Keynote Address: Sarah Turner (University of Virginia)

As public universities have experienced an overall retrenchment in support from state governments in recent decades, posted tuition levels have increased markedly. Overall, tuition and fees at public four-year colleges have risen by 35% over the last decade and doubled over the last two decades. Given that more than 74% of American college students attend a public college or university, the potential burden of increased prices is consequential in a market where credit constraints plausibly limit investment in education, particularly for students from low- and moderate-income families. How have changes in “sticker price” affected the affordability of public colleges and universities for students from across the income distribution? The answer is “it depends.” Within states, public colleges and universities differ substantially in how they adjust tuition levels and associated net prices to changes in appropriations. Public research universities, which are generally the most selective and most resource-intensive within a state, typically distribute tuition increases progressively across income bins with net price for low-income students increasing less than dollar-for-dollar with posted tuition increases. In contrast, net price changes are closer to dollar-for-dollar across all income groups at broad access institutions.