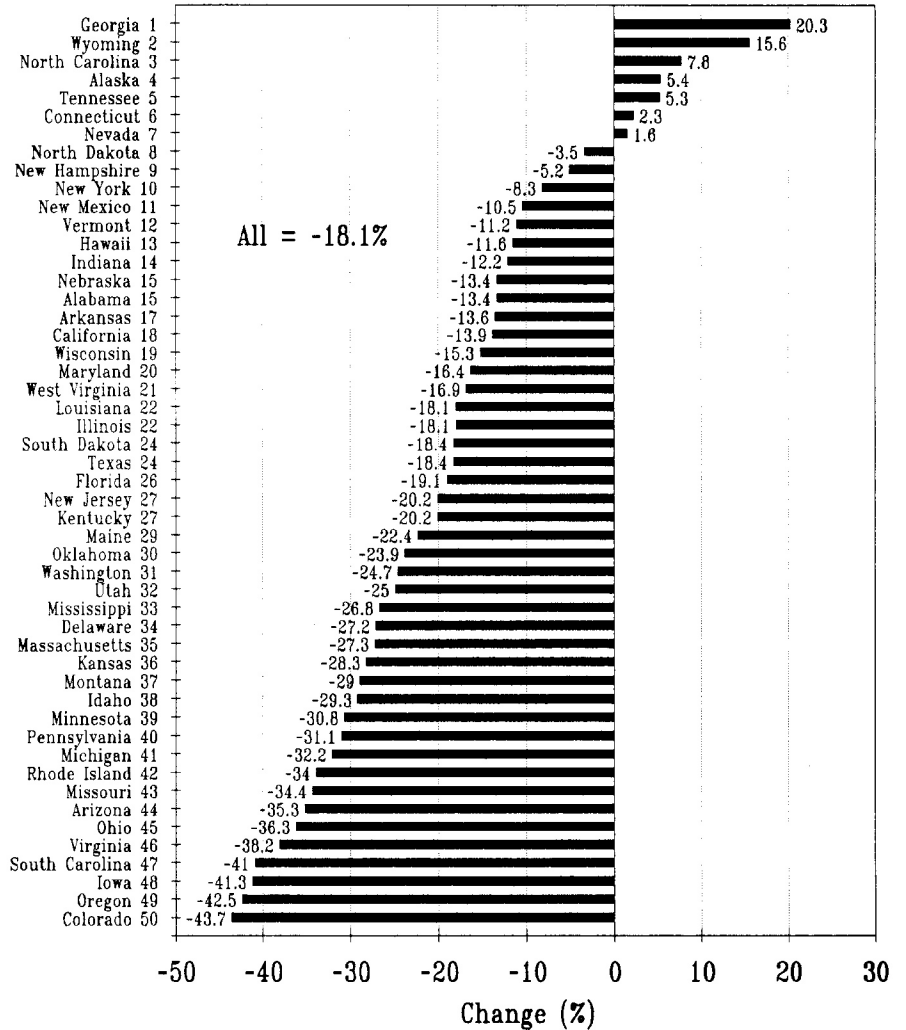


policy choices by governors and legislators have become flagrantly clearer since these choices began to be made in states around 1980.

- In international comparisons the U.S. has dropped from second to eighth among OECD countries in the share of 25 to 34 year olds with at least a bachelor's degree from higher education. We have flatlined while other countries have progressed and moved past the U.S.
- Across family income quartiles students from the top quartile of family income (above \$108K family income) are now 10 times more likely to attain a bachelor's degree by age 24 than are students from the bottom quartile of family income (below \$36K). The 25% of students from the top quartile now earn 55.1% of the bachelor's degrees awarded by age 24. The 50% of students from the bottom quartile of family income distribution (below \$65K) now earn 19.7% of the bachelor's degrees awarded by age 24.
- In every state a growing share of the K-12 population is low income--they have been approved for free or reduced-price school lunches and come from families with incomes below 185% of the federal poverty level. In every state a growing share of higher education enrollments are from low income families--these are students with federal Pell Grants. These low income populations will eventually enter the labor market and become a growing share of that workforce too. But they are not being higher educated to replace the better educated and shrinking shares of more affluent students. So states will become poorer as a direct consequence of their disinvestment in this growing portion of their future workforces.
- The state disinvestment in higher education has turned most state flagship universities away from enrolling state residents and toward

Change In State Fiscal Support for Higher Education per \$1000 of State Personal Income FY2001 to FY2011



enrolling non-residents in their place. The reason is simply that non-residents pay far higher tuitions that do state residents. As states turn away from funding their public universities, these universities are turning away from enrolling residents of the states in which they are located.

- As public universities turn toward more affluent students able to pay a larger share of the costs of their education, they turn away from enrolling the students from lower income families from their home states. This process exacerbates an

already serious problem of growing income inequality in all states.

- As incomes grow more unequally distributed, states have sound reason to expect more violent crimes, abortions, births to unmarried mothers, low birthweight babies, higher poverty rates, higher unemployment rates, greater infant mortality, more property crime, and people without health insurance. States should also expect to have lower public high school graduation rates, lower home ownership, a smaller share of the population employed, lower median household