrollment Mix Index (EMI), and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR COMPARISONS

Table 4.2A presents new data on total education revenue per FTE for the two- and four-year public sectors separately.

At two-year public institutions, total education revenue averaged $13,722 per FTE, down 2.6% from 2024. Total revenue ranged from $8,097 in New Jersey to $24,391 in Illinois.[28]

Two-year total education revenue per FTE declined in 35 states from 2024 to 2025. Decreases ranged from 1.4% (or $198 per FTE) in Pennsylvania to 20.4% (or $3,733 per FTE) in Wyoming. Of the 14 states with increases, year-over-year percent changes ranged from 0.6% (or $80 per FTE) in Rhode Island to 8.5% (or $1,040 per FTE) in Vermont.

Total education revenue per FTE at four-year institutions averaged $21,508 in 2025, a 1.5% decrease from 2024. **Four-year institutions had, on average, 1.6 times the amount of total revenue per FTE of two-year institutions.** Louisiana had the lowest revenue of $13,262 per FTE. While 35 states and Washington, D.C., had total revenue greater than $20,000, Delaware, Michigan, and Illinois exceeded $30,000, with Illinois reaching a high of $38,457 per FTE.[29]

Between 2024 and 2025, four-year total education revenue per FTE decreased in 31 states and Washington, D.C. Declines ranged from 0.2% (or $44 per FTE) in Idaho to 7.9% (or $1,534 per FTE) in Rhode Island. Year-over-year increases in the other 19 states ranged from 0.1% (or $12 per FTE) in Texas to 8.5% (or $2,018 per FTE) in South Carolina.

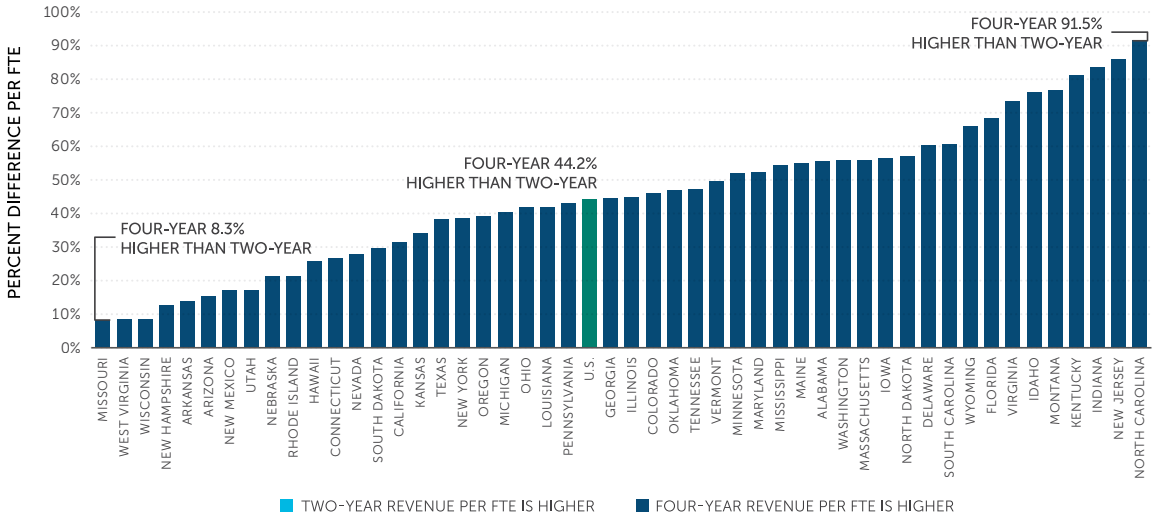
Figure 4.2A displays the disparity in total education revenue per FTE between each state's two-year and four-year public sectors. In 2025, total education revenue per FTE was higher in the four-year sector in every state. Because of this, no states are represented by **light blue** bars on the left side of the figure, which would have indicated total education revenue was higher in the two-year sector. Instead, all states are represented by **dark blue** bars due to having comparatively higher total education revenue per FTE in the four-year sector. On average, total education revenue per FTE was 44.2% higher in the four-year sector than in the two-year sector. North Carolina had the largest disparity in total education revenue across sectors, where four-year institutions had 91.5% higher revenue per FTE than two-year institutions.

28. Each year, approximately one-third of education appropriations, a primary component of total education revenue, in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.

29. Ibid.

FIGURE 4.2A

PERCENT DIFFERENCE IN TWO-YEAR AND FOUR-YEAR PUBLIC HIGHER EDUCATION TOTAL EDUCATION REVENUE PER FTE BY STATE, FY 2025



NOTES:

1. Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Sector-level total education revenue includes any portion of federal stimulus funding allocated specifically to each sector.
2. Alaska and the District of Columbia are excluded from this figure because they do not have any public two-year institutions.
3. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.edu). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
4. Fiscal year 2025 sector-level total education revenue includes estimated two- and four-year net tuition and fee revenue for Alabama, Kentucky, and Pennsylvania.
5. Each year, approximately one-third of education appropriations, a component of total education revenue, in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.
6. In 2025, total education revenue per FTE was higher in the public four-year sector than in the public two-year sector. Therefore, no states are represented by light blue bars that would have appeared on the left side of this figure had there been any states in which total education revenue per FTE was higher in the two-year sector.

SOURCE: State Higher Education Executive Officers Association

TABLE 4.2A

PUBLIC HIGHER EDUCATION TOTAL EDUCATION REVENUE PER FTE BY SECTOR AND STATE, FY 2019-2025 (CONSTANT ADJUSTED DOLLARS)

	TWO-YEAR TOTAL REVENUE					FOUR-YEAR TOTAL REVENUE				
	2019	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2019	2019	2024	2025	% CHANGE SINCE 2024	% CHANGE SINCE 2019
ALABAMA	$14,770	$18,511	$16,750	-9.5%	13.4%	$28,637	$31,398	$29,625	-5.6%	3.5%
ALASKA	$-	$-	$-	N/A	N/A	$24,462	$25,044	$25,827	3.1%	5.6%
ARIZONA	$14,114	$14,445	$14,665	1.5%	3.9%	$19,465	$18,437	$17,075	-7.4%	-12.3%
ARKANSAS	$14,523	$14,686	$14,201	-3.3%	-2.2%	$18,289	$17,192	$16,336	-5.0%	-10.7%
CALIFORNIA	$11,155	$11,390	$12,312	8.1%	10.4%	$17,797	$17,307	$16,872	-2.5%	-5.2%
COLORADO	$12,489	$14,178	$14,928	5.3%	19.5%	$21,867	$23,921	$23,834	-0.4%	9.0%
CONNECTICUT	$17,338	$21,783	$21,100	-3.1%	21.7%	$28,150	$29,227	$27,600	-5.6%	-2.0%
DELAWARE	$17,830	$17,347	$17,450	0.6%	-2.1%	$34,983	$31,408	$32,487	3.4%	-7.1%
FLORIDA	$9,072	$10,220	$9,476	-7.3%	4.5%	$17,492	$18,647	$19,296	3.5%	10.3%
GEORGIA	$12,142	$12,382	$11,985	-3.2%	-1.3%	$19,574	$19,495	$18,869	-3.2%	-3.6%
HAWAII	$15,592	$16,503	$15,995	-3.1%	2.6%	$23,324	$21,568	$20,715	-4.0%	-11.2%
IDAHO	$11,125	$10,660	$9,423	-11.6%	-15.3%	$21,072	$21,034	$20,990	-0.2%	-0.4%
ILLINOIS	$21,414	$25,564	$24,391	-4.6%	13.9%	$35,493	$37,650	$38,457	2.1%	8.4%
INDIANA	$11,132	$9,391	$8,745	-6.9%	-21.4%	$23,754	$22,288	$21,333	-4.3%	-10.2%
IOWA	$12,573	$13,025	$13,911	6.8%	10.6%	$25,595	$24,940	$24,841	-0.4%	-2.9%
KANSAS	$14,179	$16,164	$15,362	-5.0%	8.3%	$19,831	$21,028	$21,703	3.2%	9.4%
KENTUCKY	$12,799	$12,145	$9,751	-19.7%	-23.8%	$23,625	$23,396	$23,090	-1.3%	-2.3%
LOUISIANA	$9,299	$9,435	$8,680	-8.0%	-6.7%	$15,032	$14,353	$13,262	-7.6%	-11.8%
MAINE	$12,441	$10,686	$10,166	-4.9%	-18.3%	$18,782	$19,216	$17,863	-7.0%	-4.9%
MARYLAND	$13,889	$15,870	$14,928	-5.9%	7.5%	$21,731	$25,398	$25,480	0.3%	17.2%
MASSACHUSETTS	$11,879	$16,144	$13,512	-16.3%	13.7%	$17,949	$23,882	$24,026	0.6%	33.9%
MICHIGAN	$19,508	$23,138	$20,155	-12.9%	3.3%	$30,663	$30,642	$30,398	-0.8%	-0.9%
MINNESOTA	$14,272	$16,005	$14,979	-6.4%	5.0%	$25,004	$26,031	$25,483	-2.1%	1.9%
MISSISSIPPI	$12,384	$13,575	$13,296	-2.1%	7.4%	$22,083	$23,911	$23,226	-2.9%	5.2%
MISSOURI	$11,723	$18,443	$19,312	4.7%	64.7%	$20,137	$20,680	$20,990	1.5%	4.2%
MONTANA	$8,750	$8,722	$8,458	-3.0%	-3.3%	$18,151	$18,881	$18,959	0.4%	4.5%
NEBRASKA	$16,933	$17,815	$17,547	-1.5%	3.6%	$22,219	$21,571	$21,710	0.6%	-2.3%
NEVADA	$9,525	$11,028	$10,604	-3.8%	11.3%	$14,733	$13,980	$14,032	0.4%	-4.8%
NEW HAMPSHIRE	$11,598	$13,734	$13,253	-3.5%	14.3%	$16,610	$15,589	$15,050	-3.5%	-9.4%
NEW JERSEY	$8,464	$8,589	$8,097	-5.7%	-4.3%	$21,111	$21,703	$20,315	-6.4%	-3.8%
NEW MEXICO	$15,628	$22,620	$21,611	-4.5%	38.3%	$28,195	$25,579	$25,628	0.2%	-9.1%
NEW YORK	$15,758	$17,671	$16,776	-5.1%	6.5%	$24,331	$24,759	$24,805	0.2%	1.9%
NORTH CAROLINA	$12,079	$11,604	$9,252	-20.3%	-23.4%	$24,948	$25,184	$24,850	-1.3%	-0.4%
NORTH DAKOTA	$13,286	$12,501	$11,339	-9.3%	-14.7%	$21,538	$21,896	$20,407	-6.8%	-5.2%
OHIO	$14,056	$13,629	$13,396	-1.7%	-4.7%	$21,299	$22,013	$20,467	-7.0%	-3.9%
OKLAHOMA	$12,144	$12,892	$12,219	-5.2%	0.6%	$20,400	$21,327	$19,677	-7.7%	-3.5%
OREGON	$12,438	$15,223	$14,266	-6.3%	14.7%	$19,699	$21,174	$21,254	0.4%	7.9%
PENNSYLVANIA	$12,072	$13,668	$13,470	-1.4%	11.6%	$23,073	$21,567	$20,817	-3.5%	-9.8%
RHODE ISLAND	$12,383	$14,350	$14,430	0.6%	16.5%	$16,817	$19,407	$17,873	-7.9%	6.3%
SOUTH CAROLINA	$11,999	$13,697	$13,801	0.8%	15.0%	$23,618	$23,769	$25,787	8.5%	9.2%
SOUTH DAKOTA	$10,195	$13,376	$13,612	1.8%	33.5%	$18,696	$18,800	$18,321	-2.5%	-2.0%
TENNESSEE	$13,090	$15,897	$16,262	2.3%	24.2%	$24,425	$25,884	$26,346	1.8%	7.9%
TEXAS	$12,757	$14,389	$13,834	-3.9%	8.4%	$22,545	$20,361	$20,373	0.1%	-9.6%
UTAH	$14,695	$17,324	$17,500	1.0%	19.1%	$18,474	$21,859	$20,777	-4.9%	12.5%
VERMONT	$10,520	$12,174	$13,215	8.5%	25.6%	$23,450	$22,291	$21,944	-1.6%	-6.4%
VIRGINIA	$10,664	$10,775	$11,037	2.4%	3.5%	$21,696	$22,551	$23,813	5.6%	9.8%
WASHINGTON	$10,878	$14,448	$15,035	4.1%	38.2%	$20,395	$26,375	$26,706	1.3%	30.9%
WEST VIRGINIA	$13,152	$14,493	$13,671	-5.7%	3.9%	$16,152	$15,366	$14,880	-3.2%	-7.9%
WISCONSIN	$17,878	$17,665	$16,738	-5.2%	-6.4%	$17,649	$18,424	$18,242	-1.0%	3.4%
WYOMING	$23,358	$18,274	$14,541	-20.4%	-37.7%	$28,200	$31,018	$28,872	-6.9%	2.4%
U.S.	**$12,978**	**$14,082**	**$13,722**	**-2.6%**	**5.7%**	**$21,556**	**$21,841**	**$21,508**	**-1.5%**	**-0.2%**
D.C.	$-	$-	$-	N/A	N/A	$28,840	$25,440	$24,549	-3.5%	-14.9%

NOTES:

1. Total education revenue is the sum of education appropriations and net tuition, excluding net tuition revenue used for capital debt service. Sector-level total education revenue includes any portion of federal stimulus funding allocated specifically to each sector.
2. The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
3. The year 2019 is included in this table because it is the starting point of the sector-level SHEF dataset.
4. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.edu). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
5. Fiscal year 2025 sector-level total education revenue includes estimated two- and four-year net tuition and fee revenue for Alabama, Kentucky, and Pennsylvania.
6. Each year, approximately one-third of education appropriations, a component of total education revenue, in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.
7. Adjustment factors to arrive at constant dollar figures include Cost of Living Index (COLI) and Higher Education Cost Adjustment (HECA). The COLI is not a measure of inflation over time. The Enrollment Mix Index (EMI) is not applied to sector-level data.

SOURCE: State Higher Education Executive Officers Association

STUDENT SHARE

Net tuition as a percentage of total education revenue (the student share) shows the overall reliance of public institutions on tuition as a revenue source. Net tuition excludes state and institutional financial aid but does not exclude federal financial aid or loans. Visit the SHEF website to view the interactive student share map. This map shows the student share for students attending two- and four-year institutions across the nation.

The student share has increased substantially over time due to volatility in education appropriations and net tuition revenue increases. In 1980 (the earliest available data), the student share was 20.9%. By 2001 (the start of the modern SHEF data collection and a pre-recession high point in education appropriations), the student share had already increased to 29.0%. **For just the second time since 2010, the U.S. average student share was below 40%, decreasing to 38.4% in 2025.** This means that, on average, 38.4% of revenues at public institutions came from student tuition and fees.

1. STATE COMPARISONS

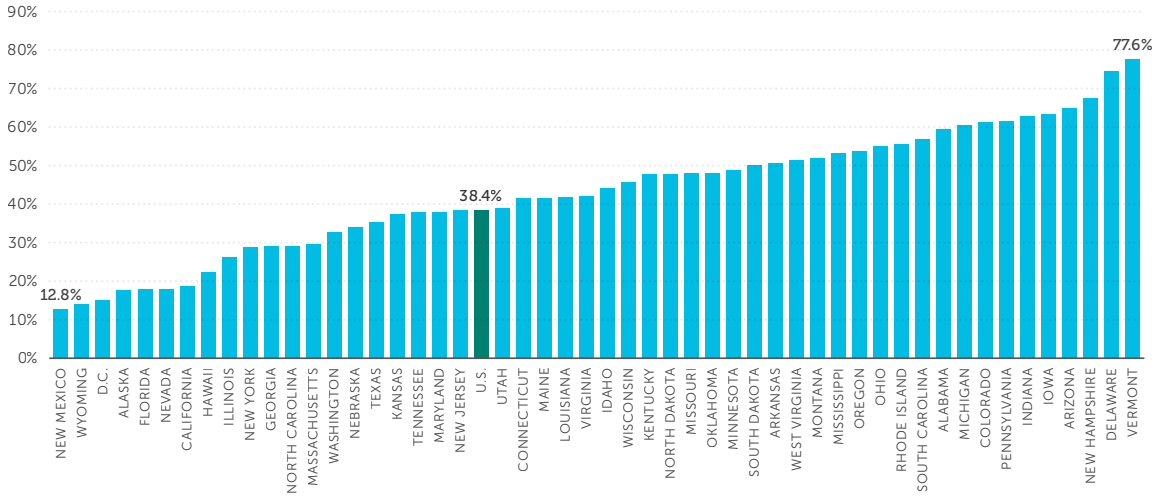
There is wide variation in the student share across states. In fiscal years 2019 and 2020, the student share was above 50% in at least half of all states (26 states in 2019 and 25 in 2020). Starting in 2022, the student share was greater than 50% in less than half (23) of states. In each subsequent year, the number of states with a student share greater than 50% has continued to decrease, falling to 18 states in 2025 (*Figure 4.3*).

From 2024 to 2025, the student share decreased in 26 states and Washington, D.C., and increased in 24 states. Declines in the student share ranged from 0.2 percentage points in Washington, D.C., and 0.3 percentage points in Delaware to 7.1 percentage points in West Virginia. Student share increases ranged from 0.1 percentage points in Vermont to 3.1 percentage points in Arizona (*Table 4.3*).

The student share in 2025 was less than it was in 2020, five years before, in all but five states (Arizona, Indiana, Iowa, Missouri, and Wisconsin). Only six states had a lower student share in 2025 than in 2001 (Alaska, Florida, Nevada, New Jersey, New York, and Wyoming) and three had a lower student share in 2024 than in 1980 (Florida, Nevada, and New Mexico).

FIGURE 4.3

NET TUITION AS A PERCENTAGE OF TOTAL EDUCATION REVENUE BY STATE, FY 2025



NOTES:

1. The student share is a measure of the proportion of total education revenue at public institutions coming from net tuition revenue. Net tuition revenue used for capital debt service is included in net tuition revenue, but excluded from total education revenue in calculating the above figures. Total education revenue includes federal stimulus funding.
2. Fiscal year 2025 student share includes estimated uncategorizable state support for South Carolina and South Dakota, estimated public financial aid for Nevada and Pennsylvania, and estimated net tuition and fee revenue for Alabama, Kentucky, and Pennsylvania.
3. Each year, approximately one-third of education appropriations, a component of total education revenue, in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.

SOURCE: State Higher Education Executive Officers Association

TABLE 4.3

NET TUITION AS A PERCENTAGE OF TOTAL EDUCATION REVENUE BY STATE, FY 1980-2025

	1980	2001	2015	2020	2024	2025	CHANGE SINCE 2024	CHANGE SINCE 2020	CHANGE SINCE 2015	CHANGE SINCE 2001	CHANGE SINCE 1980
ALABAMA	26.7%	42.4%	69.2%	66.7%	58.9%	59.4%	0.5	-7.3	-9.8	17.0	32.7
ALASKA	9.4%	18.2%	20.6%	23.3%	19.8%	17.6%	-2.2	-5.7	-3.0	-0.6	8.2
ARIZONA	21.3%	32.8%	58.0%	61.0%	62.0%	65.0%	3.1	4.1	7.1	32.2	43.8
ARKANSAS	23.5%	25.4%	44.8%	53.2%	51.4%	50.5%	-1.0	-2.7	5.7	25.1	27.0
CALIFORNIA	7.5%	10.8%	25.2%	25.9%	19.7%	18.7%	-1.0	-7.3	-6.5	7.9	11.2
COLORADO	36.6%	41.6%	69.5%	66.7%	62.1%	61.3%	-0.8	-5.4	-8.2	19.7	24.7
CONNECTICUT	21.4%	25.4%	49.4%	54.4%	39.8%	41.4%	1.6	-13.0	-8.0	16.0	20.0
DELAWARE	37.9%	53.9%	74.3%	74.6%	74.8%	74.5%	-0.3	-0.1	0.2	20.6	36.6
FLORIDA	20.1%	23.4%	35.1%	23.0%	17.8%	18.0%	0.2	-5.0	-17.1	-5.4	-2.1
GEORGIA	18.2%	15.1%	37.8%	33.5%	28.0%	29.1%	1.1	-4.4	-8.7	14.0	10.8
HAWAII	8.5%	19.6%	32.9%	25.3%	23.5%	22.2%	-1.3	-3.0	-10.7	2.7	13.7
IDAHO	14.4%	23.5%	48.2%	45.6%	42.5%	44.2%	1.7	-1.4	-4.0	20.7	29.7
ILLINOIS	16.4%	18.6%	34.1%	31.8%	27.2%	26.2%	-1.0	-5.6	-7.9	7.6	9.8
INDIANA	27.6%	41.4%	62.1%	62.0%	62.6%	62.9%	0.3	0.9	0.8	21.5	35.3
IOWA	24.5%	35.2%	59.7%	62.7%	62.7%	63.3%	0.7	0.7	3.7	28.2	38.8
KANSAS	23.2%	28.4%	50.7%	49.5%	41.6%	37.5%	-4.2	-12.0	-13.2	9.1	14.3
KENTUCKY	20.6%	29.8%	55.8%	56.4%	49.9%	47.8%	-2.1	-8.7	-8.1	18.0	27.1
LOUISIANA	18.5%	26.3%	46.5%	46.3%	40.8%	41.9%	1.1	-4.4	-4.6	15.6	23.4
MAINE	32.1%	37.2%	51.1%	47.4%	39.7%	41.5%	1.8	-5.9	-9.6	4.3	9.3
MARYLAND	26.4%	37.2%	49.9%	46.6%	37.4%	37.9%	0.5	-8.7	-12.0	0.8	11.6
MASSACHUSETTS	22.8%	29.0%	42.7%	40.2%	32.2%	29.7%	-2.5	-10.5	-13.0	0.7	6.9
MICHIGAN	29.7%	37.7%	66.3%	66.4%	59.3%	60.4%	1.2	-6.0	-5.9	22.7	30.7
MINNESOTA	18.4%	29.7%	57.6%	52.8%	48.3%	48.9%	0.7	-3.8	-8.7	19.2	30.5
MISSISSIPPI	25.8%	28.1%	48.2%	55.1%	51.7%	53.2%	1.6	-1.9	5.0	25.1	27.5
MISSOURI	22.0%	27.5%	49.2%	46.4%	47.6%	47.9%	0.3	1.5	-1.3	20.4	25.9
MONTANA	20.8%	42.9%	53.0%	52.6%	52.5%	51.9%	-0.6	-0.7	-1.1	8.9	31.1
NEBRASKA	22.3%	32.8%	40.2%	40.4%	34.8%	33.9%	-0.9	-6.5	-6.3	1.1	11.6
NEVADA	19.0%	22.4%	34.6%	23.4%	18.4%	18.0%	-0.4	-5.4	-16.5	-4.3	-1.0
NEW HAMPSHIRE	54.3%	65.4%	72.4%	73.5%	67.8%	67.4%	-0.4	-6.0	-4.9	2.1	13.1
NEW JERSEY	19.9%	38.6%	56.3%	47.0%	40.2%	38.3%	-1.9	-8.7	-18.0	-0.4	18.4
NEW MEXICO	16.1%	12.5%	20.6%	20.6%	11.3%	12.8%	1.5	-7.8	-7.8	0.2	-3.4
NEW YORK	19.6%	29.7%	35.7%	32.8%	29.8%	28.8%	-1.1	-4.0	-6.9	-0.9	9.2
NORTH CAROLINA	16.5%	18.9%	33.8%	32.4%	28.4%	29.1%	0.7	-3.3	-4.7	10.2	12.7
NORTH DAKOTA	22.6%	40.4%	46.4%	51.5%	48.1%	47.8%	-0.3	-3.7	1.3	7.4	25.2
OHIO	32.8%	40.9%	60.4%	60.2%	57.2%	54.9%	-2.3	-5.3	-5.5	14.0	22.1
OKLAHOMA	19.8%	21.3%	44.0%	53.1%	49.1%	48.0%	-1.1	-5.1	4.0	26.6	28.2
OREGON	24.8%	35.9%	65.1%	57.1%	52.9%	53.6%	0.7	-3.5	-11.5	17.7	28.8
PENNSYLVANIA	32.0%	48.7%	70.3%	66.8%	63.7%	61.5%	-2.1	-5.3	-8.8	12.8	29.5
RHODE ISLAND	23.4%	44.0%	62.1%	62.1%	57.2%	55.6%	-1.6	-6.5	-6.5	11.5	32.2
SOUTH CAROLINA	19.4%	38.1%	66.6%	63.7%	56.2%	56.8%	0.6	-6.9	-9.8	18.7	37.4
SOUTH DAKOTA	27.4%	46.0%	59.4%	55.5%	51.3%	50.0%	-1.3	-5.5	-9.5	3.9	22.5
TENNESSEE	22.5%	33.6%	48.3%	39.5%	36.3%	37.8%	1.5	-1.6	-10.5	4.3	15.3
TEXAS	18.6%	34.0%	40.7%	39.8%	35.2%	35.4%	0.2	-4.4	-5.3	1.4	16.8
UTAH	19.9%	26.6%	45.4%	42.7%	36.2%	38.9%	2.7	-3.8	-6.5	12.3	18.9
VERMONT	62.3%	76.8%	87.0%	84.1%	77.5%	77.6%	0.1	-6.5	-9.4	0.8	15.3
VIRGINIA	24.1%	32.3%	59.9%	55.0%	46.6%	42.1%	-4.4	-12.9	-17.7	9.9	18.1
WASHINGTON	20.3%	23.6%	48.8%	40.6%	35.6%	32.6%	-3.0	-8.0	-16.2	9.1	12.3
WEST VIRGINIA	19.0%	39.2%	61.2%	59.1%	58.5%	51.4%	-7.1	-7.7	-9.8	12.2	32.4
WISCONSIN	26.3%	25.8%	44.2%	45.6%	45.2%	45.8%	0.5	0.2	1.6	19.9	19.5
WYOMING	14.0%	21.6%	15.0%	16.3%	15.4%	14.1%	-1.3	-2.2	-0.9	-7.6	0.1
U.S.	**20.9%**	**29.0%**	**46.5%**	**44.1%**	**39.0%**	**38.4%**	**-0.6**	**-5.8**	**-8.2**	**9.3**	**17.5**
D.C.	N/A	N/A	27.3%	16.8%	15.3%	15.1%	-0.2	-1.7	-12.2	N/A	N/A

NOTES:

1. The student share is a measure of the proportion of total education revenue at public institutions coming from net tuition revenue. Net tuition revenue used for capital debt service is included in net tuition revenue but excluded from total education revenue in calculating the above figures. Total education revenue includes federal stimulus funding.
2. Year change columns show percentage point increases or decreases, not percent change.
3. The U.S. calculation does not include the District of Columbia. Data for the District of Columbia are not available prior to 2011.
4. The years 1980 and 2001 are included in this table because they are the starting points of the historical SHEF dataset and modern SHEF data collection, respectively.
5. Fiscal year 2025 student share includes estimated uncategorizable state support for South Carolina and South Dakota estimated net tuition and fee revenue for Alabama, Kentucky, and Pennsylvania.
6. Each year, approximately one-third of education appropriations, a component of total education revenue, in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.
7. Texas developed a new methodology to capture state funding to institutions of higher education and updated FTE enrollment starting in 2017. Years prior to 2017 do not reflect this new methodology, which may affect some year-to-year comparisons.

SOURCE: State Higher Education Executive Officers Association

2. SECTOR COMPARISONS

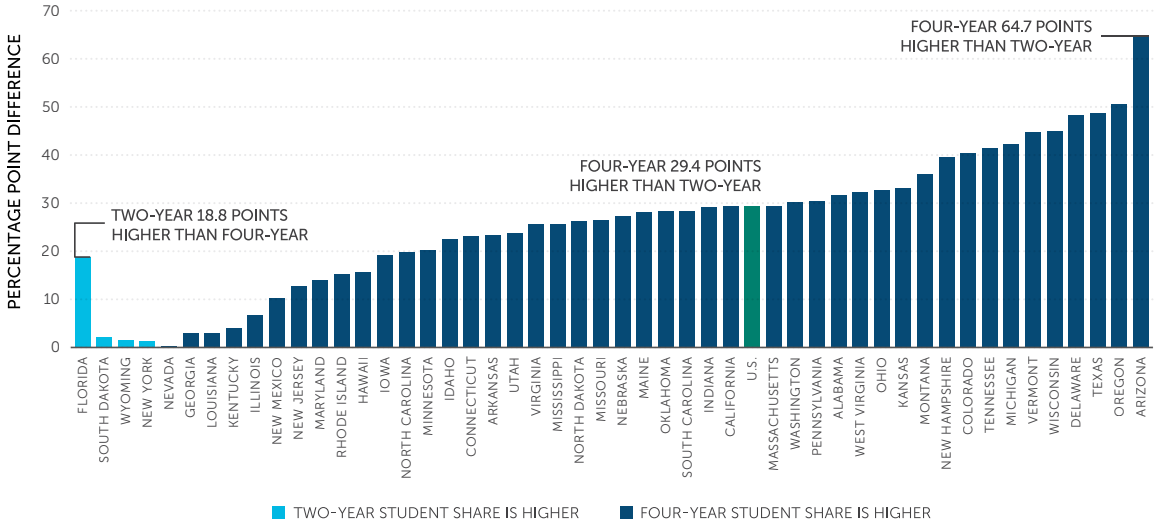
The student share is one of the most varied SHEF metrics when comparing two- and four-year public institutions. At two-year institutions, the fiscal year 2025 student share was less than one-fifth (19.4%); it was just under half (48.8%) at four-year institutions (*Table 4.3A*).

- The student share at two-year institutions is generally between 15% and 50%. California, Massachusetts, New Mexico, and Tennessee were the only states that reported student shares of less than 10%. Only one state, South Dakota (56.4%), had a two-year student share greater than 50%.
- At four-year institutions, student share ranged from 11.9% in Florida to 81.9% in Arizona in 2025. The four-year student share was greater than 50% in 28 states.

Figure 4.3A shows the difference between the student share at each state's two- and four-year public institutions. On the figure's left side, the **light blue** bars show states with a higher two-year student share. Most states have a higher four-year student share (the **dark blue** bars). **On average, the four-year student share was 29.4 percentage points above the two-year student share.** The four-year student share was greater than the two-year student share in all but four states: Florida, New York, South Dakota, and Wyoming. This means that in those four states, students at two-year institutions were responsible for a greater portion of public institutional revenue at two-year institutions than students attending four-year institutions. Arizona had the greatest difference in student share across institution types, where the four-year student share of 81.9% was 64.7 percentage points higher than the two-year student share of 17.2%.

FIGURE 4.3A

DIFFERENCE IN TWO-YEAR AND FOUR-YEAR NET TUITION AS A PERCENTAGE OF TOTAL EDUCATION REVENUE BY STATE, FY 2025



NOTES:

1. The student share is a measure of the proportion of total education revenue at public institutions coming from net tuition revenue. Net tuition revenue used for capital debt service is included in net tuition revenue, but excluded from total education revenue in calculating the above figures. Total education revenue includes federal stimulus funding.
2. Percentage point differences show the number of percentage points by which the student share is higher at either two- or four-year institutions, not the percent difference between the two.
3. Alaska and the District of Columbia are excluded from this figure because they do not have any public two-year institutions.
4. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.edu). Baccalaureate/Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
5. Fiscal year 2025 sector-level student share includes estimated net tuition and fee revenue for Alabama, Kentucky, and Pennsylvania and estimated sector-level public financial aid for Nevada and Pennsylvania.
6. Each year, approximately one-third of education appropriations, a component of total education revenue, in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.

SOURCE: State Higher Education Executive Officers Association

TABLE 4.3A

NET TUITION AS A PERCENTAGE OF TOTAL EDUCATION REVENUE BY SECTOR AND STATE, FY 2019-2025

	TWO-YEAR STUDENT SHARE					FOUR-YEAR STUDENT SHARE				
	2019	2024	2025	CHANGE SINCE 2024	CHANGE SINCE 2019	2019	2024	2025	CHANGE SINCE 2024	CHANGE SINCE 2019
ALABAMA	44.9%	31.4%	34.3%	2.9	-10.6	75.0%	66.2%	66.0%	-0.3	-9.0
ALASKA	N/A	N/A	N/A	N/A	N/A	23.2%	19.8%	17.7%	-2.2	-5.5
ARIZONA	17.8%	16.6%	17.2%	0.7	-0.6	81.5%	78.9%	81.9%	3.0	0.4
ARKANSAS	37.5%	34.8%	33.9%	-0.9	-3.6	53.7%	61.5%	57.3%	-4.2	3.6
CALIFORNIA	6.6%	5.5%	4.9%	-0.6	-1.7	43.7%	34.3%	34.2%	-0.1	-9.6
COLORADO	41.7%	29.0%	30.8%	1.8	-10.9	77.1%	72.8%	71.2%	-1.6	-5.9
CONNECTICUT	38.7%	27.5%	25.2%	-2.2	-13.5	58.4%	46.5%	48.3%	1.8	-10.1
DELAWARE	39.0%	30.9%	32.6%	1.8	-6.4	81.7%	81.4%	81.0%	-0.4	-0.8
FLORIDA	36.5%	28.8%	30.7%	1.9	-5.8	18.3%	12.2%	11.9%	-0.3	-6.4
GEORGIA	30.9%	26.2%	27.9%	1.7	-3.0	36.8%	29.9%	30.9%	1.0	-5.9
HAWAII	19.2%	14.8%	13.4%	-1.4	-5.8	32.2%	30.4%	29.1%	-1.3	-3.1
IDAHO	35.5%	30.4%	31.2%	0.8	-4.3	49.0%	51.9%	53.8%	1.9	4.7
ILLINOIS	30.4%	22.5%	22.2%	-0.3	-8.2	36.4%	30.2%	28.9%	-1.3	-7.5
INDIANA	38.3%	36.4%	38.2%	1.8	-0.1	65.8%	67.5%	67.3%	-0.2	1.5
IOWA	54.9%	49.4%	49.7%	0.3	-5.2	68.1%	68.2%	68.9%	0.7	0.8
KANSAS	25.3%	17.7%	17.8%	0.1	-7.5	63.0%	53.4%	51.1%	-2.4	-12.0
KENTUCKY	44.6%	38.9%	46.7%	7.9	2.2	60.4%	53.9%	50.8%	-3.1	-9.6
LOUISIANA	52.1%	44.3%	41.6%	-2.7	-10.5	48.7%	46.0%	44.6%	-1.3	-4.1
MAINE	28.4%	14.7%	20.8%	6.0	-7.6	53.3%	46.6%	48.9%	2.3	-4.4
MARYLAND	33.5%	26.8%	27.4%	0.6	-6.1	55.2%	41.0%	41.3%	0.3	-13.9
MASSACHUSETTS	32.2%	14.2%	7.0%	-7.3	-25.2	43.9%	37.9%	36.4%	-1.5	-7.5
MICHIGAN	39.4%	28.2%	28.1%	-0.1	-11.4	74.3%	71.5%	70.3%	-1.2	-4.0
MINNESOTA	43.4%	35.4%	36.1%	0.8	-7.3	61.1%	56.0%	56.3%	0.3	-4.8
MISSISSIPPI	42.8%	37.7%	36.1%	-1.6	-6.7	63.8%	58.7%	61.8%	3.0	-2.1
MISSOURI	30.4%	25.2%	29.4%	4.2	-0.9	55.5%	56.4%	55.9%	-0.4	0.5
MONTANA	24.0%	20.3%	20.5%	0.2	-3.5	58.4%	56.7%	56.6%	-0.1	-1.9
NEBRASKA	20.3%	15.2%	14.9%	-0.2	-5.3	49.4%	43.0%	42.2%	-0.8	-7.2
NEVADA	22.7%	20.3%	18.4%	-1.9	-4.2	25.8%	19.2%	18.8%	-0.4	-7.0
NEW HAMPSHIRE	52.8%	38.2%	37.0%	-1.2	-15.7	83.3%	76.4%	76.6%	0.2	-6.8
NEW JERSEY	41.2%	30.7%	30.3%	-0.4	-10.9	56.5%	44.5%	43.1%	-1.4	-13.5
NEW MEXICO	16.1%	7.9%	7.7%	-0.2	-8.4	29.5%	15.4%	17.9%	2.5	-11.6
NEW YORK	31.9%	30.3%	30.0%	-0.4	-1.9	33.8%	29.9%	28.6%	-1.3	-5.2
NORTH CAROLINA	18.8%	15.0%	15.3%	0.3	-3.5	39.5%	34.4%	35.1%	0.7	-4.4
NORTH DAKOTA	34.2%	28.7%	28.5%	-0.2	-5.7	58.2%	55.0%	54.7%	-0.3	-3.5
OHIO	33.5%	31.6%	28.6%	-3.0	-4.9	65.4%	63.9%	61.3%	-2.6	-4.1
OKLAHOMA	40.6%	28.1%	27.7%	-0.3	-12.9	59.3%	57.2%	56.0%	-1.1	-3.3
OREGON	30.5%	16.8%	18.8%	2.0	-11.7	71.7%	69.7%	69.3%	-0.4	-2.5
PENNSYLVANIA	45.3%	37.9%	36.7%	-1.2	-8.7	73.7%	68.1%	67.2%	-1.0	-6.6
RHODE ISLAND	47.6%	42.9%	44.1%	1.1	-3.5	64.3%	61.5%	59.3%	-2.1	-5.0
SOUTH CAROLINA	34.3%	33.9%	35.2%	1.4	0.9	77.5%	64.2%	63.7%	-0.5	-13.9
SOUTH DAKOTA	42.5%	57.3%	56.4%	-0.9	13.9	64.8%	54.6%	54.3%	-0.3	-10.5
TENNESSEE	17.3%	3.8%	8.0%	4.2	-9.4	51.3%	48.6%	49.4%	0.8	-1.9
TEXAS	20.7%	16.0%	15.5%	-0.5	-5.1	62.0%	62.0%	64.2%	2.3	2.3
UTAH	24.2%	17.2%	19.3%	2.1	-4.9	48.1%	40.5%	43.1%	2.6	-4.9
VERMONT	69.4%	37.7%	36.5%	-1.2	-32.9	89.4%	81.0%	81.3%	0.3	-8.1
VIRGINIA	45.1%	24.4%	22.1%	-2.3	-23.0	64.6%	53.1%	47.7%	-5.4	-16.9
WASHINGTON	27.1%	17.2%	14.3%	-2.9	-12.8	51.4%	48.1%	44.5%	-3.6	-6.9
WEST VIRGINIA	37.3%	30.1%	25.2%	-4.9	-12.1	68.2%	64.8%	57.6%	-7.3	-10.6
WISCONSIN	19.8%	15.1%	15.8%	0.6	-4.0	62.1%	60.5%	60.8%	0.2	-1.4
WYOMING	13.6%	18.8%	15.1%	-3.7	1.5	20.2%	13.5%	13.5%	0.0	-6.7
U.S.	**25.6%**	**19.9%**	**19.4%**	**-0.5**	**-6.2**	**54.9%**	**49.3%**	**48.8%**	**-0.5**	**-6.1**
D.C.	N/A	N/A	N/A	N/A	N/A	24.6%	15.3%	15.1%	-0.2	-9.5

NOTES:

1. The student share is a measure of the proportion of total education revenue at public institutions coming from net tuition revenue. Net tuition revenue used for capital debt service is included in net tuition revenue but excluded from total education revenue in calculating the above figures. Total education revenue includes federal stimulus funding.
2. Year change columns show percentage point increases or decreases, not percent change.
3. The U.S. calculation does not include the District of Columbia. There are no two-year public institutions in Alaska or the District of Columbia.
4. The year 2019 is included in this table because it is the starting point of the sector-level SHEF dataset.
5. Sector is determined at the institution level using the Carnegie Basic Classification (carnegieclassifications.acenet.). Baccalaureate/ Associate's Colleges and "less-than-two-year" degree-granting institutions not assigned a Carnegie classification are considered two-year institutions.
6. Fiscal year 2025 sector-level student share includes estimated two- and four-year net tuition and fee revenue for Alabama, Kentucky, and Pennsylvania.
7. Each year, approximately one-third of education appropriations, a component of total education revenue, in Illinois go toward the state's retirement pension system. See the Illinois State Spotlight for more details.

SOURCE: State Higher Education Executive Officers Association

CONCLUSION

Public funding for the higher education sector takes the form of a series of peaks and valleys. Greater volatility in funding, represented by magnitude and duration between the high points and low points, can undermine state affordability, attainment, and workforce development goals. A wide range of factors, such as tax revenue collections, election cycles, political considerations, enrollment trends, and many other needs can influence funding decisions for individual states in any given year. Generally, when tax revenue collections are healthy, the higher education sector tends to fare well in funding decisions. Conversely, the higher education "balance wheel" phenomenon plays out when states need a release valve to meet balanced budget requirements, especially during periods of declining state tax revenue. Funding peaks often occur right before recessions impact state coffers, and funding bottoms out in a valley once economic recoveries take hold.

This cycle of peaks and valleys provides important context for interpreting the key takeaways of the FY25 SHEF Report. The 1.0% decrease in education appropriations per FTE in FY25 suggests that FY24 may represent a new peak level of funding. If this is indeed the case, there are reasons to be both optimistic and concerned about the future of public higher education funding.

REASONS FOR OPTIMISM

- **Historical Context**. If FY24 does represent a new peak funding level, it will represent the second highest peak in the SHEF dataset, dating back to 1980. After adjusting for inflation, fiscal year 2000 is the only year that education appropriations per FTE were higher than FY24 ($12,287 and $12,205, respectively). At least nationally, the new peak represents an almost full recovery from the early 2000s recessions.
- **Total Investment Growth.** Without adjusting for FTE enrollment, public funding for higher education increased in 2025. In real terms, education appropriations increased 2.6% from $127.4 billion in 2024 to $130.7 billion in 2025. This means that on a national basis, state and local governments actually increased their investment in higher education during 2025. There are naturally wide variations among states; however, 29 states increased education appropriations in real terms without adjusting for enrollment.
- **Enrollment Recovery**. The primary reason education appropriations per student experienced a 1.0% decline nationally in 2025 is because enrollment increases outpaced the increases in education appropriations. Following 11 straight years of enrollment declines that accelerated during the COVID-19 pandemic, consecutive years of enrollment increases over 3% are reason for celebration, especially the back-to-back 5% jumps in the two-year sector in 2024 and 2025. Nationally, enrollment will return to pre-pandemic levels with a 1.3% increase in 2026.
- **Economic Resilience.** The greatest reductions in education appropriations per student are typically associated with recessionary environments. Based on current economic indicators, the national economy grew throughout 2025. While economic factors can shift, an optimistic scenario suggests that

the decline in education appropriations could be a bump in the road before continuing an upward trajectory, especially if the nation is able to avoid an economic downturn in the near term.

CAUSES FOR CONCERN

- **Pre-Recession Erosion Risk.** While it is good news that the national economy is not in a recession, a new funding peak outside of an economic downturn can be viewed as cause for concern if the downward trend continues until it rapidly accelerates during a recession. This scenario would represent a repeat of the late 1980s. Education appropriations per student peaked in 1987, then declined for six straight years. While the three years of pre-recession declines, ranging between 0.3% and 1.6%, were smaller than the three years of recessionary declines, ranging between 2.8% and 5.5%, it took 12 years for public funding to match the 1987 peak.
- **Fiscal Constraints.** State tax revenue growth coming out of the pandemic was robust and even reached record levels in some states. Unfortunately, the days of slack budgets were short lived, and most states are now projecting minimal year-over-year expenditure increases. In an era of constrained budgets, it is hard to envision a scenario where higher education funding does much better than achieving flat funding by simply keeping with the pace of inflation.
- **State-Level Variance.** Looking at the national story hides significant state level variance. Even though education appropriations at the national level have exceeded 2008 levels, 24 states have not surpassed the pre-Great Recession peak. This means that nearly half of states are allocating less funding per student in 2025 than they were in 2008.
- **The Demographic Cliff.** Even with enrollment increases over the last three years, FTE enrollment nationally remains 1.3% below 2019 levels. Additionally, the higher education sector is entering a "demographic cliff" with fewer traditional-aged students projected to graduate from high school over the next 15 years. Consequently, to maintain recent trends in enrollment increases, states will need to improve college-going rates and attract more adult learners.

In many ways the higher education sector currently sits at a crossroads. Broader demographic, economic, and political trends will impact which road the sector ultimately travels. As higher education prepares for an uncertain future that will likely include increased funding volatility, it is important to appreciate how far funding levels have come from the post-Great Recession valley — at least at the national level.

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