

**For Immediate Release**

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**Illinois Spending on Higher Education Falls Sharply, Tuition Skyrockets Over  
Two Decades, Limiting Access, Opportunity**

***New report from Center for Tax and Budget Accountability calls for increase in General Fund  
support for higher ed as key to economic mobility, equity, and Illinois growth***

**CHICAGO, MARCH 28, 2023** – After adjusting for inflation, state funding for Illinois colleges and universities has fallen by nearly 50% since 2000, while tuition has more than doubled, making it increasingly difficult for students from low- and middle-income families generally, and Black and Latinx students specifically, to afford getting a higher education degree, according to a report released today from the nonprofit and nonpartisan **Center for Tax and Budget Accountability (CTBA)**. The report, ***Why Illinois Should Enhance its Investment in Higher Education***, which documents the positive impact gaining a college education has on everything from wages, economic development, and community health and wellbeing, to social mobility, calls upon the Illinois General Assembly to invest adequate resources in higher education.

Despite growing evidence that a college degree is more important than ever for success in the labor market and in spite of recent funding increases, the report finds that, after inflation, Illinois' General Fund support for Higher Education has declined significantly over the last two decades, and is 46 percent less now in real terms than in 2000. To help make up for that loss of General Fund support, the average annual student tuition and fee cost of attending a public four-year university in Illinois increased by 115 percent—after inflation—between 2000 and 2021.

Compounding the financial strain on families created by that rapid and substantial growth in tuition costs, funding for the Monetary Award Program (MAP), Illinois' financial aid program for low-income students, has not kept pace. In 2000, the average MAP grant covered 66 percent of the average tuition and fee cost of attending one of the state's public universities. By 2021, the average MAP grant covered just 26 percent of the average annual cost of tuition and fees for a four-year public university.

The primary reason for this significant disinvestment has been the long-term structural deficit in the state's General Fund. Revenue growth has not been sufficient to cover the inflation-adjusted cost of providing the same level of public services from one fiscal year into the next.

With tuition out of reach for many families, the report notes a range of consequences. Enrollment in Illinois public colleges and universities fell 21% from 2010-2021—a rate four times greater than the

overall rate of decline realized nationally. This was partially due to the growth in net outmigration of students from Illinois to other states.

Meanwhile, as the state's decision to reduce funding for higher education is coming at a point in time when gaining a college degree is more important than ever in the modern economy. Consider that, in 2021, the unemployment rate in Illinois for high school graduates without a college degree was more than double the unemployment rate for those with a four-year college degree.

Over the last three decades, the correlation between obtaining a post-high school degree on the one hand, and wage levels on the other, grew significantly. For instance, in 1979, full-time workers with a bachelor's degree or higher had median weekly earnings that were 38 percent greater than workers with a high school diploma. By 2022, that wage gap had more than doubled to 85 percent. According to the report, since 1979 the only cohort of workers in America who have seen their incomes grow at a faster rate than inflation—i.e., have seen real growth in purchasing power—are those with a bachelor's degree or higher.

The higher education report does note some encouraging developments. It comes as the state's General Fund is in "the best fiscal condition it has been for decades," and the Pritzker Administration has recommended increasing the state's appropriations for public higher education institutions by \$219 million, or 9.74 percent, in non-inflation-adjusted dollars for FY 2024. At the same time, the Commission on Equitable Public University Funding, established by the General Assembly in 2021, is working on developing data-driven criteria and approaches to fund public universities in a manner that would be adequate in amount, equitable across income, racial and ethnic lines, and stable over time.

The report finds that increasing state-level General Fund support for public institutions of higher learning can help drive down tuition costs, and simultaneously make college more affordable for low-income students. Moreover, according to the report, since "minorities are disproportionately low income, reducing tuition costs should have a disproportionately positive impact on Black and Latinx students. This in turn should help Illinois begin to reduce the discrepancies in the rates of postsecondary degree completion by race and ethnicity."

According to State Representative Carol Ammons, "For too long, the state's fiscal shortcomings have led decision makers to shortchange higher education. As this report shows, that's not only made it harder for most working families to afford sending their kids to college, it has also contributed to wage inequities along racial and ethnic lines, while harming the state's economy. As Illinois gets its fiscal house in order, it is time for decision makers to invest adequately in public institutions of higher learning. The research shows this is not only the right thing to do from a public policy standpoint, but also from an economic and social justice standpoint."

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#### **About the Center for Tax and Budget Accountability**

CTBA is a nonprofit research organization committed to advancing social and economic justice in Illinois and nationally. Our evidence-based research is central to public policy solutions that create fundamental changes in education, healthcare, housing, economic development, and tax policy. We gain broad-based support for policies that provide access to opportunity for everyone, regardless of income class, race, gender, or ethnicity, improving lives and communities. Learn more at: [www.ctbaonline.org](http://www.ctbaonline.org).