

# State Funding Highlights Update

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When we last visited the data in Fall 2022 for “The Higher Ed Funding Rollercoaster: State Funding of Higher Education During Financial Crises,” higher education funding by states in fiscal year 2022 (FY22) was mixed.<sup>1</sup> In *nominal* dollars, only five states were hit with one-year funding declines; however, adjusted for the high pandemic-era inflation, 25 states’ *constant* dollar appropriations declined. At the time, we were hesitantly optimistic about FY23 higher education funding, as many states’ revenue streams were making strong recoveries and federal emergency funds were financially supporting colleges and universities through the COVID-19 pandemic. In the report, we shared that for FY23, “Early indicators show that funding and finance will remain a priority in state budgets, legislation, and other education policy.”<sup>2</sup> But at that time, the country was facing pandemic-era high inflation, which quickly eroded many funding gains.

The analysis presented in this brief exists within the context of two important historical state funding trends:

- **More than a decade of rollercoaster funding.** State funding in FY08—just before the Great Recession—was at a historic high. During the recession and into the recovery years, funding levels dipped significantly but then began to recover in the years just before the pandemic. FY20 higher education appropriations were at higher levels than FY08 funding in 40 states. But, when adjusted for inflation, only 24 states saw increases in aggregate higher education appropriations. And, when measured on a per-student<sup>3</sup> basis, only 18 states’ funding recovered to pre-recessionary levels. As a result, many states increased tuition to replace the loss in state funding. In FY20, although 32 states had not recovered to pre-recessionary funding levels, many were on the upswing.
- **The pandemic damage.** The pandemic hit in the middle of FY20, pushing states and institutions into a tailspin as most states slashed their FY21 higher education budgets. Inflation-adjusted appropriations declined in 37 states between FY20 and FY21. Only 13 states increased FY21 higher education spending, but most of these increases were small. The pandemic caused enrollments to drop; however, at the time of the Fall 2022 report, enrollment data for FY21 were not available and the resulting funding levels per student could not be computed.

<sup>1</sup> See full report: [https://www.nea.org/he\\_funding\\_report](https://www.nea.org/he_funding_report).

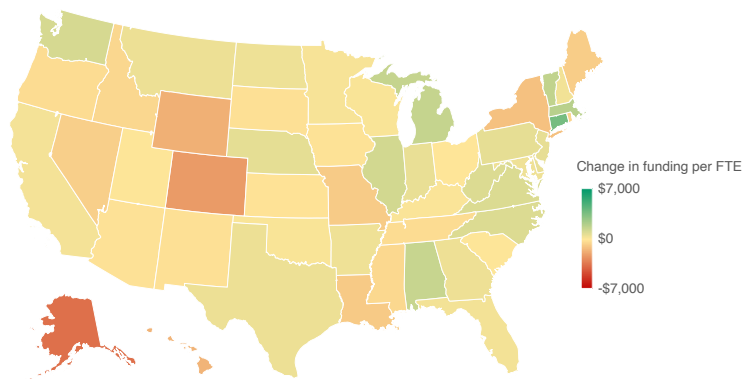
<sup>2</sup> Whitford, E. (February 4, 2022). “States Seek to Boost Higher Ed Budgets.” Inside Higher Ed. Retrieved from <https://www.insidehighered.com/news/2022/02/04/public-higher-ed-could-see-windfall-fiscal-2023>.

<sup>3</sup> All metrics reported on a per-student basis were computed based on an annualized, unduplicated count of full-time equivalent students (all full-time, plus one-third of part-time students) and referred to as “per student” herein.

## SO, WHAT HAPPENED? FY21 TO FY23<sup>4</sup>

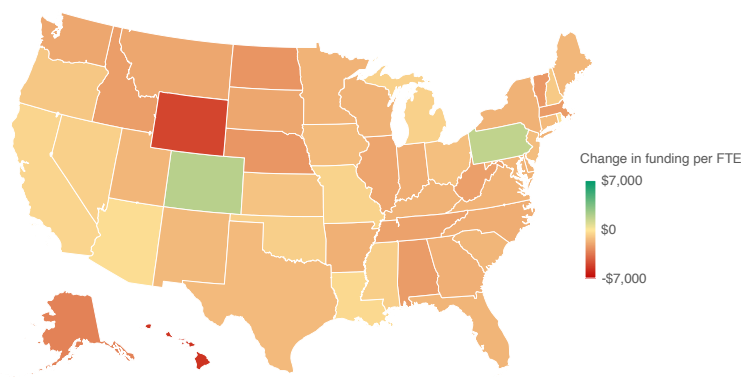
FY21 enrollment data are now available, which in large part, due to the pandemic, show declines. Aggregate, inflation-adjusted appropriations declined in 37 states between FY20 and FY21, but due to large enrollment declines in some states, funding per student declined in only 19 states (Figure 1). Among the 31 states where constant dollar funding per student improved, increases were relatively small, averaging only \$694 per student. For those states experiencing declines, the magnitude was similar, with an average decrease of \$774 per student.

Figure 1. Change in inflation-adjusted state funding per FTE student, FY20 to FY21



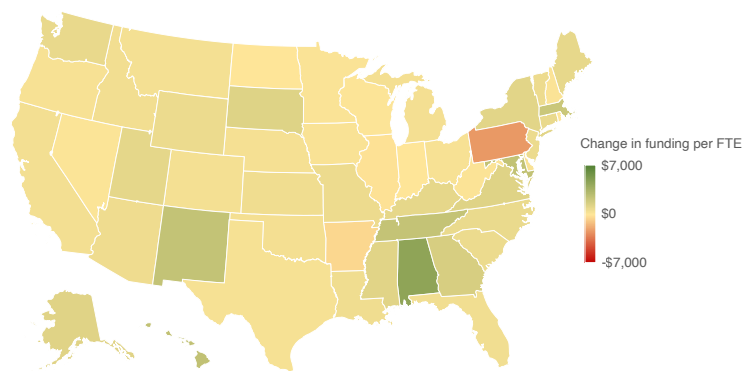
While the per-student funding change between FY20 and FY21 was positive in most states, FY22 was a different story. Only five states experienced decreases in actual aggregate state funding between FY21 and FY22. Due to high pandemic-era inflation, all but two states (Colorado and Pennsylvania) experienced decreased constant dollar funding per student between FY21 and FY22 (Figure 2).

Figure 2. Change in inflation-adjusted state funding per FTE student, FY21 to FY22



In FY23, many states increased funding levels for higher education, with one-year percentage increases in some states reaching well into double-digits in nominal dollars: Alabama increased funding by 53 percent; New Mexico, 23 percent; and Tennessee, 22 percent. In fact, all states except Arkansas met or exceeded FY22 funding levels in FY23 in nominal dollars; Arkansas's higher education funding was only 0.4 percent less in FY23 than FY22 (Figure 3). Between FY22 and FY23, funding per student decreased in only five states when taking inflation into account, and funding per student increased significantly in some states: \$4,550 in Alabama; and about \$2,500 in Hawaii, Maryland, New Mexico, and Tennessee.

Figure 3. Change in inflation-adjusted state funding per FTE student, FY22 to FY23



<sup>4</sup> The state funding analysis is based on data made available by the State Higher Education Executive Officers Associations, State Higher Education Finance Project (<https://shef.sheeo.org/grapevine/>) and Illinois State University, College of Education, Grapevine Data (<https://education.illinoisstate.edu/grapevine/about/>). Enrollment data are from the U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System, 12-Month Enrollment Data (<https://nces.ed.gov/ipeds/use-the-data>).

Compared to just before the pandemic, 18 states met or exceeded FY20 pre-pandemic constant dollar funding levels per student in FY23 (Figure 4). The per-student funding increase among these 18 states averaged \$747. Among the 32 states with decreased per student funding, the average decline was \$1,341.

Fourteen states increased per-student funding levels in FY23 (in constant dollars) to meet or exceed the historically high FY08 levels, while some states experienced significant declines. For example, Louisiana's funding was \$6,466 less per student; Mississippi, \$3,906; Kentucky, \$3,699; and Arizona, Delaware, Idaho, and Nevada, about \$3,200. Illinois and Massachusetts were outliers, with increased per-student funding from \$4,500 to \$4,700. Overall, the average increase was \$1,527 and the average decline was \$1,702.

Figure 4. Change in inflation-adjusted state funding per FTE student, FY20 to FY23

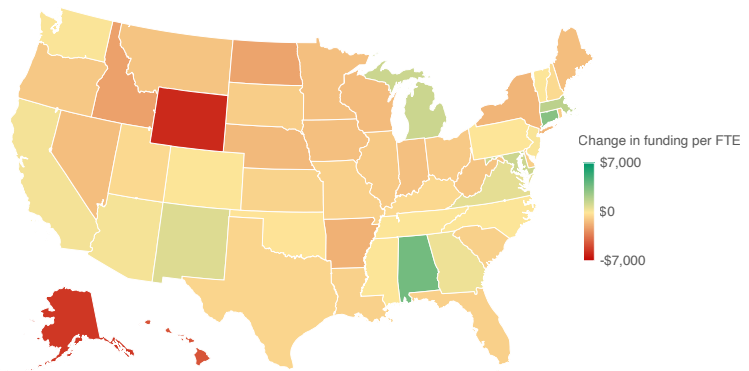
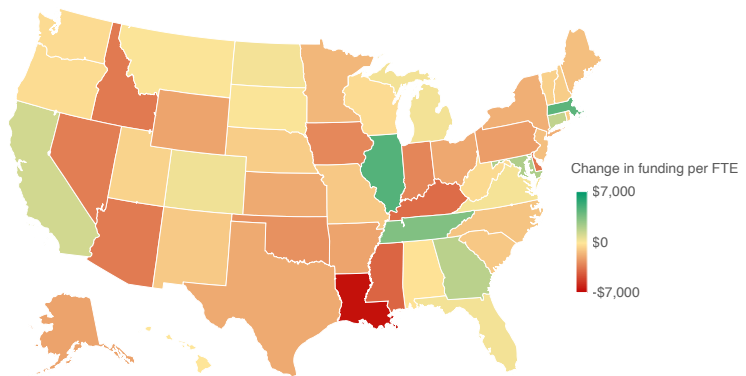


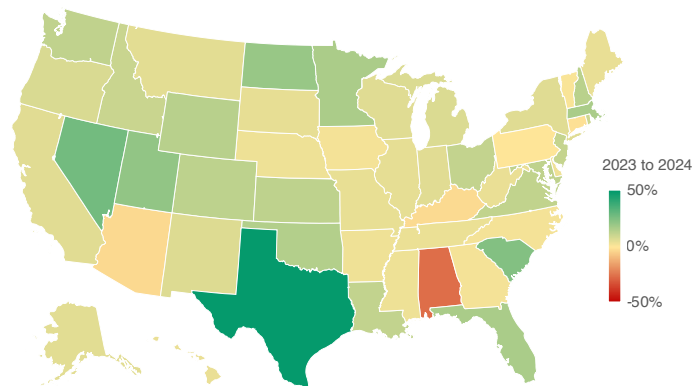
Figure 5. Change in inflation-adjusted state funding per FTE student, FY08 to FY23



## MOVING ON: FY24

At the time of this report, FY24 recently ended. Early reports indicate that state funding for higher education totaled \$126.5 billion in FY24, which was a 10 percent increase over FY23 and the third consecutive year that higher education funding exceeded \$100 billion.<sup>5</sup> Only four states expended less on higher education in FY24 than FY23: Alabama, Arizona, Connecticut, and Louisiana (Figure 6). One-year increases in funding exceeded 10 percent in 21 states, with four states exceeding 20 percent and Texas increasing their funding by 49 percent.

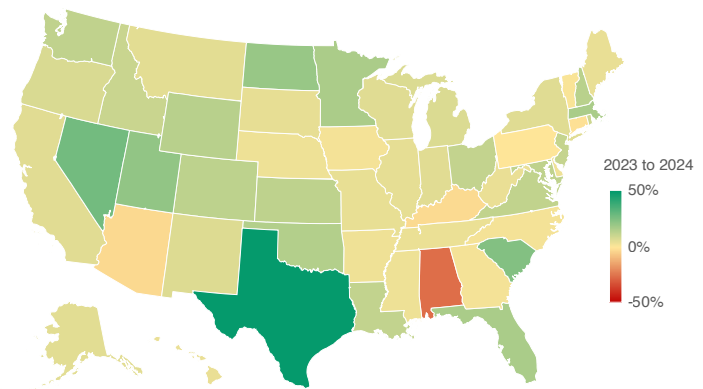
Figure 6. Change in nominal state funding, FY23 to FY24



<sup>5</sup> --. (February 1, 2023). *Annual Grapevine data show initial 10.2% increase in state support for higher education*. State Higher Education Executive Officers Association. Available at <https://shee.org/wp-content/uploads/2024/01/FY-2024-Grapevine-Press-Release.pdf>.

When taking inflation into account, FY24 higher education funding was less than FY23 levels in nine states (Figure 7). The decline in eight states was 5 percent or less; in Alabama, the difference was 28 percent. Texas’s constant dollar one-year increase in funding was 45 percent; more than 20 percent in South Carolina and Nevada; and 17 and 18 percent in North Dakota and Utah, respectively.

Figure 7. Change in inflation-adjusted state funding, FY23 to FY24



At the time this report was written, enrollment data for FY24 were not available and trends in funding per student were not analyzed.

## THE STATE FUNDING ROLLER COASTER

While the news is good in some states, others are struggling to maintain their funding levels. State support for higher education can be like a roller coaster, as evidenced in this analysis. Higher education state funding levels can be uncertain and may shift due to ongoing changes in economics, competing demands and priorities, and the political landscape.

Based on early proposed budgets, a handful of states were flagged in the Fall 2022 report as those to watch in FY23—specifically, those states that struggled to maintain their funding levels and those that appeared to prioritize higher education. Tables 1 and 2 display synopses of what actually happened with funding in FY23. When measured on a per-student basis, three of the five states noted as struggling experienced increases, with the largest increase of 12 percent in Hawaii (Table 1). New Hampshire’s funding level declined slightly, by 1 percent, and Vermont’s declined by 16 percent, in inflation adjusted dollars. Note that enrollment shifts can affect this metric of state funding per student; an increase in funding per student could be due to large decreases in enrollment.

Table 1. States Noted as Struggling with FY23 Higher Education Funding Proposals

State	State Funding per FTE Student		Percent change	
	FY22 (inflation adjusted to FY23)	FY23		
Hawaii	\$21,400	\$24,016	↑	12%
New Hampshire	\$4,765	\$4,716	↓	-1%
New York	\$14,535	\$15,484	↑	7%
Vermont	\$7,432	\$6,269	↓	-16%
Wyoming	\$17,083	\$17,555	↑	3%

Early in the state budgeting process, some states were strong with their higher education funding proposals, but it is important to note that legislatures can slash initially proposed budgets before they are enacted. Arkansas’s and Illinois’s FY23 budgets also looked promising for higher education; however, the actual budgets on a per-student basis were lower than FY22, adjusted for inflation

(Table 2). Maryland experienced a large increase, 17 percent, while California and South Carolina had 3 and 2 percent increases, respectively.

**Table 2. States Showing Promise with FY23 Higher Education Funding Proposals**

State	State Funding per FTE Student			Percent change
	FY22 (inflation adjusted to FY23)	FY23		
Arkansas	\$8,868	\$8,441	↓	-5%
California	\$14,134	\$14,622	↑	3%
Illinois	\$21,576	\$20,977	↓	-3%
Maryland	\$11,573	\$13,521	↑	17%
South Carolina	\$7,130	\$7,290	↑	2%

## HIGHER EDUCATION FUNDING IN PRESIDENTIAL BATTLEGROUND STATES

Policymakers can use state budgets to inform the social and demographic needs and priorities in a state and indicate how the economic sectors—K-12 and higher education, health care, social services, transportation, etc.—are supported. Battleground states, or swing states, play a critical role during elections because they can determine the outcome of a general election. State budget allocations can also indicate elected officials’ strategies and priorities as they try to appeal to their constituents.

Examination of the six 2024 presidential battleground states’ budgets—Arizona, Georgia, Michigan, Nevada, Pennsylvania, and Wisconsin—indicated a mixed bag in terms of whether higher education is and has been a priority. Four of the six states experienced disinvestment in higher education between FY08—the historic high just before the Great Recession—and FY23, and for some states, the funding decline was quite significant. Adjusted for inflation, Arizona’s and Nevada’s state funding per student declined by 35 and 30 percent, respectively (Table 3). Pennsylvania and Wisconsin experienced declines, but in smaller magnitudes, 12 and 9 percent, respectively. Georgia’s and Michigan’s funding per student increased 6 and 8 percent.

**Table 3. Higher Education Funding in Battleground States, Adjusted for Inflation, FY08 to FY23**

State	State Funding per FTE Student			Percent change
	FY22 (inflation adjusted to FY23)	FY23		
Arizona	\$10,626	\$6,947	↓	-35%
Georgia	\$11,630	\$12,334	↑	6%
Michigan	\$8,400	\$9,091	↑	8%
Nevada	\$13,495	\$9,425	↓	-30%
Pennsylvania	\$8,222	\$7,241	↓	-12%
Wisconsin	\$10,230	\$9,277	↓	-9%

At the time of this report, enrollment data for FY24 were not yet available, so funding per student could not be computed. Also, at the time of this report, FY25 began in the majority of states, with newly enacted FY25 state budgets. Highlights from the FY24 and FY25 budget allocations for the battleground states follow. Note, these are reported at aggregate levels; enrollment data are not yet available. As a point of consideration, inflation in 2024 is estimated to be 3.2 percent and forecasted at 2.0 percent in 2025.<sup>6</sup>

**Arizona continues to disinvest in higher education.** Both the FY24 and FY25 higher education budgets took a hit. In FY24, university funding decreased by 11.1 percent, despite a recent 3.3 percent enrollment increase, and funding for community colleges decreased by 18.6 percent.<sup>7</sup>

At \$16.1 billion, Arizona’s FY25 budget is \$1.1 billion less than the FY24 budget, and Arizona’s colleges and universities experienced significant cuts in their funding: Arizona State University’s state funding decreased by \$10.9 million; Northern Arizona University, \$4 million; University of Arizona, \$6.5 million; and the community colleges, about \$54 million.<sup>8</sup> Not only are colleges and universities feeling the cuts, but some of Arizona’s workforce training programs—the Continuing High School and Workforce Training, Adult Workforce Diploma, and the Community College Adult Education Workforce Development programs—are set to be eliminated in 2026.<sup>9</sup>

Arizona’s large funding cuts come at the same time that the University of Arizona is struggling to rein in a large deficit. Their projected FY25 deficit was \$177 million; the university conducted a number of cuts in FY24 and FY25, and the estimated FY25 deficit was recently reduced to \$52 million.<sup>10</sup> Actions the university took to decrease the deficit directly affect faculty, staff, and students, which include:

- Hiring and salary freezes and delayed salary increases;
- Eliminating tuition guarantee for new students;
- Restructuring operations to reduce administrative costs and centralize functions; and
- Assessing faculty and staff workloads to “ensure we are appropriately staffing our University and avoiding the hidden costs of an overstressed workforce.”<sup>11</sup>

Arizona State’s and Northern Arizona’s financial positions are not as dire, and they had FY24 estimated surpluses of \$271 million and \$8.5 million, respectively.

**Nevada state higher education funding appears to have improved, but it may be a “smoke and mirrors” act.** Nevada is on a biennial budget cycle; the FY24 and FY25 budget cycle runs July 2023 through June 2025. After a period of disinvestment between FY08 and FY23, Nevada was reported to be “. . . ranked . . . second nationally among states that increased higher education funding from 2023 to 2024 . . . . After remaining roughly stagnant from 2019 through 2022, Nevada’s higher education funding will jump 27.3 percent between 2023 and 2024.<sup>12</sup>

<sup>6</sup> --. (February 7, 2024). *Consumer price index - inflation forecasts*. Federal Planning Bureau. Available at [https://www.plan.be/databases/17-en-consumer\\_price\\_index\\_inflation\\_forecasts#:~:text=On%20the%20basis%20of%20these%20inflation%20forecasts%2C,4.06%20in%202023%20and%209.59%20in%202022.](https://www.plan.be/databases/17-en-consumer_price_index_inflation_forecasts#:~:text=On%20the%20basis%20of%20these%20inflation%20forecasts%2C,4.06%20in%202023%20and%209.59%20in%202022.)

<sup>7</sup> --. (ND). *FY2024 State general fund baseline summary*. Arizona Joint Legislative Budget Committee. Available at <https://www.azjlb.com/24baseline/s1.pdf>.

<sup>8</sup> MacDonald-Evoy, J. and Sievers, C. (June 15, 2024). *Arizona legislature passes contentious budget in face of \$1.3 billion deficit*. AZ Mirror. Available at <https://azmirror.com/2024/06/15/arizona-legislature-passes-contentious-budget-in-face-of-1-3-billion-deficit/>.

<sup>9</sup> Ibid.

<sup>10</sup> Unglesbee, B. (June 21, 2024). *University of Arizona narrows its budget gap to \$52M*. Higher Ed Dive. Available at <https://www.highereddive.com/news/university-of-arizona-budget-deficit-52m-state-funding-cash-athletics-john-arnold/719553/>.

<sup>11</sup> --. (ND). *University financial updates ensuring financial health and success*. The University of Arizona. Available at <https://www.arizona.edu/financial-updates>.

<sup>12</sup> Solis, J. (February 1, 2024). *Nevada ranks second nationwide in state higher education funding boost*. The Daily Indy. Available at <https://thenevadaindependent.com/field-notes/jacob-solis/nevada-ranks-second-nationwide-in-state-higher-ed-funding-boost>.

However, the funding increase was due, in large part, to funding a state-legislated cost of living adjustment (COLA): 12 percent in FY24 and 11 percent in FY25. For the FY24 and FY25 COLAs, the state only funded about two-thirds of the cost. The Nevada Board of Regents voted to implement the full COLA at the expense of a 5 percent budget cut across departments, freezing of vacant positions, and tuition and fee increases for students. Notably, after the FY24 and FY25 COLAs are implemented, inflation-adjusted salaries will not be as high as the historical pre-recessionary high in FY08.<sup>13</sup>

### **Pennsylvania takes a step in the right direction.**

“The governor [Josh Shapiro], in part, blamed state disinvestment for residents’ lack of access to higher education. He said his proposal to increase Pennsylvania’s university system and community college funding to almost \$1 billion would take it from 49th in state investment in higher education to 22nd over five years.”<sup>14</sup>

Governor Shapiro’s proposal for the FY25 budget would have increased the state’s public university system and community colleges by 15 percent and provided a 5 percent increase to the state’s universities; however, the FY25 enacted budget provides a 6 percent increase to the public university system and community colleges, and the state’s universities’ budgets remain mostly flat.<sup>15</sup> Note, Pennsylvania has four state universities that operate independently but receive state funding—Penn State, Temple University, University of Pittsburgh, and Lincoln University.

With the governor’s proposed budget, the hope was to combine and govern the public state universities and community colleges. Instead, the enacted budget will create a state coordinating board of higher education, which is charged with designing a performance-based methodology to distribute funding across institutions in a more methodical fashion in the future; currently, the distribution of funds are thought to be politically influenced.<sup>16</sup>

**In Wisconsin, higher education is divided.** Wisconsin is on a biennial budget cycle and is currently in the midst of FY24 and FY25, spanning July 2023 to June 2025. In Wisconsin, the two-year colleges are much better funded than the university system; two-year colleges received \$14,025 in funding per student in FY23 compared with the university system, which received \$6,316 per student.<sup>17</sup> The university system’s funding ranked 43rd nationally among four-year institutions, while the two-year colleges ranked fifth among two-year colleges.<sup>18</sup>

Republicans control the Wisconsin Joint Finance Committee and, thus, essentially control the state’s budget decisions. Historically, only a fraction of the funds requested by the university system and Democratic governor, Tony Evers, have been approved. “In 2023–25, the system requested about \$293 million in state general purpose revenue, and Republicans approved about \$41.4 million. That’s a difference of about \$252 million . . .”<sup>19</sup> Not only are requested funding levels historically not approved, but the legislature also implemented a tuition freeze in 2013–2014, so the universities were not able to raise tuition to mitigate financial stress. The tuition freeze was eventually lifted in 2021.

<sup>13</sup> Ervin, K. (January 19, 2024). UNR Budget 7. *Cost of living adjustments*. Nevada Faculty Alliance. Available at <https://www.nevadafacultyalliance.org/NewsArchive/13303095>.

<sup>14</sup> Spitalniak, L. (February 6, 2024). *Pennsylvania governor pitches sharp funding increase for higher education overhaul*. Higher Ed Dive. Available at <https://www.highereddive.com/news/pennsylvania-governor-pitches-sharp-funding-increase-for-higher-education-o/706742/>.

<sup>15</sup> Unglesbee, B. (July 12, 2024). *Pennsylvania’s budget leaves funds flat for Penn State and others*. Higher Ed Dive. Available: <https://www.highereddive.com/news/pennsylvania-budget-flat-funding-penn-state-universities-colleges/721283/>.

<sup>16</sup> Blake, J. (July 15, 2024). *PA Budget establishes statewide coordinating board of higher ed*. Inside Higher Ed. Available at <https://www.insidehighered.com/news/quick-takes/2024/07/15/pa-establishes-statewide-coordinating-board-higher-ed>.

<sup>17</sup> -. (ND). *State profile: Wisconsin*. State Higher Education Finance. Available at [https://shef.sheeo.org/state-profile/wisconsin/?start\\_fy=2008](https://shef.sheeo.org/state-profile/wisconsin/?start_fy=2008).

<sup>18</sup> Karnopp, H. (April 24, 2024). *Are democrats right that republicans are to blame for low UW System state funding?* Politifact. Available at <https://www.politifact.com/factchecks/2024/apr/24/greta-neubauer/are-democrats-right-that-republicans-are-to-blame/>.

<sup>19</sup> Ibid.

The effects of the lack of investment over time resulted in 6 of the 13 universities projecting a deficit in FY25.<sup>20</sup> The governor is currently seeking a \$400 million budget increase for the university system for FY26 and FY27, for a total of \$800 million. This would be the largest increase in state funding in the universities' history.<sup>21</sup> The Office of the Governor stated:

“The governor’s announcement comes as five UW branch campuses have announced closures and several UW campuses have been forced to furlough and lay off employees, shift funding or make cuts, and restructure portions of campus operations, which the governor argued in his remarks, is largely due to Republican lawmakers’ actions and inaction over the last decade.”<sup>22</sup>

**Georgia’s increases were temporarily stalled.** Although Georgia’s per-student funding increased between FY08 and FY23, the state restricted aggregate funding in FY24, particularly for the university system. Enrollment declines in the state equated to a loss of \$71.6 million in funding for FY24, and the state cut an additional \$66 million. The \$66 million cut affected teaching budgets, staff, and students, and the university system’s chancellor stated, “This is an incredibly disappointing outcome, given the work done over the years by our state leaders to elevate higher education and send Georgia on a path to ascension.”<sup>23</sup> At the same time, the Board of Regents froze tuition at the universities.<sup>24</sup> The FY24 university system budget did include funds for a \$2,000 cost-of-living increase for staff, a sum of \$83 million.<sup>25</sup> Georgia’s two-year colleges also lost \$9 million in state funding as a result of decreased enrollments, but the FY24 budget also included the \$2,000 cost-of-living increase for staff.<sup>26</sup>

Georgia’s FY25 budget allows the university system to regain some footing, with a 10 percent increase in state funding, from \$3.1 billion in FY24 to \$3.4 billion in FY25. The increase includes restoration of the \$66 million cut in FY24, along with funds to support a 4 percent cost-of-living increase for staff. The FY25 budget for the two-year colleges is a \$13 million, or 3 percent, decrease over the FY24 budget; the proposed budget for two-year colleges also includes a 4 percent cost-of-living increase for staff.<sup>27</sup>

**Michigan’s state funding levels continue to increase.** Michigan’s colleges and universities had a 5 percent funding increase in FY24. Highlighted budget items include funds to improve campus facilities and infrastructure, make associate degrees and skills training tuition-free for more residents, increase available scholarship funds, and improve retention and completion rates.<sup>28</sup>

Michigan’s FY25 budget also increased by 2.5 percent. The state highlights continuing to support free access to community colleges and financial support for students as priorities for Michigan’s higher education.<sup>29</sup>

<sup>20</sup> --. (June 6, 2024). *Regents approve annual operating budget for Universities of Wisconsin (day 1 news summary)*. Universities of Wisconsin. Available at <https://www.wisconsin.edu/news/archive/regents-approve-annual-operating-budget-for-universities-of-wisconsin-day-1-news-summary/>.

<sup>21</sup> Wilson, R. (June 10, 2024). *Gov. Tony Evers talks about potential UW budget increase on 'Wisconsin Today'*. Wisconsin Public Radio. Available at <https://www.wpr.org/news/gov-tony-evers-uw-budget-waupun-prison-mps-audits>.

<sup>22</sup> --. (June 10, 2024). *ICYMI: Read Gov. Evers' Address to the UW Board of Regents*. Office of the Governor, State of Wisconsin. Available at <https://content.govdelivery.com/accounts/WIGOV/bulletins/3a1c512>.

<sup>23</sup> --. (March 30, 2024). *Additional state budget decrease of \$66 million will hurt University System of Georgia institutions*. University System of Georgia, Communications, External Affairs Division. Available at [https://www.usg.edu/news/release/additional\\_state\\_budget\\_decrease\\_of\\_66\\_million\\_will\\_hurt\\_university\\_system\\_of\\_georgia\\_institutions](https://www.usg.edu/news/release/additional_state_budget_decrease_of_66_million_will_hurt_university_system_of_georgia_institutions).

<sup>24</sup> --. (May 16, 2024). *Board of Regents approves no tuition increase for the 2023-24 academic year, with one exception*. University System of Georgia, Communications, External Affairs Division. Available at [https://www.usg.edu/news/release/board\\_of\\_regents\\_approves\\_no\\_tuition\\_increase\\_for\\_the\\_2023\\_24\\_academic\\_year\\_with\\_one\\_exception](https://www.usg.edu/news/release/board_of_regents_approves_no_tuition_increase_for_the_2023_24_academic_year_with_one_exception).

<sup>25</sup> Young, A. (February 2, 2023). *Overview: 2024 Fiscal year budget for higher education*. Georgia Budget and Policy Institute. Available: <https://gbpi.org/overview-2024-fiscal-year-budget-for-higher-education/>.

<sup>26</sup> Owens, S. (June 27, 2023). *Georgia education budget primer for state fiscal year 2024*. Georgia Budget and Policy Institute. Available: <https://gbpi.org/georgia-education-budget-primer-for-state-fiscal-year-2024/>.

<sup>27</sup> Young, A. (January 30, 2024). *Overview: 2025 Fiscal year budget for higher education*. Georgia Budget and Policy Institute. Available: <https://gbpi.org/overview-2025-fiscal-year-budget-for-higher-education/>.

<sup>28</sup> --. (June 29, 2023). *Legislature approves record-high \$82B 'Make it in Michigan' state budget*. Fox 17, West Michigan. Available: <https://www.fox17online.com/news/local-news/legislature-approves-record-high-82b-make-it-in-michigan-state-budget>.

<sup>29</sup> --. (July 23, 2024). *Gov. Whitmer signs historic FY25 education budget*. Department of Lifelong Education, Advancement, and Potential. Available: <https://www.michigan.gov/whitmer/news/press-releases/2024/07/23/gov-whitmer-signs-historic-fy25-education-budget>.



**In sum, large disinvestment in higher education in FY24 and FY25 in the battleground states appears to occur when overall state budgets decrease or in the case of declining enrollment.**

When enrollment data are available, appropriations per student can be computed and compared with historical trends to understand the relative effects of funding increases or decreases. Notably, depending on what happens with enrollment, an increase in aggregate funding, coupled with inflation, may not necessarily result in an increase in funding per student. Conversely, if an enrollment drop is sharp enough, aggregated funding may not necessarily result in a drop on a per-student basis.

## Note

NEA Research would like to thank ASA Research for preparing this brief.