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**Diagnosis: Alaska Ranked 1st in National College Affordability Ranking**

*College Affordability Diagnosis* shows that higher education has gone from expensive to unaffordable for most American families.

**Philadelphia, April 27, 2016** — **Alaska is ranked tops in the nation** for affordable postsecondary schooling for its residents in the ***College Affordability Diagnosis***, a new state-by-state comparison of the policies that affect families’ abilities to pay for college. The study — published by the Institute for Research on Higher Education at the University of Pennsylvania Graduate School of Education (Penn GSE) — analyzes college costs in relation to family income level. The study reveals how higher education has gone from expensive to unaffordable for most low-and middle-income families nationally.

However, there is reason to believe that **Alaska** may be unseated quickly. Faced with tumbling oil prices, the state’s leaders are facing deep stresses that will most certainly impact higher education funding in coming months.

The state’s low poverty rate has actually decreased in recent years to 13% – making it the third lowest in the nation. However, this segment of the population finds itself largely priced out of college, similar to the lower 48 states – with postsecondary education eating between 38% to 134% of family income for those earning $0-30,000.

A significant factor inAlaska’stop rankingis that more than 50% of the state’s population earns over $75,000 annually. For Alaska families earning over $110,000, which is about one-third of the population, four-year nondoctoral and public research institutions require only 7% of family incomes.

Affordability is likely a significant factor in the gaps in college attainment between Whites and minorities in the state. Forty-six percent of Whites ages 24-64 have at least an associate’s degree or higher, but just 11 percent of Native Americans and Native Alaskans have obtained degrees.

Of concern is Alaska’s need to ramp up its efforts to produce more postsecondary graduates while facing a fiscal crisis. Currently, 38% of the state’s workforce has a degree, but the state will need for 66% of its working-age population to have an associate’s degree or higher by 2020.

* **Read the** [**Alaska report**](http://www.gse.upenn.edu/pdf/irhe/affordability_diagnosis/Alaska_Affordability2016.pdf)

The complete *College Affordability Diagnosis —* by Penn GSE’s Joni Finney, William Doyle, associate professor of public policy and higher education at Vanderbilt’s Peabody College, Patrick Callan, president of the Higher Education Policy Institute (HEPI), and HEPI senior policy analyst Darcie Harvey — shows the potentially devastating effects on America’s economy and social fabric if states and colleges fail to make meaningful changes.

The full study includes affordability diagnoses for all 50 states; a map of college affordability by census tract and legislative district; a look at how student aid has dramatically changed in the last 20 years; a snapshot of student borrowing; and recommendations for policy makers.

* **Read the** [**College Affordability Diagnosis**](http://www2.gse.upenn.edu/irhe/sites/gse.upenn.edu.irhe/files/Natl_Affordability2016.pdf)
* **See the** [**Affordability Rankings**](http://www2.gse.upenn.edu/irhe/affordability-diagnosis/state_reports)
* **Visit the** [**interactive map**](http://peabody.vanderbilt.edu/research/studies/affordability/index.php)

Among the national findings:

* Even in the best-performing states, college is less affordable than it was in 2008.
* Geography can determine opportunity. College costs, available aid, and institutional options vary widely by state, sometimes within the same region. For example, Pennsylvania is 49th in these rankings. Its neighbor Maryland is 6th.

Financial aid doesn’t go as far as it used to. Even though more aid is available, it hasn’t kept pace with rising educational expenses.

* Most community college systems, historically an entryway into higher education, can no longer be considered an affordable option.
* Students can no longer work their way through college in most states (or most types of institutions). In many states, even full-time wages would not cover the cost of full-time attendance.
* These economic barriers are a key reason the higher education attainment gap between Whites and minorities has persisted, and in some cases grown, even as the population continues to diversify.
* Every state is projected to fall short of having enough college graduates to meet their workforce needs by 2020. In many cases, they are not even close.

Together, these findings reveal a nation that is poorly positioned for the present, much less the future. Without changes to affordability policies, the researchers warn, higher education will become another mechanism for the further stratification of America.

“This study shows how the deck is stacked against low- and middle-income Americans when it comes to paying for college,” Finney said. “Without policy changes, the data point toward a problem that will only worsen. That paints a bleak picture for millions of Americans.”

Many decisions about the real cost of college — from the sticker price to financial aid options — are made at the state and institutional levels. If the country is to get serious about making college more affordable, the researchers find, this is where policy changes will need to occur.

“State leaders can craft policies that ensure everyone who can benefit from college can go—but in too many states they have allowed college costs to rise beyond the reach of families,” Doyle said.

**The Institute for Research on Higher Education** (IRHE), headquartered at the University of Pennsylvania Graduate School of Education, conducts research relevant to policymakers and educational practitioners on higher education. Founded over 30 years ago, IRHE’s unique examinations of the policy forces that shape higher education, as well as the Institute’s ability to publish and disseminate new understandings of the impact of these forces, are widely respected nationally.