

[The Opinion Pages](#)

ROOM *for* DEBATE

- [facebook](#)
- [twitter](#)
- [pinterest](#)
- [email](#)

Public Universities Must Not Solve Budget Gaps by Limiting Access to In-State Students



[Marguerite Roza](#), the director of the Edunomics Lab and a research associate professor at Georgetown University, is the author of, "[Educational Economics: Where Do School Funds Go?](#)"

Updated April 11, 2016, 3:22 AM

A longstanding, implicit bargain of public higher education is now in jeopardy, as state universities chase after more and more nonresident students.

State support for public universities has long been predicated on both subsidized pricing for in-state students, and preference for them in the admissions process. After all, lower in-state tuition prices aren't any good if in-state students aren't allowed to pay them.

This system is good for the states, too, because in-state educated residents tend to remain local and bolster the economy with their college degrees. Tougher out-of-state admissions standards then raise the academic caliber of the student body (and the university) as a whole.

The current arrangement threatens the very nature of public universities as institutions that serve the state.

But as state subsidies for higher education (now about [\\$7,395 per pupil per year](#) for public research universities) have not kept pace with cost growth and enrollment increases, some public universities have sought to solve budget gaps by admitting more and more nonresident students (and their larger tuition checks).

The result: State residents may be losing access to their universities, or at least to the most desirable programs. In a [study](#) I conducted with colleagues on applicants to the University of Washington, we found that in 2012, residents no longer had an edge over nonresidents in admission.

That arrangement threatens the very nature of public universities as institutions that serve the state.

State lawmakers and college administrators must look beyond the lure of nonresident tuition to bridge budget gaps. It is possible to maintain better access to public universities for state residents, even while respecting constrained state funds.

An obvious place to start is by differentiating tuition for residents by family income. Institutions could do more to progressively tier resident tuition to bring in additional revenues from those families that are in less need of the state subsidy, and grant larger subsidies to those who need them more.

Another approach might be to think of in-state tuition as a subsidy in itself — one that can be accessed more easily by those who pursue degrees that are more important to the state's public or economic needs. In addition, applying a credit ceiling to in-state tuition could prevent residents from accessing the subsidy after they have earned a four-year degree.

Spreading scarce state funds more equitably — across more in-state students and for greater state and resident value — could help schools bridge budget gaps without forsaking their obligations.

Join [Opinion on Facebook](#) and follow updates on [twitter.com/roomfordebate](#).

Topics: [Education](#), [college](#), [university](#)



[Previous](#)

[State Universities Are In a Budgetary Bind](#)



[Hans Johnson Next](#)

[A Bad Deal for Lower Income and Minority Students](#)

[Ozan Jaquette](#)