

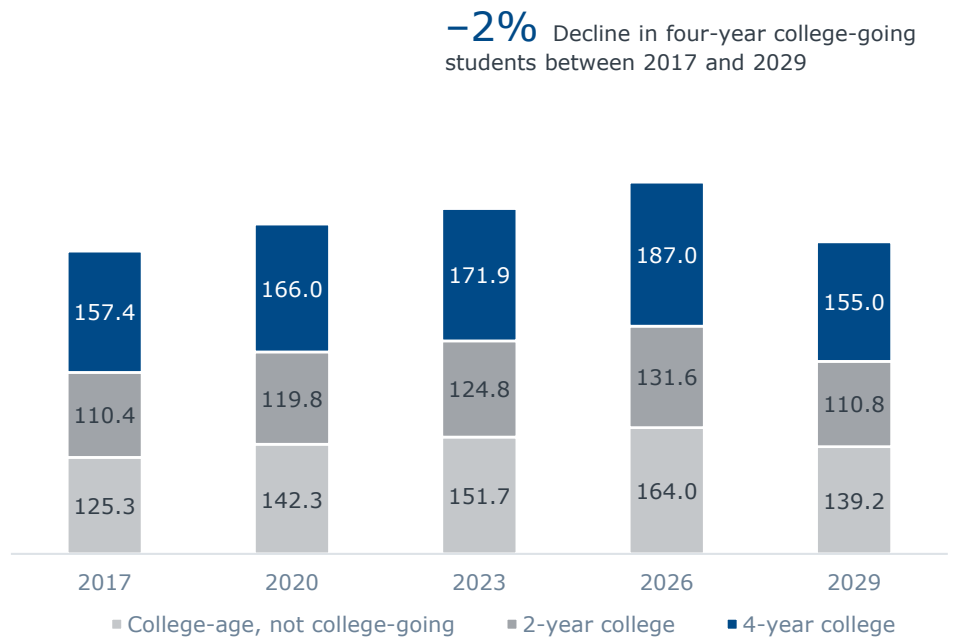
State Outlook: Texas

Demographics Trends

Steep Decline in Demand Post-2026

A 19% increase in four-year college enrollments in Texas until 2026 will be followed by a 17% decline post-2026.

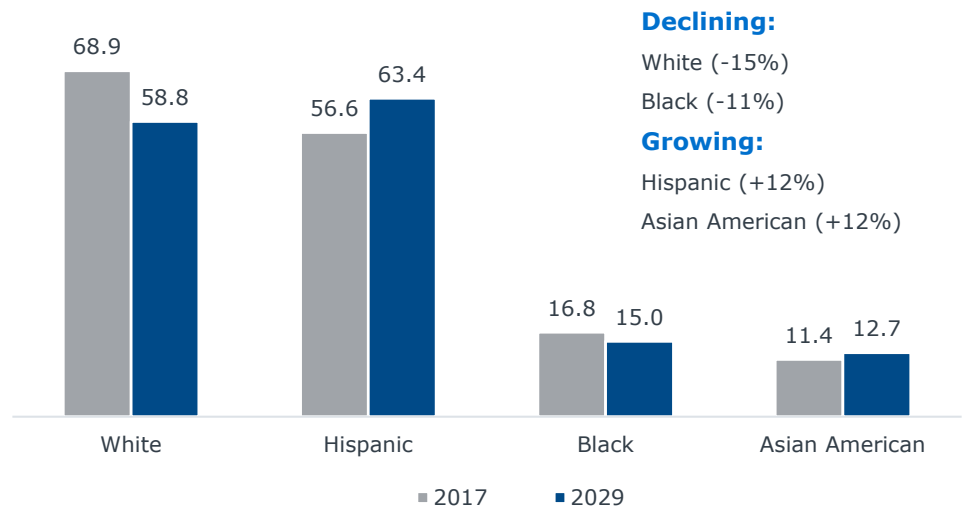
Forecasted Number of College-Aged and College-Going Students in Texas (Thousands), by Year of High School Graduation



Changing Profiles of College-Going Students

White and Black student populations will decrease in size in Texas over the next decade, while the Hispanic and Asian American populations will grow significantly.

Projected Number of Four-Year College-Going Students in Texas (Thousands), by Race/Ethnicity



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

State Outlook: Texas

Affordability Trends

Household Income Distribution in Texas Mimics National Figures

Texas's household income distribution is identical to the national breakdown, with almost half of Texas's households making less than \$50,000 per year and 25% making more than \$100,000.

TX's Public Institutions Are More Affordable Than Most States'

The average net price at Texas's public institutions is 19% of the state's median household income, making public institutions in Texas more affordable than public institutions in almost 80% of US states.

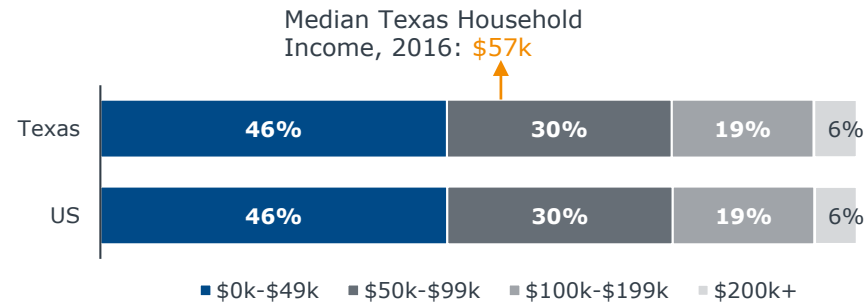
TX's Private Institutions Represent the Median State in Terms of Affordability

The average net price at private institutions in Texas as a percentage of median household income represents the median net price at private institutions among all states in the United States.

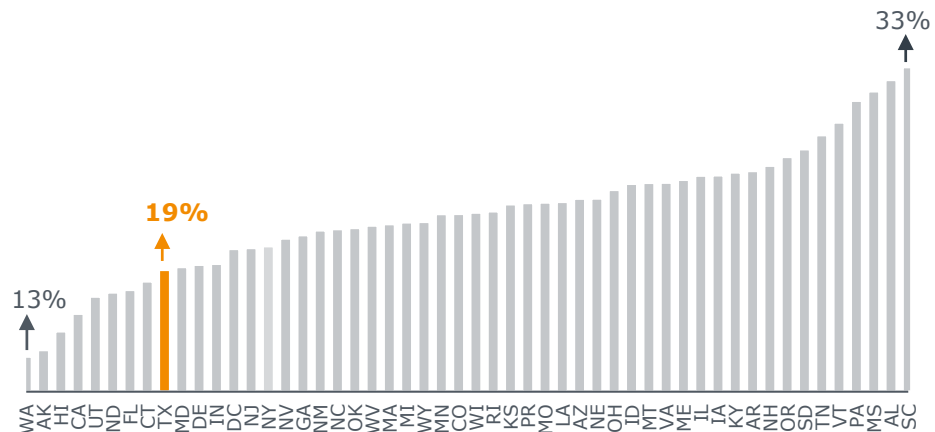
Less Debt Among Graduates

Fewer college graduates are in debt in Texas compared to the national average. Average debt per borrower is also slightly lower than that of the average US borrower.

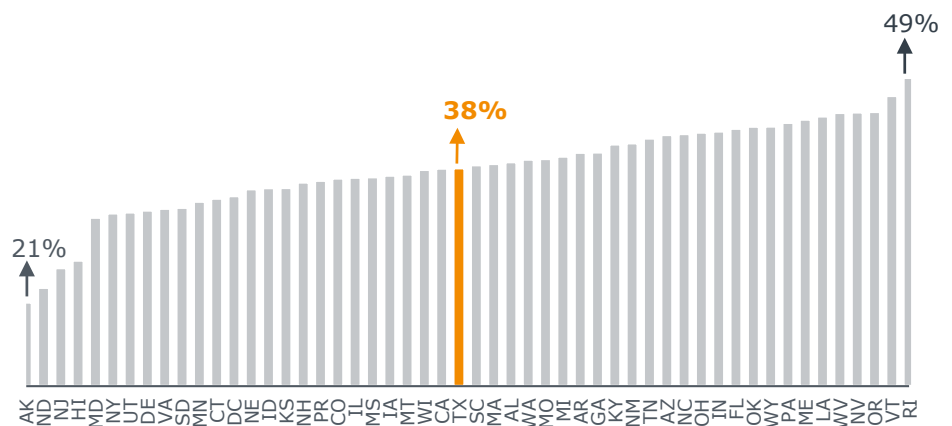
Number of Households by Income Segment (Thousands), 2016



Average Public Institution Net Price as % of Median Household Income



Average Private Institution Net Price as % of Median Household Income



Student Loan Statistics, 2016

	Texas	US
Percentage of College Graduates with Student Debt	55%	60%
Average Debt per Borrower	\$26,236	\$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.

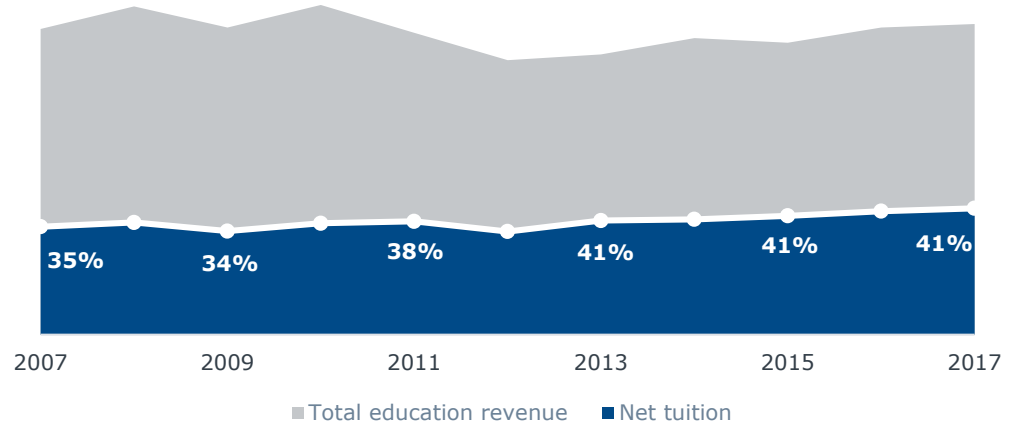
State Outlook: Texas

Funding and Appropriations Trends

Reliance on Net Tuition Grew Slightly Post-Recession

Net tuition now comprises 41% of total education revenues, an increase of 6 percentage points since 2007.

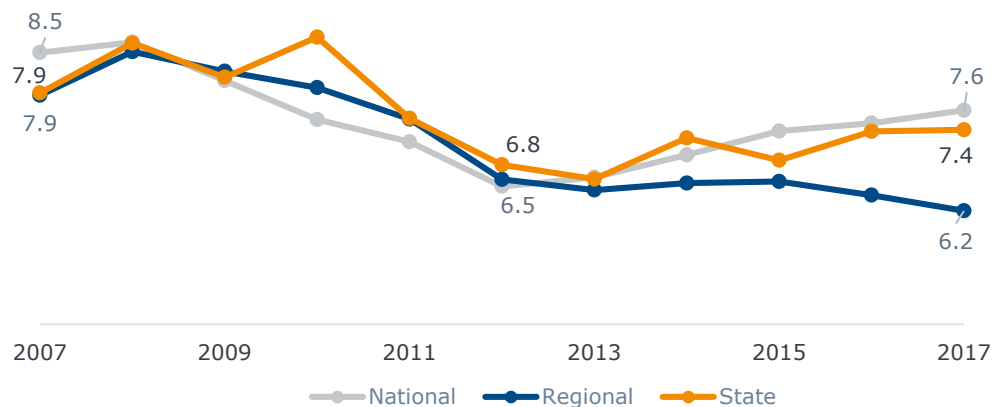
Net Tuition as a Portion of Total Education Revenues, per Student FTE



TX's Educational Appropriations Similar to National Average

Texas's educational appropriations have largely followed national trends and currently stand well above the regional average.

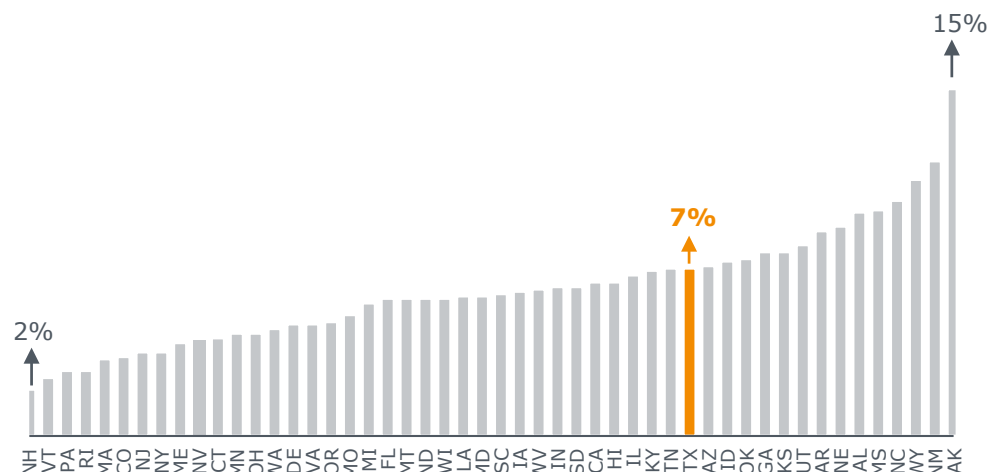
Educational Appropriations per Student FTE in TX, Regionally¹ and Nationally, 2007-2017



Larger Proportion of Tax Revenues Allocated to Higher Education

Texas allocates a higher percentage of tax revenues to higher education than 70% of states in the United States.

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



1) Refers to West South Central region, which includes Arkansas, Louisiana, Oklahoma, and Texas.

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