

## The Promises and Pitfalls of State Free Community College Plans

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### Introduction

Decades of state disinvestment in public higher education have led to escalating tuition rates and heavier student debt burdens, and the public backlash over unaffordable college has brought policy options from the periphery into the mainstream of state lawmakers' agendas. One such idea is free community college, a bold solution put forth by both Democratic and Republican lawmakers in states throughout the country in recent years. Thus far, four states have enacted free community college policies, with lawmakers in at least 16 other states considering similar proposals.

Because budget revenues are only increasing incrementally in many states and political realities often constrain the amount of new state spending, most free community college proposals are designed to cover any out-of-pocket tuition costs due after applying all federal and state grant aid—and are thus “last-dollar” grants. In covering the remaining tuition costs, state lawmakers are able to declare that anyone in the state who meets eligibility criteria can attend a state community college tuition-free. State taxpayers, meanwhile, have minimal new financial commitments: Because all pre-existing aid dollars would pay down tuition first, a sizable share

of community college students would have little or no outstanding tuition costs. In most cases, free community college plans do not cover non-tuition expenses, which limits their budgetary costs. Since most pre-existing financial aid is distributed based on need, last-dollar programs generally provide minimal help to the poorest students.

Last-dollar free community college proposals provide an opportunity to unite some progressives and conservatives. For some progressives, free community college is a matter of social justice; the message is clear and powerful and can reach students who perceive college to be financially out of reach. Further, some students will receive needed financial assistance. Some conservatives, meanwhile, see an opportunity to meet state workforce demands with minimal new costs to taxpayers.

But neither the progressive nor the conservative lines of argument in favor of these proposals are free from contrary ideological perspectives. While the simplicity of “free” government-funded services is appealing to progressives, most last-dollar proposals are regressive because they benefit somewhat higher-income students without new spending for students with the most financial need. Further, some progressives could see these policies redirecting price-sensitive students into under-resourced community colleges, symbolizing the continued erosion of equal access to public universities and exacerbating economic segregation within higher education. Conservatives, meanwhile, may take issue with the notion of “free” education, concluding that “free” is a political intervention that disguises substantial taxpayer subsidies. Conservatives may also object to students not paying any tuition, even though some students can easily afford community college tuition and community college graduates will earn substantial private benefits from their education.

The divide between and among progressives and conservatives indicates that free community college proposals are complex public policy solutions, with a broad array of tradeoffs that affect students, institutions of higher education and states. This paper will explore the history and legislative landscape of the free college movement, analyze the “promises” and “pitfalls” of these policies, and present questions for lawmakers to consider in their deliberations of this public policy proposal.

## History: Unsustained First-Dollar Tuition-Free Plans and a New Last-Dollar Tuition-Free Landscape

The idea of states providing tuition-free higher education dates back nearly 150 years and predates the founding of community colleges. California has a long history with free tuition, and three other states have free tuition provisions in their constitutions, with provisions in two of these states that include community colleges. Beyond these foundational documents, scholars, higher education commissions and state lawmakers have proposed free community college tuition plans at many points throughout the 20<sup>th</sup> century. While 20<sup>th</sup> century efforts to provide free community college were unsuccessful, state lawmakers in the 21<sup>st</sup> century have revisited and reconfigured the path to free community college, with four states enacting free community college plans. Lawmakers in at least 16 other states have also introduced free community college measures.

While 20<sup>th</sup> century efforts to provide free community college tuition can provide some insight into contemporary policy solutions, they differ fundamentally from current proposals because past efforts were mostly *first-dollar* programs, and the current proposals are mostly *last-dollar* programs. Because the first-dollar programs do not account for federal and state financial aid, their cost would be

substantially higher than the last-dollar approaches. Nevertheless, the failure of some states to maintain past commitments to free or near-free tuition lead to questions of whether policymakers will sustain their current and proposed programs given fluctuating state budget revenues and the opportunity costs of investing in these programs.

### Free or Near-Free College: State Charters and Constitutions

California has a history of free tuition dating back to the state’s earliest years, and three states have language in their state constitutions requiring free or near-free tuition (*see Table 1*). Two of these states, North Carolina and Arizona, have language in their state constitutions that include community colleges. These provisions, all of which date back over a century, reflected a period when the state viewed public higher education as a public asset serving a broad range of economic and non-economic purposes. However, these ideals, along with tuition-free commitments, have eroded over the last century due to insufficient state funding.

**California.** California’s no-tuition legacy has influenced the state’s approach to higher education financing for nearly 150 years. Motivated by the Morrill Land-Grant Act of 1862, California lawmakers approved the Organic Act of 1868, which chartered the University of California (UC). Section 14 of the Organic Act stated:

For the time being, an admission fee and rates of tuition, such as the Board of Regents shall deem expedient, may be required of each pupil except as herein otherwise provided; and as soon as the income of the University shall permit, admission and tuition shall be free to all residents of the State; and it shall be the duty of the Regents, according to population, to so apportion the representation of students, when necessary, that all portions of the State shall enjoy equal privilege therein.<sup>1</sup>

According to a historical analysis from the now-defunct California Coordinating Council for Higher Education,

**Table 1: Free or Near-Free Tuition and State Constitutions**

		In-District Tuition and Fees at Public 2-year institutions (2015-2016)	In-State Tuition and Fees at Public 4-year institutions (2015-2016)
		U.S. Average: \$3,430	U.S. Average: \$9,410
North Carolina	<b>Sec. 9. Benefits of public institutions of higher education.</b> “The General Assembly shall provide that the benefits of The University of North Carolina and other public institutions of higher education, as far as practicable, be extended to the people of the State free of expense.”	\$2,320 (3 <sup>rd</sup> lowest in nation)	\$6,970 (9 <sup>th</sup> lowest in nation)
Wyoming	<b>Sec. 16. Tuition free.</b> “The university shall be equally open to students of both sexes, irrespective of race or color; and, in order that the instruction furnished may be as nearly free as possible, any amount in addition to the income from its grants of lands and other sources above mentioned, necessary to its support and maintenance in a condition of full efficiency shall be raised by taxation or otherwise, under provisions of the legislature.”	\$2,810 (9 <sup>th</sup> lowest in nation)	\$4,890 (lowest in nation)
Arizona	<b>Article XI. Sec. 6. Admission of students of both sexes to state educational institutions; tuition; common school system</b> “The university and all other state educational institutions shall be open to students of both sexes, and the instruction furnished shall be as nearly free as possible.”	\$2,480 (5 <sup>th</sup> lowest in nation)	\$10,650 (36 <sup>th</sup> lowest in nation)

Source: Language taken directly from each state’s constitution. Tuition figures taken from “Trends in College Pricing 2015,” The College Board, <http://trends.collegeboard.org/sites/default/files/trends-college-pricing-web-final-508-2.pdf>

free tuition was based on the principle that state residents should have broad access to the university, and a well-educated citizenry was deemed essential to meeting evolving state and national economic needs. The Organic Act was incorporated into the state’s constitution in 1879, with UC becoming an agency of the state. However, a 1918 constitutional amendment transferred complete authority over the university to the board of regents and removed references to the Organic Act. Pursuant to the original law, the UC regents eliminated tuition in 1869, but financial strain led the regents to consider student fees starting in the 1890s.<sup>2</sup> In 1921, UC started assessing fees for non-instructional expenses.<sup>3</sup>

The universities that now comprise the California State University (CSU) and the state’s community colleges also have a low-tuition history. However, CSU received no constitutional or legislative mandate for free tuition and charged “tuition fees” for years that were later absorbed into a “materials and services” fee in 1954. The state’s community colleges, meanwhile, had a “firmly established” no tuition policy and were considered an extension of the K-12 community, according to the state’s Coordinating Council for Higher Education.<sup>4</sup>

The survey team of the California Master Plan evaluated the state’s approach to tuition at UC, state

colleges (now CSU) and community colleges in 1960. They recommended that both the UC and state colleges adhere to a no-tuition policy for state residents and also suggested that tuition-free community college be a state policy. They did, however, allow for fees to be assessed for non-instructional expenses. The Master Plan's survey team recognized the financial cost of keeping tuition free and considered various cost containment strategies, including directing all students to community colleges for the first two years of higher education. They ultimately dismissed these plans, concluding that prudent educational planning requires considering issues beyond cost.<sup>5</sup>

Five years later, the state's Coordinating Council for Higher Education scrutinized the free tuition model and concluded that free or low-cost tuition had not fully achieved the original goals of broad-based accessibility to higher education and a highly trained state workforce, citing the state's below-average record in spurring high school students to earn a college degree. The council outlined alternatives to the existing system, such as maintaining the tuition-free policies and exempting low-income students from fees, or creating a tuition system with deferred payments or low-interest state loans.<sup>6</sup>

Due to state funding cuts, fees at UC and CSU increased in the decades following the adoption of the Master Plan. The two university systems formally replaced fees with standard tuition charges in 2010.<sup>7</sup> The state's community colleges introduced non-instructional fees on a limited basis in the 1960s.<sup>8</sup> Due to a state budget shortfall, the community colleges started charging instructional fees in 1984.<sup>9</sup> The state's community colleges still call their charges "fees" and have the lowest rates in the nation, according to the College Board. The state's two public university systems (combined) are near the national average for published tuition charges. In-district fees at California's community colleges averaged \$1,420 in 2015-16, while the state's four-year universities charged in-state students an average tuition of \$9,270.<sup>10</sup>

**North Carolina.** North Carolina has a free tuition provision in its state constitution, originally approved in 1868. Under Article IX, Section 9, "The General Assembly shall provide that the benefits of The University of North Carolina and other public institutions of higher education, as far as practicable, be extended to the people of the State free of expense."<sup>11</sup> However, tuition at the University of North Carolina has never been free, even dating back to the founding of UNC-Chapel Hill in the late 18<sup>th</sup> century.<sup>12</sup> Today, North Carolina has some of the lowest tuition rates in the nation. According to the College Board, in-state tuition at North Carolina's community colleges averaged \$2,320 in 2015-16, the third lowest in the nation. The state's public four-year universities charged in-state students an average of \$6,970, the ninth lowest in the nation.<sup>13</sup>

**Wyoming.** The Wyoming Constitution, ratified in 1889, includes language related to free tuition, but does not mention higher education institutions beyond the University of Wyoming. Article VII, Section 16 ("Tuition Free") states:

The university shall be equally open to students of both sexes, irrespective of race or color; and, in order that the instruction furnished may be as nearly free as possible, any amount in addition to the income from its grants of lands and other sources above mentioned, necessary to its support and maintenance in a condition of full efficiency, shall be raised by taxation or otherwise, under provisions of the legislature.<sup>14</sup>

A 1989 state attorney general's opinion argued that this provision is "advisory" due to the wide authority the state provides the legislature in approving funding for higher education and the board of trustees role in establishing tuition rates.<sup>15</sup> In-state tuition at Wyoming's community colleges averaged \$2,810 for in-state students in 2015-16, the ninth lowest in the nation. The University of Wyoming, the state's only public university, charged in-state students a tuition rate of \$4,890, the lowest in the nation.<sup>16</sup>



**Arizona.** The Arizona Constitution, ratified in 1911, also has a free tuition provision. Article XI, Section 6 states, “The university and all other state educational institutions shall be open to students of both sexes, and the instruction furnished shall be as nearly free as possible.”<sup>17</sup> A 1935 court case tested this provision, as a party claimed that instruction should be completely free. The state’s high court did not agree, concluding that there was “No suggestion that the fees, rentals, etc., are excessive or other than reasonable, or are not as nearly free as possible.”<sup>18</sup> A 2007 case stemming from a steep tuition increase again tested the limits of this language, and the state’s high court decided that tuition issues are a “non-justiciable political question.”<sup>19</sup> According to the College Board, in-state tuition at Arizona’s community colleges averaged \$2,480 in 2015-16, the fifth lowest in the nation. Arizona’s four-year universities charged an average in-state rate of \$10,650, the 36<sup>th</sup> lowest in the nation.<sup>20</sup>

## Tuition-Free Community College Proposals in the 20<sup>th</sup> Century and early 2000s

Beyond foundational documents, scholars, higher education commissions and state lawmakers put forth proposals and principles for free community college tuition throughout the 20<sup>th</sup> century. From the scholarly community, University of Minnesota professor Leonard Koos argued in 1925 that free K-12 education would eventually extend to community college, and that states should provide subsidies to avoid charging tuition to community college students.<sup>21</sup> In the decades that followed, other leading scholars would join the call for tuition-free community colleges, emphasizing the democratic role of community colleges in higher education and the anticipated extension of free secondary school to community college.

Leading higher education commissions also called for first-dollar no-tuition policies at community colleges. In 1947, the President’s Commission on Higher Education (also known as the “Truman Commission”) released a report called *Higher Education for*

*American Democracy*, which called for extending free schooling into the 13<sup>th</sup> and 14<sup>th</sup> year, with a system of free community colleges and free first two years of attending a public four-year institution. The commission also sought additional financial aid to help cover non-tuition costs for the neediest students.<sup>22</sup> The Carnegie Commission in the early 1970s adopted similar recommendations, calling for states to have low or no tuition at public two-year colleges, low or no tuition during the first two years of an undergraduate baccalaureate education at all public colleges and universities, and recommended reexamining tuition rates so students pay one-third of educational costs for upper-division courses.<sup>23</sup>

Free community college, however, did not generate as much enthusiasm among campus administrators and did not gain significant legislative traction outside California.<sup>24</sup> The City University of New York (CUNY) had free tuition in the 1970s, but abandoned the model during the city’s budget crisis in 1976.<sup>25</sup> John Lombardi, the former president of Los Angeles City College, concluded in a 1976 review of state tuition-free policies at community colleges, “In time all of the states, including California, either gave up the no-tuition policy or permitted colleges to charge a variety of fees which were often equal to the tuition charged by other colleges.”<sup>26</sup>

The 1990s and early 2000s witnessed continued attempts at tuition-free community college. In 1997, the chair of the Massachusetts Board of Higher Education pitched a \$90 million tuition-free community college plan to then-acting Gov. Paul Cellucci.<sup>27</sup> In 2006, Tennessee Gov. Phil Bredesen proposed a free community college plan for high school students who scored at least a 19 on the ACT,<sup>28</sup> while Massachusetts Gov. Deval Patrick outlined a plan the following year to make the state’s community colleges tuition-free over 10 years.<sup>29</sup> Lawmakers did not enact any of these proposals.

## Local Programs Lead to Last-Dollar State Free Community College Policies and Proposals

While free college proposals did not materialize at the state level, tuition-free programs took hold at the local level starting in 2005 and led states to revisit the “free college” concept. These local endeavors are generally privately funded last-dollar grants for college. Encouraged by the success of tnAchieves—a last-dollar local program to help students transition into and finance a community college education—Tennessee restarted the state tuition-free community college movement with the last-dollar Tennessee

Promise in 2014. Following Tennessee, Oregon, Minnesota and Kentucky have passed last-dollar free community college programs (*see Table 2*), and at least 16 other states have examined free community college proposals.

**The Tennessee Promise.** Enacted in May 2014, the Tennessee Promise is a last-dollar grant program that allows high school students who meet basic eligibility criteria to attend a state community college, college of applied technology (TCAT), or a four-year institution with an associate degree program tuition-free. To be eligible for Promise funding, students need to apply

**Table 2: Comparison of Enacted Free Community College Programs**

	Tennessee Promise	Oregon Promise	Minnesota Occupational Scholarship Pilot Project <sup>1</sup>	Work Ready Kentucky Scholarship
U.S. Citizenship Required	Yes	No	No	The requirements for this program have yet to be determined.
FAFSA Submission Required	Yes	Yes	Yes	
Minimum GPA to Remain Eligible	2.0	2.5	2.5 after first year and every term thereafter	
Minimum Credits/Semester	12	6	Requires 30 over an academic year, including summer, and must be certified that student in carrying enough credits to complete program at the end of the second year	
Meetings with Mentors Required	Yes	No	Yes	
Community Service Required	8 hours/semester in program	No	No	
Funding Beyond Cost of Tuition	No	\$1,000 for full-time study over 3 terms <sup>2</sup>	No	

<sup>1</sup>Participants must also have an adjusted gross income (AGI) of \$90,000 or less for the 2015 tax year (parental, if dependent; family, if independent) and be enrolled in a qualifying career or technical program.

<sup>2</sup>Grant amount is prorated for participants enrolled in less than full-time or fewer than three terms.

for federal financial aid, meet with mentors, perform at least eight hours of community service, enroll in at least 12 credits each semester, and maintain at least a 2.0 grade point average (GPA). The Tennessee Promise is funded through a \$300 million endowment derived from repurposed lottery proceeds, along with some state general funding.<sup>30</sup>

The state made a series of changes to its financial aid structure in conjunction with the Tennessee Promise (*see Table 3*). These policy changes create new incentives for students who are eligible for state financial aid to begin their postsecondary education at a two-year college and then transfer to a four-year university (if they are pursuing a bachelor's degree), or seek a two-year degree or technical training instead of a four-year degree.

**Oregon Promise.** Following Tennessee's lead, Oregon lawmakers approved the Oregon Promise in 2015. This is also a last-dollar grant program, but has a number of key differences from the Tennessee program. Most notably, it does not make changes to other state financial aid programs, requires a higher 2.5 GPA, and awards all eligible full-time participants at least \$1,000, even if existing state and federal programs already cover their tuition costs. This change is important, as low-income students already covered by federal and state financial aid can use this money for books, housing and other expenses. In addition, Oregon lawmakers did not fund the program through an endowment, but through \$10 million in state appropriations.<sup>31</sup>

**Minnesota Occupational Scholarship Pilot Project.** In 2015, Minnesota lawmakers approved the Occupational Scholarship Pilot Project. The program, which was appropriated \$8.5 million over two years, will serve an estimated 1,600 students attending technical colleges and pursuing careers in select high-demand fields.<sup>32</sup> The program requires that students complete the FAFSA, complete at least 30 credits in their first academic year, maintain at least a 2.5 GPA,

and have a family adjusted gross income of \$90,000 or less. Colleges are required to provide mentoring to the participants in the program.<sup>33</sup>

**Work Ready Kentucky Scholarship.** In 2016, Kentucky lawmakers approved the Work Ready Kentucky Scholarship program. The scholarship was appropriated \$15.9 million to begin in the 2017-18 academic year.<sup>34</sup> Final program requirements have yet to be determined.

## Free Community College Program Characteristics

Beyond the free community college programs that have been enacted, at least 16 other states have considered free community college proposals in the past two years. As with Tennessee and Oregon, many states even included "Promise" in the names of these proposals. A chart comparing these bills can be found in Appendix A.

While each of the free community college bills introduced is unique, they often include several similar elements. In general, these proposals:

- **Target recent high school graduates.** With few exceptions, most free community college bills require students to enroll in a community college shortly after graduating from high school or obtaining a GED. The proposals typically specify that students must enroll in the fall semester following their graduation, within six months following graduation, or within a year following graduation. Some also specify that only students who earn a GED prior to reaching 19 years of age are eligible for these programs. These requirements prevent many adult and nontraditional students from benefiting from these programs, but also serve as a way to contain program costs.
- **Include a state residency requirement.** The bills usually require students to be state residents; some

**Table 3: How Did the Tennessee Promise Change the State's Financial Aid Landscape?**

	HOPE Scholarship		Tennessee HOPE Scholarship-Nontraditional		ASPIRE Award		HOPE Access Grant	
<b>Description</b>	This is a merit-based state financial aid program without income requirements		This is a need-based financial aid program for nontraditional students with an income cap		This is a need-based supplement award to the HOPE Scholarship		This is a need-based state financial aid program for individuals who do not meet the minimum HOPE scholarship requirements	
<b>Eligibility Requirements</b>	Complete the FAFSA, meet basic residency requirements, attend an eligible in-state public or private institution of higher education, enroll within 16 months of H.S. graduation		Complete the FAFSA, meet basic residency requirements, be age 25 or older and either entering as a freshman or have not been enrolled for at least 2 years, attend an eligible in-state public or private institution of higher education		Same as HOPE Scholarship		Complete the FAFSA, meet basic state residency requirements, attend an eligible in-state public or private institution of higher education	
<b>Entering Freshman Academic Requirements</b>	Minimum ACT of 21 (980 SAT) or overall weighted GPA of 3.0						Minimum weighted 2.75 GPA and 18-20 ACT (860-970 SAT)	
<b>College Academic Requirements</b>	The program includes baseline GPAs in college of either 2.75 or 3.0, depending on the semester in which the student attempted to meet 24/48/72/96 hour thresholds. The scholarship also includes termination criteria		The program includes baseline GPAs in college of either 2.75 or 3.0, depending on the semester in which the student attempted to meet 24/48/72/96 hour thresholds. GPA does not include coursework taken prior to reenrollment, if applicable. The scholarship also includes termination criteria				<b>This grant is non-renewable.</b> Should a student meet the minimum requirements for the HOPE scholarship at the first 24-hour benchmark, the student's award will be updated for the following year to the Traditional HOPE	
<b>Income Cap</b>	None		Yes (\$36,000)		Yes (\$36,000)		Yes (\$36,000)	
	Pre-Tennessee Promise (2009-2015):	Post-Tennessee Promise (2015-):	Pre-Tennessee Promise (2009-2015):	Post-Tennessee Promise (2015-):	Pre-Tennessee Promise (2009-2015):	Post-Tennessee Promise (2015-):	Pre-Tennessee Promise (2009-2015):	Post-Tennessee Promise (2015-):
<b>Students Attending Four-Year Institutions</b>	Up to \$2,000 per FTE/semester, for 2 semesters including summer (\$4,000 annually)	Up to \$1,750 per FTE/semester as a freshman and sophomore, for 2 semesters including summer; then up to \$2,250 per FTE as a junior and senior (up to \$3,500 annually for freshman/sophomores, \$4,500 for juniors/seniors)	Up to \$2,000 per FTE/semester, for 2 semesters including summer (\$4,000 annually)	Up to \$1,750 per FTE/semester as a freshman and sophomore, for 2 semesters including summer; then up to \$2,250 per FTE as a junior and senior (up to \$3,500 annually for freshman/sophomores, \$4,500 for juniors/seniors)	Up to \$750/semester, for 2 semesters including summer (\$1,500 annually)	Up to \$750/semester, for 2 semesters including summer (\$1,500 annually)	Up to \$1,375 per FTE/semester, for 2 semesters including summer (\$2,750 annually)	Up to \$1,250/semester, for 2 semesters including summer (\$2,500 annually)
<b>Students Attending Two-Year Institutions</b>	Up to \$1,000 per FTE/semester, for 2 semesters including summer (\$2,000 annually)	Up to \$1,500 per FTE/semester, for 2 semesters including summer (\$3,000 annually)	Up to \$1,000/per FTE/semester, for 2 semesters including summer (\$2,000 annually)	Up to \$1,500 per FTE/semester, for 2 semesters including summer (\$3,000 annually)	Up to \$750/semester, for 2 semesters including summer (\$1,500 annually)	Up to \$250/semester, for 2 semesters including summer (\$500 annually)	Up to \$875 per FTE/semester, for 2 semesters including summer (\$1,750 annually)	Up to \$875 per FTE/semester, for 2 semesters including summer (\$1,750 annually)

Source: Tennessee Student Assistance Corporation, <https://www.tn.gov/collegepays/section/money-for-college>



explicitly require students to be eligible for resident tuition. A couple proposals also require students to be U.S. citizens or eligible non-citizens.

- **Require FAFSA Submission.** Most free community college proposals require students to submit a FAFSA and accept any federal or state aid—grants, scholarships and other funding sources that do not require repayment—to be eligible to participate.
- **Usually only cover tuition and fees.** As last-dollar programs, most of the proposals only cover tuition and fees remaining after all other federal and state aid has been applied. Some proposals will only cover tuition and fees at public two-year institutions, while others may provide funding to students enrolled in two-year programs at public four-year institutions, private institutions or both. While the programs cover tuition and fees, students are left to fund all the other educational expenses, such as housing, textbooks and transportation. A few proposals provide a minimum grant if existing aid completely covers tuition and fees, as is the case for many of the neediest students.
- **Require that students meet a GPA and credit threshold for continued eligibility.** Free community college proposals usually require students to meet specific GPA thresholds, along with mandates that students enroll in a certain number of credits each semester. The majority of the proposals require that students enroll on a full-time basis, while some permit half-time enrollment. Some proposals require 15 credits a semester, which is above the 12 credits a semester required to be considered full-time for federal student financial aid purposes.
- **Impose time limits for program eligibility.** Most proposals include language to limit program eligibility to a maximum number of years or semesters a student can receive funding or through completion of the degree or certificate program, whichever occurs first. A majority of the proposals limit participation to two or 2.5 years.

## The Promises and Pitfalls of State-Level Free Community College Plans

State-level free community college plans include a number of potential benefits to students and states, including increased college affordability for some community college students; a potentially larger pool of high school students transitioning directly to higher education; a renewed focus on jobs requiring an associate degree or technical certificate; and fewer students attending some low-value for-profit colleges. Nevertheless, there are some problematic elements of these plans, including the distribution of benefits, an array of potential consequences of directing more students to community colleges, and possible rationing stemming from surging demand and insufficient public investment.

### The Promises of State-Level Free Community College Plans

**Community college will be more affordable for some students.** Free community college plans will help some students pay for tuition costs, but the policy configuration ultimately determines who benefits and how much they benefit. The students who will benefit from last-dollar programs are those whose federal and state aid does not exceed their tuition. The Pell Grant is the main federal program serving low-income students, while states have a variety of grant programs based on financial need, academic merit, or a mix of both need and academic merit.

While some observers may point out that tuition is already free for most community college students, a recent analysis from the Wisconsin Hope Lab reveals an uneven landscape of out-of-pocket tuition costs at the state level. According to the Hope Lab, the College Board calculates that after accounting for grant aid and tax credits, the “net price” of tuition and fees at community colleges is -\$840. However, tax credits do not provide immediate help to students paying their tuition bills, and low-income students and families

may not understand their eligibility. Excluding the tax credits, the Hope Lab analysis found a national net price of community college of -\$82. However, their analysis found significant variation among the states: Excluding the low-tuition mega states of Texas and California, the national net price of tuition at community colleges stands at \$497, with net prices in 16 states of over \$1,000.<sup>35</sup>

For last-dollar free community college programs that only cover tuition, most of the poorest students will not receive a financial benefit, as the maximum federal aid exceeds community college tuition rates in the vast majority of states. For other students, a mix of federal and state financial aid cover their complete community college tuition. The last-dollar approach to funding will predominantly benefit lower-middle and middle-class students who have significant unfunded tuition need relative to their income, a group the Tennessee Higher Education Commission has referred to as the “forgotten middle.”<sup>36</sup> Students from higher-income backgrounds could also see some benefit; four in 10 students at two-year colleges are dependent students, and 42 percent of this population has parental incomes beyond \$65,000, with 17 percent of the dependent student population from families with incomes beyond \$100,000.<sup>37</sup>

**Free community college programs could broaden participation in higher education.** The simple, powerful message of “free college,” complemented

with extensive program marketing and coordination with K-12 education and community organizations, could signal to more students and families that affordable college opportunities are available in the state. Students can enroll at a state community college without the fear of going substantially into debt and failing to complete a credential. In Tennessee, Gov. Bill Haslam has used his platform to promote the Tennessee Promise and enlisted volunteer mentors to help students complete the requirements of the program and successfully transition to college. Together, messaging and support can counter perceptions that college is financially out of reach and address knowledge gaps in college financing that remain especially prevalent among low-income and first-generation students and families.

Initial numbers from the first year of the Tennessee Promise reveal that overall full-time freshman enrollment has increased in Tennessee (*see Table 4*). Overall, full-time freshman enrollment grew by 10.1 percent between Fall 2014 and Fall 2015, with considerable increases in participation at the state’s community and technical colleges and amid declines in full-time freshman enrollment for those attending four-year state universities. This is only the first year of the program, and a more complete picture of how the Tennessee Promise has changed college attendance patterns throughout the state’s higher education segments will be available in the years ahead.

**Table 4: How Did the Tennessee Promise Change the Full-Time Freshman Enrollment?**

	Fall 2014	Fall 2015	Change
Community Colleges-Tennessee Board of Regents	17,379	21,679	24.1%
Tennessee Colleges of Applied Technology (TCATS)	8,691	10,432	20%
Tennessee Board of Regents Universities	11,983	10,977	-8.4%
University of Tennessee	7,977	7,611	-4.6%
Total	46,030	50,699	10.1%

Source: Tennessee Higher Education Commission, 2016.

**Free community college could bring more attention to jobs that require an associate degree or technical certificate.** Community colleges offer an array of programs linked directly to middle-wage opportunities in the state workforce. There is significant demand for associate degrees and technical certifications offered by community colleges: According to the Georgetown Center on Education and the Workforce, one in three new jobs created between now and 2020 will require an associate degree or some form of postsecondary education.<sup>38</sup> During the economic recovery of 2010-2014, the Center found that workers with associate degrees or some college filled low- and middle-wage jobs (salaries less than \$32,000 and \$32,000-\$53,000, respectively) while “good” jobs (salaries more than \$53,000) went almost exclusively to those with bachelor’s degrees and above. Of the 6.6 million jobs created during this period, the Center calculated that 44 percent were “good” jobs, while 29 percent were middle-wage jobs and 27 percent were low-wage jobs.<sup>39</sup>

Workforce development is a central premise of the movement toward free community college. In Tennessee, Gov. Haslam embedded the free community college plan in the state’s goal of having 55 percent of state residents hold college degrees or certificates by 2025. In his 2014 announcement of the Tennessee Promise, Haslam noted that the state’s technical colleges graduate over four in five students, with 86 percent of graduates finding employment.<sup>40</sup> Further, the Tennessee Promise explicitly states that the program is limited to two-year colleges and associate degree programs at four-year colleges because of the wide array of middle-skill job openings in the state.<sup>41</sup> In Minnesota, the author of the free technical college pilot project noted that he wanted to direct students to in-demand job opportunities in the state, particularly in the fields of agriculture, manufacturing and computer science.<sup>42</sup>

**Free community college program requirements could encourage high school students to immediately transition to higher education and accelerate college completion.** The free community college programs require students to enroll in college immediately following high school or high school equivalency, which may encourage them to pursue and complete their degree programs earlier in their lives. Students from lower-income backgrounds are more likely to delay immediate entrance into higher education,<sup>43</sup> and a program like the Tennessee Promise provides an incentive and support for these students to start higher education directly after finishing high school.

Credit requirements, such as the requirement for full-time enrollment in the Tennessee Promise, could increase the percentage of full-time students at community colleges and accelerate progress toward degree completion. Provisions in the three of the programs require students to meet a minimum number of credits in order to participate, ranging from a minimum of six per semester in Oregon to 30 in an academic year in Minnesota. For those students that are able to take a full-time credit load, free community college plans provide an incentive to accumulate a substantial number of credits early in college and facilitate their path toward timely completion.

**Free community college could deter students from attending some high-price, low-value for-profit colleges.** A clear benefit of programs like the Tennessee Promise is that they could counter heavy marketing efforts by for-profit colleges and use partnerships with K-12 education and community organizations to direct students to community college programs that offer a far better value and more beneficial outcomes than comparable programs offered in the for-profit sector. A number of for-profit colleges have been under investigation for consumer abuse in recent years,<sup>44</sup> and many for-profit colleges leave students with debt that is not commensurate with earnings. Associate degree holders from community

colleges have substantially lower debt than those from for-profit colleges, as 79 percent of associate degree recipients from community colleges in 2011-12 had either no debt or \$10,000 or less debt, compared 25 percent of associate degree holders from for-profit colleges.<sup>45</sup> Recent research comparing outcomes from community and for-profit colleges concluded that “many for-profit students would fare better in public community colleges, where earnings gains may be higher and tuition is less than a quarter of the price.”<sup>46</sup>

## The Pitfalls of Free Community College

**Last-dollar approaches to free community college can have limited benefits for those with the most need and generally do not address non-tuition expenses.** Last-dollar free community college proposals that do not extend funding beyond the cost of tuition and fees result in little to no benefits for the neediest students. For the poorest students who qualify for the maximum federal aid, the grant currently covers all community college tuition and fees in the vast majority of states. For such students, last-dollar free community college proposals produce no benefits, even though students have significant additional costs for expenses like housing, books and transportation. Last-dollar free community college programs would predominately help students from moderate-income backgrounds that do not qualify for federal or state aid. The configuration of the program matters in whether low-income students receive benefits; for example, the Oregon Promise provides \$1,000 to students already covered by existing programs, who can use the funding to pay for non-tuition expenses.

Tuition and mandatory fees only account for a small portion of the costs associated with community college attendance and most free community college plans do not address important non-tuition costs. According to the College Board, the estimated budget for an in-district commuter student at a public two-year college in 2015-16 was \$16,833, only \$3,435 of which was attributable to tuition costs.<sup>47</sup> For low-income students

attending community college, federal and state grant aid usually fall far below costs associated with housing, food, books and transportation. Food and housing insecurities, in particular, remain widespread among community college students: According to a recent study, half of community college students said they were at least marginally food insecure over the last 30 days, with similar percentages indicating they experienced housing insecurity over the past year.<sup>48</sup> Today, over 90 percent of dependent and independent full-time students in the bottom two income quartiles have unmet financial need at two-year colleges, along with large majorities of part-time students from these two income groups.<sup>49</sup> The credit requirements of some of the free community college programs will strain students who attempt to work to help finance their non-tuition expenses and will likely force many of them to take out loans to pay for living expenses.

**Providing incentives for students seeking a bachelor's degree to start their higher education at community colleges raises concerns about academic fit, student success, efficiency and increased economic stratification.** Recently, attention has been given to “undermatching” in higher education—that is, high-achieving, low-income students who end up enrolling in less selective institutions than they could have realistically chosen. While undermatching remains a topic of debate among scholars, many have concluded that this is simply not among the top public policy challenges in American higher education; even if the phenomenon is real, it ultimately affects a relatively small number of students.

Free community college plans, however, could provide strong new incentives for students to start their education at a community college instead of a state university. This could establish undermatching as a matter of policy on a broad scale. Community colleges have historically served as venues of opportunity and broad access to higher education. As such, they have tended to be less restrictive in their admissions criteria and therefore less demanding in their curricular

requirements, in addition to having fewer resources. Leading researchers at the University of Michigan have concluded that while most discussions of undermatching have focused on the selectivity of four-year institutions, the undermatching that truly matters to outcomes is between enrolling at two- or four-year colleges, as four-year colleges offer students resources and experiences that are unavailable at many two-year colleges.<sup>50</sup>

The lack of resources is one of the factors leading to lower completion rates at community colleges, and there is no indication from the free community college proposals that states will direct more per-student aid to community colleges in order to foster student success. Beyond diminished resources, transfer can also act as another significant barrier to degree completion, as some students may take courses that are not transferable to the state university or simply decide not to transfer.

Some state policymakers might assume that encouraging students to start at lower-cost community colleges for a bachelor's education could relieve some of the pressure on state higher education budgets and increase degree efficiency. In fact, the opposite may be true. According to researchers with NCHEMS and the Delta Cost project, while the cost of educating a student at a community college is lower, the cost per bachelor's degree completion is greater for students starting at community colleges because of high attrition rates. The researchers conclude, "Moving more students to community colleges is a case where cutting costs may actually hurt productivity if the goal is to increase bachelor's degree attainment." They call for investing in community colleges and state universities with a commitment to teaching and student success.<sup>51</sup>

Directing students to start at community colleges could also exacerbate existing economic stratification in public higher education as price-sensitive students begin at community colleges and wealthier students start at state universities. State universities exist to

serve all state residents, regardless of income level, and recognize that economic diversity enhances the campus community. While some new incentives may not change existing college attendance patterns, substantial new incentives coupled with aggressive marketing efforts could drive more low- and middle-income students to community colleges instead of a state university, leaving state universities less economically diverse. Proponents of free community college plans may argue that state universities would regain this diversity as students transfer from community colleges to state universities to complete their bachelor's degrees, yet given the barriers to student success at under-resourced community colleges, it remains unclear how many will transfer and complete.

**Community colleges may not be the most accessible venue for some students.** An emerging body of work is re-visiting the important role of place in college access.<sup>52</sup> Most students stay close to home for college—four in five first-year college students attend institutions within 50 miles of their home.<sup>53</sup> While technology may reduce the importance of place through a proliferation of online and distance education options, some courses and campus activities require in-person attendance. For many students, a community college is close in proximity. For other students, a state university may be the most proximate option. Free community college plans could discriminate against students based on location, as some students could have easy access to a free community college while others would have a difficult time accessing these institutions. For policymakers seeking broad access to free college opportunities, a better alternative could be making the first two years of college free at all lower-priced institutions.

**Inadequate funding of free community college programs could lead to rationing.** The tuition-free community college "promise" relies on available state funding. Last-dollar programs allow tuition levels to fluctuate, with a promise to cover remaining tuition



after accounting for federal and state financial aid. However, if state funding cuts lead to higher tuition rates and lawmakers fail to adequately fund the free community college initiative, the state might not be able to keep its promise. In the case of Tennessee, their program draws on an endowment in order to ensure funding. Even so, the ability of the endowment to support the program is predicated on stable tuition increases. The Oregon, Minnesota, and Kentucky plans are limited by funding allocations, which could lead to rationing if demand is higher than available funding.

## Questions for Consideration

1. **Considering the costs and benefits of free community college, why invest in it over existing programs?** Policymakers should carefully weigh the costs and benefits of free community college plans in comparison to new investments in existing state programs. For example, further investments in need-based financial aid combined with increased operating support for public institutions may well be a more effective path to keeping the range of college opportunities affordable and accessible to students. There may also be better-targeted alternatives, such as increasing financial aid for students pursuing education and training in high-need occupations. Policymakers could also consider boosting marketing and awareness of existing state and federal programs that help defray some of the cost of attending college and explore solutions to help low-income students better transition from high school to higher education.
2. **Where will the program funding come from and how will lawmakers protect it during economic downturns?** The amount of state funding needed for free community college programs will depend on numerous factors, such as the program's configuration and the number of students expected to participate. It would be more beneficial if the program received new state funding and a dedicated revenue stream. Further, state lawmakers should plan for how they will maintain funding for the program during periods of economic decline, when state revenue is scarce and college enrollments typically increase. Lawmakers must also consider the extent to which they will need to direct new resources in the future toward maintaining free community college as opposed to other priorities, such as university funding.
3. **Do state community colleges have the capacity to serve significantly more students?** While some may view college enrollments in business terms by equating more students to a company with more customers, community colleges actually lose money on each student even if they pay full in-state tuition; either the state or local governments subsidize, on average, over 60 percent of education and related costs of a community college student.<sup>54</sup> Asking community colleges to significantly expand enrollments without increasing funding would be to suggest that they could lose money on every student and make it up in volume. With new incentives for students to attend community colleges, policymakers will need to consider enrollment increases and adjust institutional funding accordingly.
4. **How will free community college affect state university financing?** State university budgets are a complex web of cross-subsidies, from lower-cost programs (e.g. humanities) subsidizing higher-cost programs (e.g. engineering), and larger lower-division courses subsidizing smaller upper-division courses.<sup>55</sup> If free community college programs re-direct a significant share of students to start their education at community colleges instead of state universities, it could reshape the state universities' financing model by depriving them of the "net" generated by lower-division offerings. Lawmakers will need to consider the extent to which a movement toward community college and a greater reliance on transfer students will disrupt university budgets.

5. **What are the strategies for fostering student success?** With the efforts to expand access to higher education, states and institutions could use this opportunity to examine whether their existing policies, such as those that pertain to student transfer, are updated and able to serve an expanded population. Policymakers could also use this opportunity to explore new policies and programs aimed at improving student success.
6. **Who will champion free community college over the long term?** A potential challenge of free community college is maintaining political support for the program as state budget revenues fluctuate and champions of free community college leave political office. Advocates interested in making free community college a pillar of state higher education policy should work to build a bipartisan group of legislative champions to ensure that the inevitable changes in state political dynamics allow the program to continue and for “promises” to be kept. Advocates of free community college can also create a sustainable political foundation through cultivating beneficiaries from the private sector, along with supporters from the K-12 and nonprofit communities.

## Conclusion: Is the Message More Important than the Money?

At first glance, last-dollar free community college seems to be a “win-win-win.” Students attend state community colleges tuition free, the state has a powerful new affordability message, and taxpayers have minimal new financial commitments. Yet without careful planning and consideration of the possible consequences of this policy, free community college proposals could become a “lose-lose-lose”—state funding for students with the greatest financial need is re-purposed toward higher income families, students re-directed to community colleges fail to earn a credential, and taxpayer dollars are used inefficiently.

Historically, state efforts to provide free college, whether at community colleges or state universities, usually succumbed to budget cuts during periods of economic scarcity. While these plans were more costly first-dollar programs, they provide a cautionary tale for lawmakers and highlight the importance of building a broad base of political champions and anticipating financial challenges to tuition-free programs during difficult state budget cycles.

Free community college could yield some important benefits for students and states. While tuition assistance will predominantly help students from middle-income backgrounds afford community college, the most important benefit is likely the powerful “free college” motivator that has the potential to encourage a wider range of high school students to go directly to higher education. Further, community colleges have an assortment of programs linked directly to state workforce needs. There could be ancillary benefits as well, such as directing students away from some low-value programs offered by for-profit colleges.

Conversely, the free community college proposals present concerns, chiefly regarding the distribution of benefits. The poorest students at both two- and four-year colleges need aid for college expenses, but most of the free community college proposals would do little or nothing to help them. For students seeking a bachelor’s degree, the free community college proposals will provide an incentive for them to start at a community college, presenting concerns as to whether community colleges are the most appropriate educational venue for these students and whether these students will have the support and resources needed to complete their program. Access could also be a problem, as some students may not be close to a tuition-free community college, and may be in closer proximity to a state university. Therefore, lawmakers should ensure that affordable college opportunities are available to all students; presumably those opportunities will be found in the public sector.

Given competing demands, state lawmakers will need to decide whether free community college programs are the best use of public resources. Funding directed to free community college programs could be used for other worthy efforts within higher education, such as increasing need-based financial aid. Nevertheless, the message of “free college” remains simple and compelling in today’s economic environment. Lawmakers will need to consider how this policy fits within state needs and goals, study existing free community college policies, consider the ramifications for both community colleges and universities, and weigh tradeoffs over affordability, access and quality. Given the benefits and drawbacks of state free community college proposals, the deciding question might be, “Is the message more important than the money?”

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## Appendix A

State	Bill	Status	US Citizenship/Residency	FAFSA Submission Required	Minimum GPA to Remain Eligible	Minimum CR/Sem	Other reqs	Max # of Years	Funding Beyond Cost of Tuition	Interesting Notes
AZ	HB 2487	Referred to Committee 2/4/15	State residency		2.5			2		This act does not become effective until funding is provided under federal law to reimburse cc for at least 75% of the cost of tuition and fee waivers, and funding is provided by the state to reimburse cc for at least 25% of the cost of the tuition and fee waivers
	HB 2229	Referred to Committee 1/27/16								
CA	HB 1583	Referred to Committee 5/4/16	State residency		2.0 (SAP)				\$1000	"California Promise" for students with income standards three times the current federal poverty level
HI	SB 2128	Referred to Committee 1/21/16	US citizen or eligible non-citizen; state residency	Y	2.0 (SAP)	FT	Must be physically present in the state and under the age of 26.			Proposal implements a pilot at the University of Hawaii
	HB 1613	Referred to Committee 3/10/16								
	HB 2070	Referred to Committee 1/27/16								
	SB 2061	Referred to Committee 1/20/16	Qualifies for resident tuition	Y	2.5	HT	Must graduate state HS w/ minimum 2.5 GPA	Has not completed more than 90 PS CR, or completed an AS degree or Technical ed curriculum	Y (\$1000 if FT, prorated otherwise)	"Hawaii Promise Program": Looks very similar to OR Promise; there is a max amount per fiscal year which is not determined in bill
IL	SB 2146	Referred to Committee 1/27/16	State residency	Y	2.0 (SAP)	FT		2 yrs. or individual has earned certificate or AS degree		"Illinois College Promise Program"
IN	SB 513	Referred to Committee 1/14/15	State residency	Y		FT	Mentoring	2.5		"Indiana Promise Scholarship"

MA	HB 1070	Referred to Committee 3/10/16	State residency							Commonwealth shall bear the costs
	SB 687	Accompanied HB 1070 3/10/16	State residency	Y	2.0	FT	Mentoring and community service	2.5 yrs. or individual is awarded a certificate or degree		"Massachusetts Workforce Opportunity Scholarship"; students have 5 yrs. from HS graduation to enroll in program
MD	HB 673	Died in Committee 3/5/15	State residency	Y	2.0	FT	If student does not earn certificate or degree w/in 3 yrs. of first receiving waiver, recipient shall repay amount of tuition waived	2.5 yrs. or individual is awarded a certificate or degree		Funds to reimburse community colleges shall be paid from the education trust fund, could end up diverting funds from K12 and capital construction; students have 2 years after HS graduation to enroll in program
	HB 18	Referred to Committee 1/26/16	State residency	Y				2 yrs. or individual is awarded a certificate or degree		Students have 2 years after HS graduation to enroll in program; Also provides 50% discount for state residents who do not have a HS diploma or GED and who have been actively seeking employment but unemployed for 6 mo., who enroll for a certificate or AS degree at a CC in the state; Funds to reimburse CC shall be paid from the education trust fund, could end up diverting funds from K12 and capital construction
	HB 64	Referred to Committee 1/27/16	Has paid state income tax							Individuals may claim a state income tax credit for amount of community college tuition paid (not to exceed tax liability)
	SB 698	Withdrawn 3/14/16	Resident of participating county	Y	2.0		Must complete certificate within 3 yrs. or AS degree within 5 yrs.; cannot earn any grades below 'C'	Within time limit, until individual is awarded a certificate or degree		Community College Vocational Certificates and Associate's Degree Tuition Waiver Program; participation in the program is voluntary and determined by the county in consultation with the local community college
MO	HB 986	Died in Committee 2/24/15	State residency	Y	2.0 (SAP)	FT	Mentoring and community service	2.5 yrs. or individual has earned a certificate or AS degree		"Missouri Promise Scholarship"; students who participate in the A+ schools program are not eligible for scholarship. Will sunset after 6 years unless reauthorized by GA; will then sunset 12 yrs. after reauthorization

MS	HB 431	Died in Committee 2/3/15	State residency	Y	2	FT	Mentoring and community service	2.5 yrs. or individual has earned a certificate or AS degree		"Mississippi Promise Scholarship"; If GED, must be earned before reaching 19 years of age
	HB 424	Died in Committee 3/4/14	State residency	Y	2.5	15 CR	Must be enrolled in and pass a minimum of 15 credit hours each semester in any credit-bearing degree or certificate program	FA 14-SP 16		"Mississippi Promise" Community College Tuition Gap Pilot Program. Cannot transfer to another institution. If funds are not sufficient to meet needs of all eligible students, the MS CC Board shall reduce the allocation of funds to each college in proportion to the state's actual share of the cost of the program for each college. Unfunded tuition will be student's responsibility.
	SB 2226	Died in Committee 2/23/2016	State residency	Y	2.5	FT	Graduated HS with 2.0 GPA; mentoring	FA 16-SP 18		"Mississippi Works Scholarship Pilot Program"; applies to students enrolled in an AAS or certificate program in specified areas. Transferring institutions is not permitted. If legislative funding is not sufficient to meet needs of all eligible students, awards shall be prorated; any unfunded tuition shall be the responsibility of the student.
NY	SB 4760	Referred to Committee 1/22/16	Qualifies for resident tuition	Y			25 hrs. of Community Service per year of participation; Student must also apply for NY TAP funding; Must agree to reside and be employed full-time in NY state for a period of 5 years subsequent to completion of academic program.	3-5 yrs. (to be set by Trustees); 1 UG degree		"Tuition Free New York"; Full and part time work must add up to a cumulative 5 FT years; unemployment does not count against, but does not count toward requirements either. If not met, waiver becomes loan, plus interest. From April 2016-March 31 2018 program is CC only; from April 1 2018 for all SUNY CUNY and CC students
	HB 5098-A	Referred to Committee 1/11/16								
	SB 6598	Referred to Committee 1/29/16	State residency	Y	2.5	HT for at least three terms each year	Must graduate from state HS with 2.5 GPA or higher	Has not completed more than 90 PS CR, or completed an AS degree or program	Y (\$1000 if FT, prorated otherwise)	"New York Promise Program." Student is responsible for \$50 per term. Total amount for program may not exceed \$10 million per fiscal year; department may adopt by rule the priority by which grants are awarded
	HB 9254	Referred to Committee 2/5/16								
	SB 484	Referred to Committee 1/6/16	State residency	Y	2.5 (at college graduation)	FT		Student must graduate within 3 yrs. of first enrollment		"Reimbursement for education achievement and proficiency (REAP) program"
	HB 3573-A	Referred to Committee 1/6/16								

NC	HB 129	Referred to Committee 3/24/15	US citizen or eligible non-citizen; qualifies for resident tuition	Y	3.0	FT	Must graduate from state HS with 3.5 GPA; 30 semester credit hours by the end of the academic year	4 semesters		"High Achieving Tuition Scholarship Program"; limited funds, will be awarded based on when application is received. BOG of UNC shall adopt a policy to permit any student admitted to a constituent institution who receives a HATS to defer admission to the constituent institution for 2 yrs., contingent upon successful completion of an AS degree and remaining in good standing in the scholarship while enrolled in CC
ND	HB 1452	Died in Committee 2/6/15	Continuous state residency since 9 <sup>th</sup> grade	Y	3.0	FT		4 yrs. or until student completes the requirements for a certificate, diploma, or degree		"North Dakota Promise Grant"; pilot program with funding coverage as a percent of total tuition costs on a graduated scale, no grants are payable after 2032-33
OK	HB 1733	Referred to Committee 2/18/15	State residency	Y	2.0	FT	2.0 GPA OR SAP; Mentoring and community service	2.5 yrs. or individual has earned a certificate or AS degree		"Oklahoma Community College Scholarship." If GED, must be earned before reaching 19 years of age. Lottery funds (20%) are used to support this scholarship; diverted from tuition grants, loans and scholarships, technology and capital outlay projects (prev 45% > 25%)
	HB 2926	Referred to Committee 2/2/16	State residency	Y	2.0	FT	2.0 GPA OR SAP; Mentoring and community service	2.5 yrs. or individual has earned a certificate or AS degree		"Oklahoma Community College Scholarship." If GED, must be earned before reaching 19 years of age. Student is responsible for \$50. If available funds are not sufficient for all eligible applicants, the Oklahoma State Regents shall make awards on the basis of need. Award renewals given priority over first-time awards.
TN	SB 605	Enacted 5/6/15	State residency	Y	2.0	9 CR per Fall/Spring semester		2 yrs. OR individual has earned AAS degree OR student has attempted total number of sem hours necessary for completion of the degree		"Community College Reconnect Grant", like TN Promise, also funded by Lottery. First come, first serve; no more than \$1.5 m shall be expended during the life of the program. Only students getting grant in 2016-17 are eligible to receive grant in subsequent academic years. Cannot have been enrolled in higher ed for at least 24 mo. Preceding enrollment in program; must have earned a min of 30 CR toward AAS degree; independent students w/ AGI < \$36K. If student ceases to be eligible, shall not be able to regain grant. Transfer between eligible institutions okay.
TX	HB 2517	Referred to Committee 3/16/15	State residency	Y	2.5 (after 1 <sup>st</sup> year)	HT	SAP in 1st year is institution's definition. In subsequent years, it is completing 75% of CR attempted in most recent academic year.	3 yrs. or 75 CR		"Texas Promise Scholarship"; "coordinating board shall give highest priority to awarding scholarships to students who demonstrate the greatest financial need." Students who lose eligibility may regain by enrolling in a semester w/o scholarship and meeting all requirements. Transfers okay. May be some leniency for personal hardships.

WA	HB 2820	Reintroduced 3/10/16	State residency	Y	2.0 (after 45 CR)		Quarter-long student success course during or before first enrollment period	4 yrs., individual has earned an associate degree or credential, or has earned 120 CR	Up to \$1500 for books and other related higher ed expenses must be provided as a stipend to students with a family income that does not exceed 70% of state median family income (prorated for less than FT)	"Washington Promise Program"; Beginning 2017, eligible students must have graduated within 6 mo. and qualify for stipend; beginning 2018, eligible students must have obtained HS diploma or equivalent within 16 mo.; beginning in 2020, eligible students must have obtained HS diploma or equivalent
	SB 6481	Reintroduced 3/10/16	State residency	Y	2.0 (after 45 CR)			4 yrs., individual has earned an associate degree or credential, or has earned 120 CR	Up to \$1500 for books and other related higher ed expenses must be provided as a stipend to students with a family income that does not exceed 70% of state median family income (prorated for less than FT)	"Washington Promise Program."The board and individual community and technical colleges are authorized to provide retention and completion programs, which may include a quarter-long student success course during or before first enrollment period



WI	HB 903	Referred to Committee 2/11/16	State residency	Y	3.0 (at college graduation)	HT	Program counseling; must be continuously employed within the state for at least 3 years following graduation	4 semesters or 60 credits, whichever is greater	Grant amount shall be based on the EFC minus other gift aid	"Wisconsin Promise Program"; if student does not meet requirements, grant will be converted to a loan, with interest; also provides grants to cover housing and textbook costs as calculated using a median per-student figure "Wisconsin Promise Program"
	SB 686	Referred to Committee 2/15/16								
	HB 815	Referred to Committee 1/27/16	State Residency	Y	2.5	HT				Provides that the state shall provide fee remission for students participating in a federal fee remission program initiated or administered by the federal department of education to provide students at community or technical colleges with 2 yrs. of tuition-free education. Amount of remission is the difference between the student's fees (without the remission) and the amount of federal funding applied toward payment of these fees.

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