

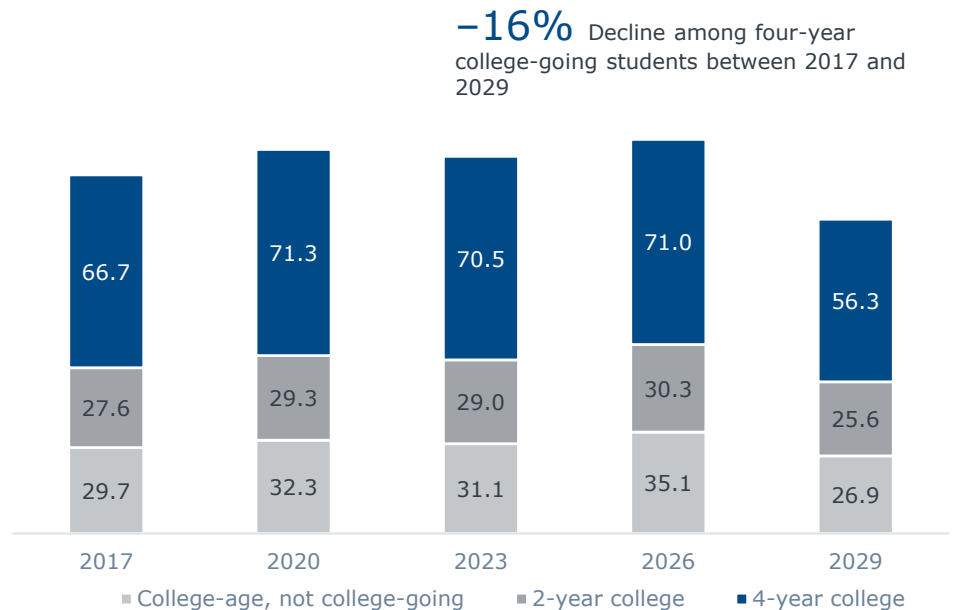
# State Outlook: Massachusetts

## Demographics Trends

### Recruitment Pool Set to Shrink in the Next Decade

An uptick in enrollment of four-year college-going students until 2026 will be followed by a steep decline between 2026 and 2029.

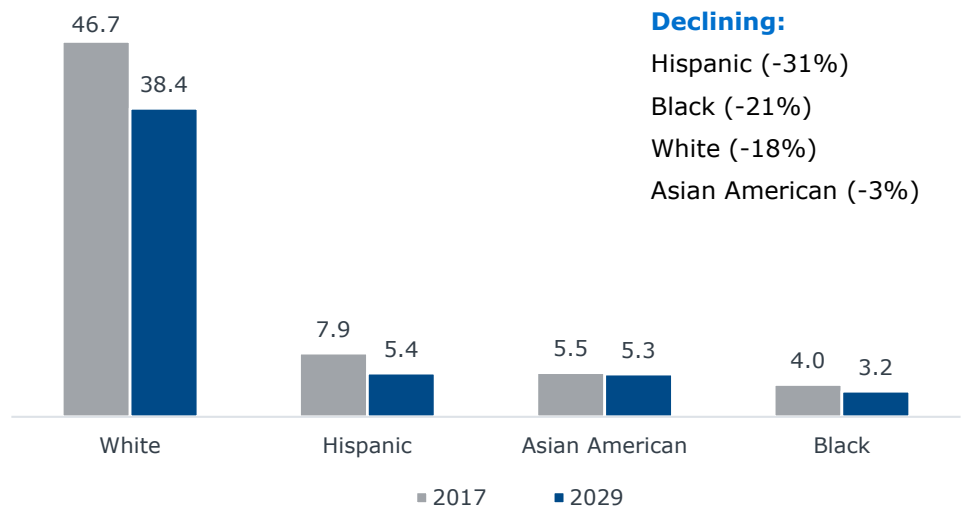
### Forecasted Number of College-Aged and College-Going Students in Massachusetts, Connecticut, and Rhode Island<sup>1</sup> (Thousands), by Year of High School Graduation



### Declining College-Going Students from All Races/Ethnicities

Non-Hispanic White students will experience the largest decline in absolute terms (loss of 8,000 students over the next decade). Other student segments will also decrease in size.

### Projected Number of Four-Year College-Going Students in Massachusetts, Connecticut, and Rhode Island<sup>1</sup> (Thousands), by Race/Ethnicity



<sup>1</sup>) The states of Massachusetts, Connecticut, and Rhode Island are grouped together in the enrollment projections in order to maintain sufficient sample size and maximize the predictive power of the forecasts.

Source: Grawe, Nathan D., *Demographics and the Demand for Higher Education*, 2017; EAB analysis.

# State Outlook: Massachusetts

## Affordability Trends

### Smaller Proportion of Low-Income Households

37% of Massachusetts households make less than \$50,000 per year compared to 46% nationally in the same income category. Similarly, Massachusetts has a larger proportion of wealthy households making over \$100,000 annually.

### MA's Public Institutions Close to Median in Terms of College Affordability

The average net price at public institutions in Massachusetts is 22% of the state's median household income, making it close to the median state in the United States in terms of affordability.

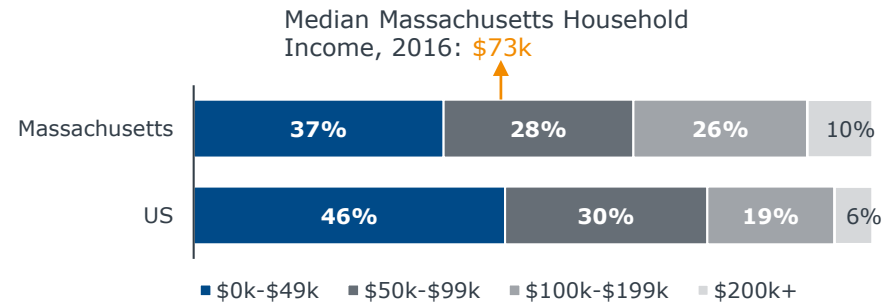
### MA's Private Institutions Represent the Median in Terms of Affordability

Unsurprisingly, Massachusetts's private institutions are much more expensive than their public counterparts (net price is 38% of median household income for privates vs. 22% for publics). But similar to the publics, Massachusetts's private institutions are average among all states in terms of affordability.

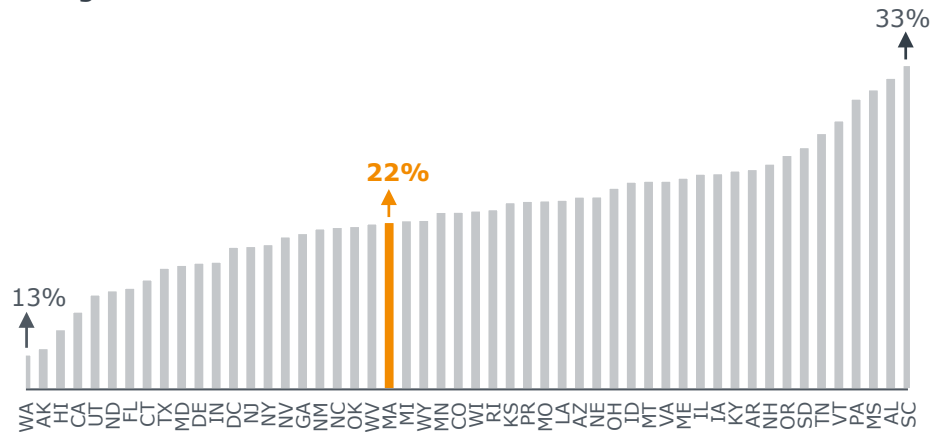
### More Debt Among Graduates

While Massachusetts's percentage of college graduates in debt is only marginally higher than the rest of the country, average debt per borrower is significantly larger.

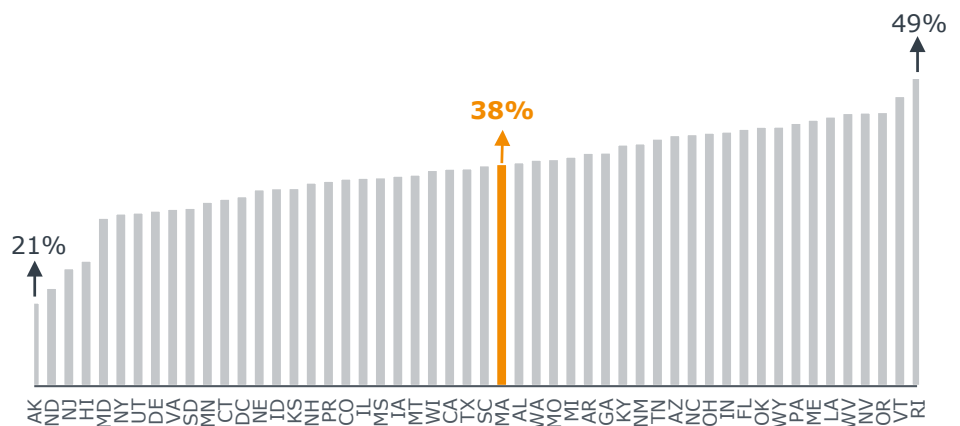
### Number of Households by Income Segment (Thousands), 2016



### Average Public Institution Net Price as % of Median Household Income



### Average Private Institution Net Price as % of Median Household Income



### Student Loan Statistics, 2016

	Massachusetts	US
Percentage of College Graduates with Student Debt	61%	60%
Average Debt per Borrower	\$30,584	\$27,975

Source: IPEDS, National Center for Education Statistics; 2016 American Community Survey (ACS), U.S. Census Bureau; 2017 Student Loan Debt by School by State Report, LendEDU, 2018, <https://lendedu.com/blog/student-loan-debt-statistics-by-school-by-state-2017>; EAB analysis.

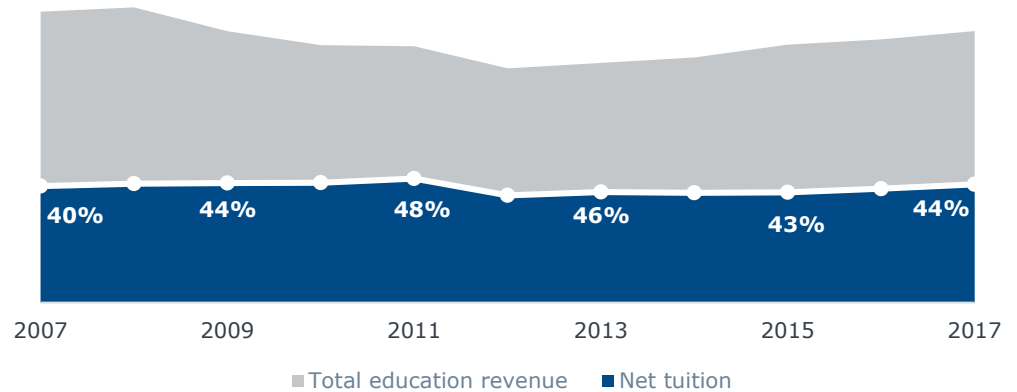
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## Funding and Appropriations Trends

### Reliance on Net Tuition Grew Slightly Post-Recession

Net tuition as a proportion of total education revenue in Massachusetts has grown slightly over the last ten years and currently stands at 44%.

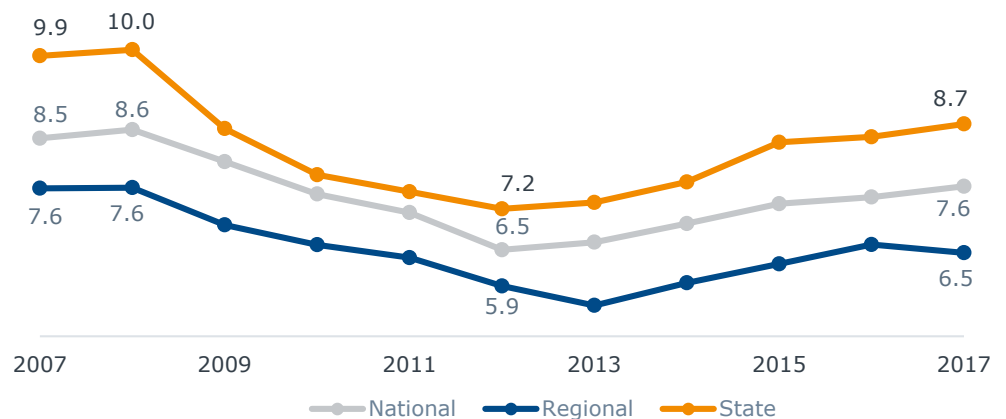
Net Tuition as a Proportion of Total Education Revenues, per Student FTE



### MA's Educational Appropriations per Student Well Above Regional and National Levels

Massachusetts's educational appropriations have consistently remained higher than those of New England and national levels over the last decade.

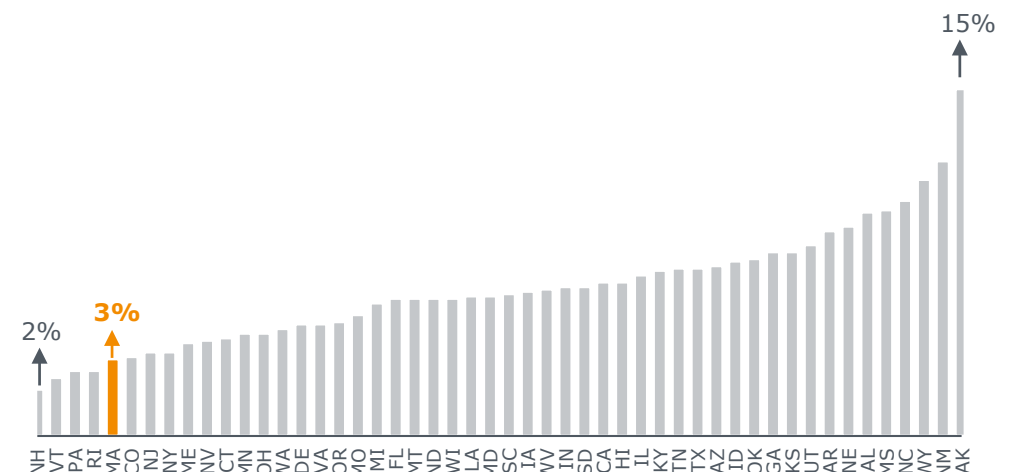
Educational Appropriations per Student FTE in MA, Regionally<sup>1</sup> and Nationally (Thousands), 2007-2017



### Smaller Proportion of Tax Revenues Allocated to Higher Education

With only 3% of tax revenues allocated to higher education, Massachusetts's proportional allocation is smaller than related allocations in the majority of states.

Percentage of Tax Revenues Allocated to Higher Education by State, 2015



1) Refers to the New England region, which includes Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont

Source: "2016 State Higher Education Finance (SHEF) Report," State Higher Education Executive Officers, <http://www.sheeo.org/projects/shef-fy16>; EAB analysis.