

# State Funding for Higher Education in FY 2009 and FY 2010

NCSL Fiscal Affairs Program

The recession that began in late 2007 has taken a brutal toll on state revenues as its impact has deepened and spread across the country. Because states, unlike the federal government, are required to balance their budgets, large revenue shortfalls translated into budget cuts for most state services in fiscal year (FY) 2009 and FY 2010. Funding for higher education was particularly hard hit.

State funding for higher education is heavily influenced by the states' fiscal situation, reflecting a cycle unique to higher education. Funding typically takes a disproportionate hit when state fiscal conditions are weak, but experiences more robust increases when state budgets recover. This happens, in part, because state elected officials often view support for higher education as more discretionary than funding for many other programs. The rationale is simple: Colleges and universities can find other sources of income, such as tuition, to compensate for reduced state support. This is not an option available to other state services. As a result, fluctuations in state fiscal conditions often have a greater impact on higher education.

This point is further illustrated by examining higher education funding developments over the past decade. According to research conducted by the State Higher Education Executive Officers (SHEEO), educational appropriations per full-time student reached a high of \$7,961 in FY 2001, followed by four years of decline from FY 2002 to FY 2005 (after the 2001 recession). Per student funding then increased in fiscal years 2006, 2007 and 2008, recovering to \$7,220. In FY 2009, appropriations per student fell by 4 percent due to the onset of the latest recession and declined to \$6,928 per student as states struggled with massive revenue shortfalls. Appropriations per student remained lower in FY 2009 (in constant dollars) than in most years since FY 1980.<sup>1</sup>

The financial woes brought on by global economic weakness have been especially hard on higher education institutions, which typically rely on three major funding streams: state appropriations, school endowments and tuition. In addition to declining appropriations, university endowments have received fewer gifts and experienced massive investment losses. With two of the three major funding sources down, many state policymakers turned to the only remaining source and raised tuition, thereby increasing the proportion that students and families pay for higher education.

According to SHEEO, tuition increased 2 percent between FY 2008 and FY 2009 and is now more than 37 percent of total education revenue. In FY 1984, it was less than 25 percent.<sup>2</sup>

---

<sup>1</sup> State Higher Education Executive Officers, *State Higher Education Finance FY 2009* (Boulder, CO: SHEEO, 2010), 19.

<sup>2</sup> *Ibid.*, 8.

At the same time that higher education resources are scarce, demand for state-supported higher education is growing. With a shortage of jobs and national unemployment rates hovering around 10 percent, more people are opting to continue their education rather than enter the workforce. In addition, some students who might have previously enrolled in private schools are feeling less secure financially and seeking public education options.

## **Federal Assistance From ARRA**

To help stimulate the national economy and aid states, Congress passed the American Recovery and Reinvestment Act (ARRA) in February 2009. Recognizing that state budget cuts could undo much of what the federal government was trying to accomplish, this legislation provided federal funds to the states to help stabilize support for key programs including higher education. With the approval of the Secretary of Education, these funds could be used to supplement state and local funding for higher education in fiscal years 2009, 2010 and 2011. In an attempt to prevent the erosion of states' commitment to higher education, the legislation required states to provide funding at not less than FY 2006 levels. Falling under that threshold would put a state in jeopardy of losing federal stimulus money.

## **Higher Education Funding in FY 2009 and FY 2010**

State support for higher education comes mostly from general fund appropriations. Nearly two-thirds of the states also earmark some funds for higher education, although these funds represent only about 10 percent to 12 percent of the total. Alabama is the only state that fully funds higher education with earmarked funds. Nationally, sources of earmarked funds include lottery and gaming revenues, severance taxes and revenues from land trusts for higher education.<sup>3</sup>

In late 2009, the National Conference of State Legislatures (NCSL) surveyed legislative fiscal offices about the status of higher education funding.<sup>4</sup> Specifically, it was an attempt to see how higher education funding was faring as a result of the economic downturn and to determine how ARRA funds were affecting funding levels.

The following information summarizes the findings for FY 2009, including the impact of ARRA funds:

- After several years of funding increases, higher education saw declining state support in FY 2009.
- Fourteen of the 46 reporting states used ARRA funds, known as State Fiscal Stabilization Funds, to supplement higher education budgets in FY 2009. Even so, total state support for higher education, including ARRA funds, fell 1.5 percent in FY 2009 from the year before. Without ARRA funds the decrease would have been 3.4 percent.
- Despite the overall decline in FY 2009, 13 states increased higher education funding by 5 percent or more. And two of these states boosted funding by 10 percent or more. The largest increases were in Wyoming (24.9 percent) and Idaho (11 percent).<sup>5</sup>

---

<sup>3</sup> For more information, see: Perez, Arturo. *Earmarking State Taxes*. National Conference of State Legislatures. September, 2008 (<http://www.ncsl.org/documents/fiscal/EarmarkingStateTaxes2008.pdf>)

<sup>4</sup> Forty-six states provided information for this report. Those not reporting were Massachusetts, New Jersey, New Mexico and New York.

<sup>5</sup> Wyoming has a biennial budget, which can skew year-over-year changes.

- Six states decreased higher education funding by 5 percent or more compared to the previous year. Four of these states reduced total funding by 10 percent or more. The largest declines were in Alabama (19.4 percent); South Carolina (18.9 percent); California (12.3 percent) and Rhode Island (10.1 percent).
- The use of ARRA funds increased higher education spending levels by more than 5 percentage points in six states. In two states, ARRA funds made a significant difference. In Arizona the difference was 14.2 percentage points and in Colorado it was 20.2 percentage points. In Arizona, funding for higher education still fell from FY 2008, but not by nearly as much as it would have without the ARRA money.

State fiscal conditions deteriorated even more in FY 2010, putting added pressure on already pinched higher education budgets. As a result, federal stabilization funds played a much bigger role in FY 2010 than in FY 2009. In FY 2010, the impact was often the difference between an overall decline in funding versus an increase.

The following information summarizes the findings for FY 2010, including the impact of ARRA funds:

- Thirty-nine of the 46 reporting states used fiscal stabilization funds to support higher education, resulting in a 2.3 percent increase in year-over-year higher education funding. Without ARRA, funding would have decreased 2.5 percent.
- Ten states reported increases of more than 5 percent in FY 2010 higher education appropriations.
- Even with the ARRA money, 23 states reported funding decreases from FY 2009 levels, with eight states reporting drops of more than 5 percent. Hawaii and Idaho reported declines of more than 10 percent.
- The use of ARRA funds had a significant impact in FY 2010, raising higher education funding levels by more than 5 percentage points in 19 states. In six of those states, the percentage point difference was especially notable: Montana (18.6 percentage points), Nevada (14.8 percentage points), Ohio (12.5 percentage points), Iowa (11.5 percentage points), Louisiana (11 percentage points) and South Carolina (10.3 percentage points).

It is important to note that the information for FY 2010 is based on appropriations, not final spending amounts. As states continued to deal with revenue shortfalls throughout the fiscal year, they continued to reduce spending and take other actions affecting the budget. It is possible, if not likely, that final spending for higher education and other programs will differ from planned amounts.

Table 1 shows the percentage change in state support for higher education from FY 2009 to FY 2010. The table also captures the impact of ARRA funds. It is worth noting that in a few instances, states show a negative percentage point difference for FY 2010. This is because those states used proportionally more ARRA funds in FY 2009 than in FY 2010.

Table 1. Percentage Change in Spending for Higher Education, Compared With Previous Year

State/Jurisdiction	FY 2009 Expenditures			FY 2010 Appropriations		
	Without ARRA funds	With ARRA funds	Percentage Point Difference	Without ARRA funds	With ARRA funds	Percentage Point Difference
Alabama	-19.4%	-19.4%	0.0	-0.9%	6.6%	7.5
Alaska	5.9%	5.9%	0.0	-0.5%	-0.5%	0.0
Arizona	-20.1%	-5.9%	14.2	4.7%	3.4%	-1.3
Arkansas	-0.2%	-0.2%	0.0	1.3%	3.0%	1.7
California	-17.3%	-12.3%	5.0	1.4%	9.8%	8.4
Colorado	-11.5%	8.7%	20.2	-0.2%	-0.2%	0.0
Connecticut	-0.7%	-0.7%	0.0	0.5%	0.5%	0.0
Delaware	0.0%	0.0%	0.0	-7.1%	-0.5%	6.6
Florida	-8.8%	-8.8%	0.0	-9.6%	-2.3%	7.3
Georgia	-3.4%	-2.7%	0.7	2.7%	5.7%	3.0
Hawaii	9.7%	9.7%	0.0	-28.6%	-25.9%	2.7
Idaho	11.0%	11.0%	0.0	-13.0%	-10.3%	2.7
Illinois	0.7%	0.7%	0.0	-4.3%	-0.1%	4.2
Indiana	6.3%	7.0%	0.7	-2.4%	-0.2%	2.2
Iowa	3.0%	3.0%	0.0	-12.3%	-0.8%	11.5
Kansas	-2.8%	-1.6%	1.2	-4.8%	-1.1%	3.7
Kentucky	0.0%	0.0%	0.0	-5.6%	0.1%	5.7
Louisiana	-0.9%	-0.9%	0.0	-17.1%	-6.1%	11.0
Maine	-2.5%	-0.1%	2.4	1.5%	2.1%	0.6
Maryland	5.6%	5.6%	0.0	-0.5%	1.5%	2.0
Massachusetts (N/R)						
Michigan	0.6%	0.6%	0.0	-10.2%	-6.9%	3.3
Minnesota	-0.5%	1.5%	2.0	-8.3%	-1.5%	6.8
Mississippi	-3.9%	-3.9%	0.0	1.3%	7.7%	6.4
Missouri	5.9%	5.9%	0.0	2.3%	10.9%	8.6
Montana	6.8%	6.8%	0.0	-14.0%	4.6%	18.6
Nebraska	3.7%	3.7%	0.0	1.8%	1.8%	0.0
Nevada	0.6%	0.6%	0.0	-19.6%	-4.8%	14.8
New Hampshire	3.7%	3.7%	0.0	-0.6%	2.4%	3.0
New Jersey (N/R)						

Table 1. Percentage Change in Spending for Higher Education, Compared With Previous Year

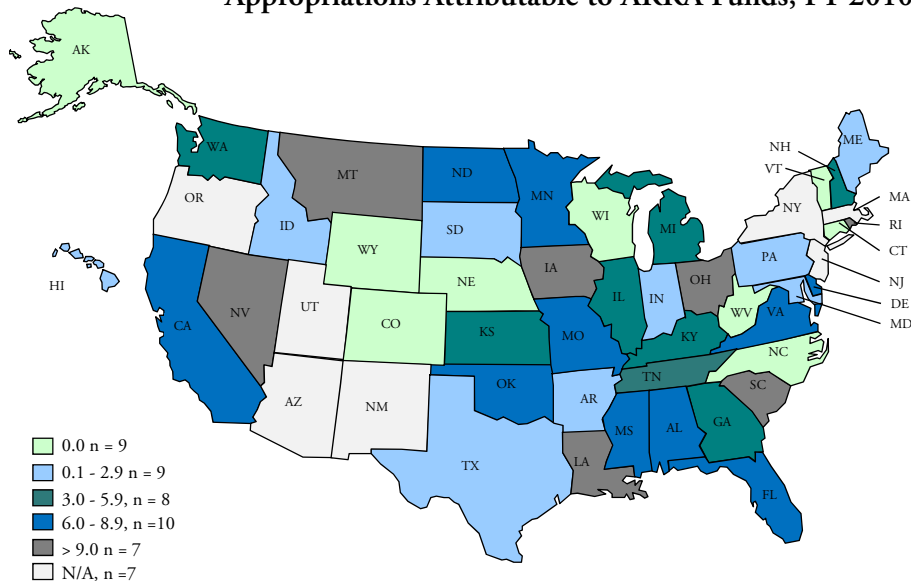
State/Jurisdiction	FY 2009 Expenditures			FY 2010 Appropriations		
	Without ARRA funds	With ARRA funds	Percentage Point Difference	Without ARRA funds	With ARRA funds	Percentage Point Difference
New Mexico (N/R)						
New York (N/R)						
North Carolina	-2.6%	1.0%	3.6	7.4%	7.4%	0.0
North Dakota	4.1%	4.1%	0.0	18.3%	25.8%	7.5
Ohio	6.7%	6.7%	0.0	2.6%	15.1%	12.5
Oklahoma	-4.1%	-4.1%	0.0	-2.1%	4.6%	6.7
Oregon	-4.1%	3.1%	7.2	-6.8%	-9.1%	-2.3
Pennsylvania	0.3%	3.5%	3.2	-6.9%	-5.3%	1.6
Rhode Island	-10.1%	-10.1%	0.0	-4.6%	4.9%	9.5
South Carolina	-18.9%	-18.9%	0.0	-5.4%	4.9%	10.3
South Dakota	-0.2%	5.1%	5.3	-4.9%	-4.1%	0.8
Tennessee	-3.0%	2.1%	5.1	-5.8%	-0.5%	5.3
Texas	5.0%	5.0%	0.0	4.1%	5.8%	1.7
Utah	-8.4%	-4.9%	3.5	0.9%	-1.8%	-2.7
Vermont	-4.0%	-4.0%	0.0	11.6%	11.6%	0.0
Virginia	-3.3%	-3.3%	0.0	-6.5%	0.5%	7.0
Washington	0.5%	0.5%	0.0	-12.1%	-7.6%	4.5
West Virginia	1.4%	1.4%	0.0	-4.9%	-4.9%	0.0
Wisconsin	9.3%	9.3%	0.0	-4.7%	-4.7%	0.0
Wyoming	24.9%	24.9%	0.0	-9.8%	-9.8%	0.0
U.S. Average	-3.4%	-1.5%	1.9	-2.5%	2.3%	4.8

Source: NCSL survey of legislative fiscal offices, 2009-2010.  
N/R = No Response.

As demonstrated in Table 1, the use of ARRA funds offset declining state-only support for higher education in both FY 2009 and FY 2010. Table 2 and the maps in Figures 1 and 2 provide a different perspective on the impact of ARRA funds on state higher education funding. As shown below, 17 states reported a funding increase of at least six percentage points attributable to ARRA funds in FY 2010, compared to only three in FY 2009. Six states went from a net decrease in higher education funding to a net increase as a result of ARRA funds in FY 2009, and nine states went from negative to positive funding levels in FY 2010.



**Figure 2. Percentage Point Increase in Higher Education Appropriations Attributable to ARRA Funds, FY 2010**



Source: NCSL survey of legislative fiscal offices, 2009-2010

## Higher Education Policy Developments

Substantial revenue declines have posed tremendous challenges to state policymakers. In an attempt to capture noteworthy reforms or other actions spurred by the recession, NCSL asked legislative fiscal officers to provide information on significant policy developments affecting higher education. The following section highlights the responses.

Not surprisingly, many states have cut higher education programs or services. For example, Michigan abolished some student aid programs, including the \$140 million Michigan Promise Grant Program (which provided merit-based grants of up to \$4,000 for students who scored well on the high school merit exam or who completed two years of postsecondary education with at least a 2.5 grade point average) and the Michigan Work Study Program. Michigan lawmakers also made large reductions in the two primary needs-based scholarship programs: State Competitive Scholarships (50.4 percent reduction); and tuition grants for students at independent colleges (44.1 percent reduction).

North Carolina eliminated or reduced programs that were considered “not core” to the mission of higher education. Focusing on programs with low enrollments, South Dakota’s higher education board identified 37 academic programs and 109 specializations within academic majors for termination. Utah also eliminated some programs, while Tennessee and Washington stepped up efforts to review funding, operating efficiency and tuition policies.

California actively sought to decrease student enrollment. And Florida tightened residency requirements to make it harder to qualify for in-state tuition.

State actions to close budget shortfalls have included staff layoffs, furloughs and salary freezes, affecting higher education institutions. In addition, many states authorized tuition and fee increases.

Other states have formed special study commissions. In Kentucky, the Higher Education Work Group was created to find ways to reduce college costs and improve efficiency. It is also studying student aid programs, remediation needs, graduation rates and general cost saving ideas. Louisiana created a commission to review all aspects of postsecondary education and report its findings to the legislature in 2010. In Maine, the university system board of trustees conducted a study to address budgetary shortfalls. Recommendations included changes to course offerings, campus missions and administrative policies.

Some states have tried to protect higher education funding. Maryland, Montana and Ohio froze tuition rates. Maryland also temporarily increased the corporate income tax to provide revenue to a special higher education investment fund.

### Significant Higher Education Funding Developments

Policy changes are inevitably linked to available revenues, so NCSL asked states to provide information on significant developments affecting higher education funding in FY 2009 and FY 2010. Table 3 reflects responses for the 26 states providing this information.

Table 3. Significant Developments Affecting State Funding of Higher Education		
State	Significant Developments Affecting State Funding of Higher Education FY 2009	Significant Developments Affecting State Funding of Higher Education FY 2010
Alabama	Authorized an 18% across the board spending cut in the Education Trust Fund. The cut was reduced to 11 percent by using rainy day account funds.	The governor announced a 7.5% across the board spending cut in the Education Trust Fund for FY 2010. Only half of the ARRA education fiscal stabilization funds were appropriated for FY 2010, with the remaining half reserved for FY 2011.
California	Made mid-year reductions to university budgets, which were partly offset with federal ARRA funds. Both state university systems (University of California and California State) increased fees.	Made cuts to both university systems (University of California and California State) and to community colleges, which were partly offset with federal ARRA funds. All three state-supported higher education systems increased tuition and fees and sought to reduce enrollment, since no enrollment growth was funded.
Colorado		The governor submitted a request for a waiver from the ARRA maintenance of effort requirement. If approved, the governor proposes reducing the general fund appropriation by \$80 million in FY 2010 and shifting \$80 million in federal ARRA stabilization funds from K-12 to higher education.
Florida	Made mid-year budget reductions because revenue collections were less than projected.	Maintained FY 2009 funding levels with ARRA funds, even though state revenue collections decreased.
Idaho		Reduced base funding levels for higher education.
Indiana	Reduced the operating budget by approximately 1%, but filled the gap with ARRA funding.	Reduced the higher education operating budget by an additional 3%, but filled the gap with ARRA dollars.



**Table 3. Significant Developments Affecting State Funding of Higher Education**

State	Significant Developments Affecting State Funding of Higher Education FY 2009	Significant Developments Affecting State Funding of Higher Education FY 2010
Iowa	<p>Increased funding by: \$5.3 million for grants, loans, and other college student aid; \$4 million for science, technology, engineering, and mathematics (STEM) programming; \$46.6 million for university salary increases; \$1.1 million for veterinary diagnostic laboratory facilities; and \$10.6 million for community college salary increases and general aid.</p> <p>Cut funding by: \$21 million to shift funding for university programs to non-general fund sources; and \$21 million for a 1.5% across-the-board reduction; and another 1% reduction for the universities.</p>	<p>Adopted an increase of \$0.8 million for veterinary diagnostic laboratory facilities.</p> <p>Adopted decreases of: \$5 million for grants, loans, and other college student aid; \$86.1 million for university programs; and \$22.2 million for community college general aid and salaries.</p>
Kansas		Relied more heavily on tuition income.
Kentucky	Reduced general fund appropriations for post-secondary education by \$22.6 million by executive order, as part of the governor's implementation of the budget reduction plan passed in 2009 by the General Assembly.	Reduced general fund appropriations for post-secondary education by \$109.5 million by executive order, as part of the governor's implementation of the budget reduction plan passed in 2009 by the General Assembly. The general fund reduction was partially offset through the allocation of \$70 million in ARRA state fiscal stabilization funds to post-secondary education.
Louisiana	Funded higher education at the Southern Regional Education Board (SREB) average; however, there was a mid-year reduction of \$55 million in state general funds.	Cut \$119 million from higher education in the appropriated budget. In December 2009, another \$76 million in general funds were cut (\$84 million including the office of financial assistance). The reduction from FY 2009 to FY 2010 would have been greater without the inclusion of one-time money: \$86.2 million in budget stabilization funding, \$13.5 million due to the return of an economic development incentive package and \$189.7 million in federal stimulus funds.

**Table 3. Significant Developments Affecting State Funding of Higher Education**

State	Significant Developments Affecting State Funding of Higher Education FY 2009	Significant Developments Affecting State Funding of Higher Education FY 2010
Maryland	<p>Increased funding for the university system (\$72.7 million, 7.2%), community colleges (\$13 million, 5.4%), and Morgan State University (\$6.4 million, 9.5%).</p> <p>Kept undergraduate resident tuition frozen at the 2006-2007 academic year rates for the University System of Maryland and Morgan State University. General funds were identified in the budget to offset the loss of tuition revenue.</p> <p>Used the Higher Education Investment Fund (HEIF), created in 2007 to provide dedicated revenues for higher education from a temporary increase in the corporate income tax. HEIF funds totaling \$47.4 million were included in the FY 2009 budget to offset the loss of tuition revenue due to the resident tuition freeze, replace general funds, and enhance operating support for higher education.</p>	<p>Increased funding for the university system (\$15.3 million, 1.4%), Sellinger/private institutions (\$1.7 million, 3.4%) and Baltimore City Community College (\$1.4 million, 3.4%).</p> <p>Froze undergraduate resident tuition for a fourth consecutive year with rates set at the 2006-2007 academic year.</p> <p>Identified \$31.8 million in ARRA funding in the budget, with \$17.6 million used to offset the loss of tuition revenue and the remaining \$14.5 million used to replace general funds at the community colleges.</p> <p>Re-authorized the Higher Education Investment Fund (HEIF) for FY 2010. HEIF funds totaling \$46.5 million were included in the budget to replace general funds.</p> <p>Note: In August 2009, funding for higher education was reduced \$50.8 million, and ARRA funds were transferred to the Department of Public Safety and Corretional Services. In addition, \$40.1 million was transferred from the fund balances of the University System of Maryland and Morgan State Univeristy to the general fund.</p>
Mississippi	<p>Increased funding for employee health insurance premiums, the Medicaid match at the University Medical Center and additional support for universities. FY 2009 funding level reflects budget reductions imposed by the governor of approximately \$46.6 million.</p>	<p>Increased funding for retirement rate increases, the Medicaid match at the University Medical Center, and additional support for the universities. The FY 2010 funding level does not reflect budget reductions taken by the governor of approximately \$39 million.</p>
Missouri	<p>Appropriated \$40.1 million in new operating funds for the public higher education institutions in the state (approximately a 4.4% increase). The state's needs-based scholarship program also received \$49.3 million in new funding.</p>	<p>Supplanted \$104.8 million of federal budget stabilization funding for general revenue into the operating budgets of public higher education institutions. In total, the operating appropriations remained the same from FY 2009 to FY 2010.</p>
Montana	<p>Funded cost increases primarily from state funds because tuition rates were frozen for FY 2008 and FY 2009.</p>	<p>Approved special appropriations for distance learning and increased funding for community college assistance, public television and tuition mitigation.</p>

**Table 3. Significant Developments Affecting State Funding of Higher Education**

State	Significant Developments Affecting State Funding of Higher Education FY 2009	Significant Developments Affecting State Funding of Higher Education FY 2010
Nevada	Required budget reductions of all state agencies, including the Nevada System of Higher Education (NSHE). A total of \$58.3 million was identified for budget cuts.	In anticipation of continued weakness in general fund revenue collections, the governor recommended that state general fund support for the Nevada System of Higher Education (NSHE) be reduced by \$252.8 million (37.3%) when compared to NSHE's FY 2009 approved general fund appropriations (before budget reductions). The 2009 Legislature did not concur and restored \$76.6 million in general fund support for FY 2010 (total general fund appropriations \$501.1 million). In addition, the 2009 Legislature approved approximately \$92.4 million in ARRA state stabilization funding for NSHE in FY 2010 to further offset the reduction in general fund support and mitigate the need to increase student fees. Inclusive of federal ARRA funds, the 37.3% decrease in general fund support recommended by the governor was adjusted to a 12.5% reduction for NSHE in FY 2010.
North Carolina	The governor imposed forced budget reversions, 10-hour employee furloughs (which cut salaries 0.5%), and restrictions on hiring, promotions, travel and purchases.	Despite significant budget reductions, the General Assembly fully funded enrollment growth in both the University of North Carolina system (\$44.2 million) and the community college system (\$58.1 million). The legislature also provided additional funds for equipment (\$9 million), vocational and technical education (\$4.5 million), and health care programs (\$4.8 million) in the community college system.
Ohio	Instituted a tuition freeze for state-assisted higher education institutions.	
Oklahoma	Held higher education harmless from budget cuts.	Tried to hold higher education harmless from cuts in FY 2010 and approved a small increase in funds through a combination of state and federal stimulus money. However, the state experienced a revenue shortfall and every agency's monthly general revenue allocation was reduced by 5%. This equates to a 4% reduction in state appropriations for public education.
Pennsylvania	Made significant cuts to many "non-preferred" appropriations for higher education, which are appropriations to institutions not under the direct control of the commonwealth, and must be approved separately and with a two-thirds vote. Additionally, used federal stimulus dollars to offset state dollars.	The governor's executive budget proposed eliminating many of the "non-preferred" appropriations for higher education, which are appropriations to institutions not under the direct control of the commonwealth, and must be approved separately and with a two-thirds vote.
South Carolina		Restored FY 2010 funds to FY 2008 appropriation levels with ARRA funds.

**Table 3. Significant Developments Affecting State Funding of Higher Education**

State	Significant Developments Affecting State Funding of Higher Education FY 2009	Significant Developments Affecting State Funding of Higher Education FY 2010
South Dakota	Approved a \$74.5 million bonding package for upgrades to science and laboratory facilities; funded a high-speed communications network; accepted donated land for a new higher education center and approved a 3% salary increase for employees.	Decreased funding for higher education and did not fund the new higher education center or the salary increase for employees. Funded a new Master of Social Work degree.
Tennessee	Temporarily restored some planned budget reductions with ARRA funds.	Temporarily restored some planned budget reductions with ARRA funds.
Utah	Reduced ongoing state funding by \$90.6 million and partially replaced it with one-time funds of \$29.2 million.	Further reduced ongoing state funding by \$49.4 million with a one-time replacement of \$65.9 million.
Vermont	Reduced funding for higher education, but ARRA State Fiscal Stabilization Fund requirements necessitated the restoration of funding to at least FY 2008 levels. This was done through the appropriation of one-time general funds in FY 2010 and not the direct application of ARRA funds or an increase in the base. It is expected that FY 2011 levels will be at the FY 2009 level or lower (at maintenance of effort levels).	Provided general funds of \$11.5 million in one-time funding to make up for two years of reductions to meet ARRA funding requirements.
Virginia		Kept tuition increases around 5% for FY 2010 in order not to jeopardize ARRA funds.  The governor proposed the additional use of \$91.5 million in state fiscal stabilization funds to partially offset a general fund reduction of \$196.7 million.
Washington		Authorized resident undergraduate tuition rate increases for public four-year institutions of 14% and tuition rate increases for public community and technical colleges of 7%. The state also increased state financial aid programs to protect the lowest income students from those tuition increases.
Source: NCSL survey of legislative fiscal officers, 2009-2010.		

NCSL gratefully acknowledges the Lumina Foundation for its financial support of this report.