

Higher Education/ Workforce

Louisiana should reset the focus of postsecondary education with the specific goals of providing affordability for Louisiana students, equitably increasing the education attainment levels of its citizens and enhancing the competitiveness of its institutions.

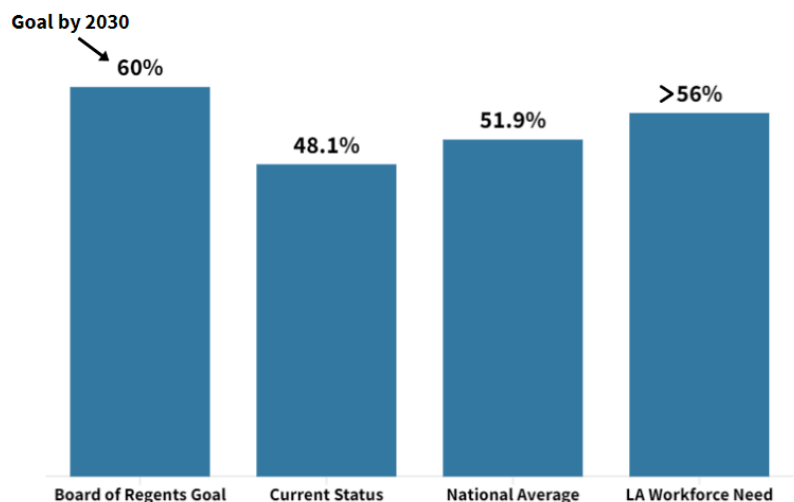
Increase Higher Education Attainment and Improve the Workforce

One overarching issue faces Louisiana when it comes to postsecondary education – the imperative to raise the educational attainment of the state’s citizens. There are many facets to this challenge and many other important things Louisiana’s colleges and universities must provide. But if officials are serious about transforming the state and addressing the issues that keep Louisiana languishing near the bottom of so many negative lists, they must increase the level of education that citizens attain.

Not only is this about improving opportunities for people, but also about expanding the workforce and building a stronger and more prosperous state.

The Board of Regents has embraced a goal of having 60% of Louisiana’s working-age population attain a quality postsecondary education credential by 2030. According to state data, Louisiana’s current attainment rate is 48%. In 2021-22, Louisiana public colleges awarded nearly 44,000 degrees, credentials or certificates. Reaching the 60% goal will require higher education institutions to almost double that total by the end of the decade.

Louisiana Adults with Quality Postsecondary Credential



Source: Board of Regents, Georgetown University Center on Education & Workforce

Part of the urgency involves the significant gap between the workforce needs of Louisiana and the education attainment level of its residents. A widely recognized study by the Georgetown University Center on Education and the Workforce estimated that in 2020, 56% of the jobs in Louisiana would require some sort of postsecondary credential. Three years beyond that projection, Louisiana still falls far short of having the educated workforce to fill that need.

Part of the reason is the sheer number of undereducated adults in the state. Currently, about 1.2 million adults ages 25 to 64 – more than half the working-age population – lack a postsecondary credential of any kind. Nearly half of those adults live in poverty, they have higher rates of unemployment than others and their wages are lower.

There is also an equity gap. More than half of adult African Americans in Louisiana have a high school degree or less. That compares with 42% of whites. Only 16% of African Americans have a bachelor’s degree or higher.

The issues facing Louisiana are clear. The state’s level of education attainment is low. Its population lacks the education and training to meet workforce needs. Its low education attainment perpetuates high levels of poverty. And African Americans, both young and older, are disproportionately impacted by all of this. Clearly, the way to address these issues is to get more people – particularly adults and African Americans – into higher education. To do that, Louisiana must employ multiple strategies. One is expanding access to dual enrollment and other pathways that allow students to graduate from high school with college credits or a career training credential.

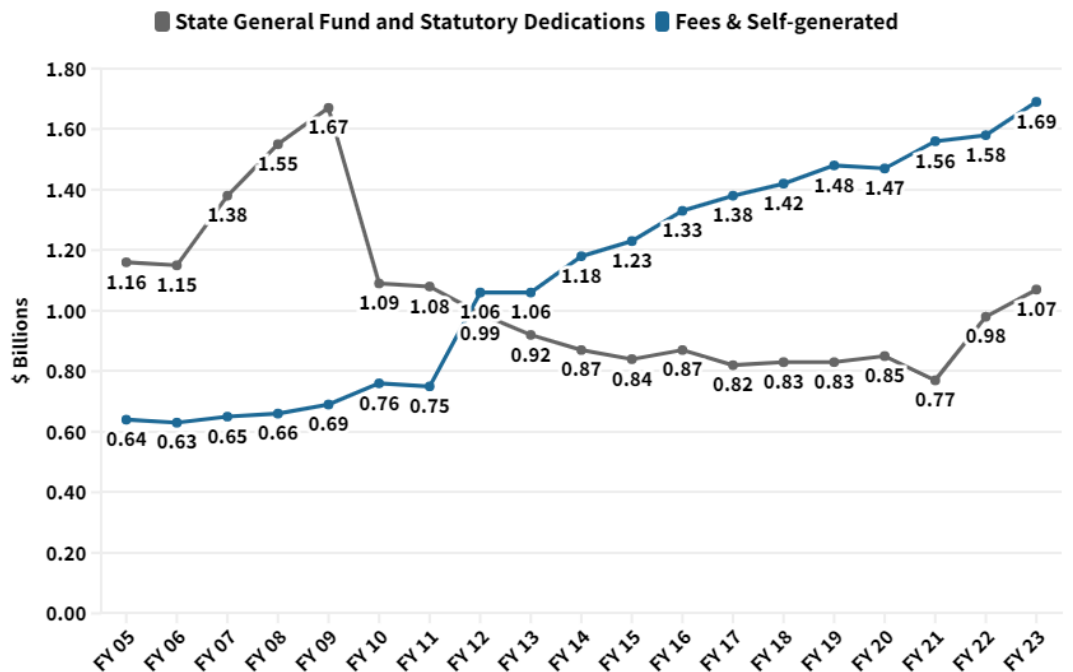
Louisiana has seen measurable improvement in this area in recent years. A record number of more than 28,000 students participated in dual enrollment courses in the 2021-22 school year. The latest data indicate that 31% of recent high school graduates took at least one dual enrollment class and 89% passed with a grade of C or higher.

The Great Recession of 2008 upended funding for higher education across the country, especially in Louisiana. For decades college costs in the state were among the lowest in the country. While the costs remain generally in the middle of the pack compared to peers, they have become much less affordable in a state with close to 1 million people living in poverty.

During the recession, state support for postsecondary education fell from an all-time high of \$1.67 billion in 2009 to just over \$1 billion dollars 2023. As a result, student tuition and fees skyrocketed, increasing by a total of \$1 billion dollars over that same time period.

What that means is that in the last 15 years the funding mechanism for

Historical Spending on Higher Education



Source: House Fiscal Division

Louisiana colleges and universities has radically changed. In 2009 student tuition and fees made up about 27% of the total cost of postsecondary education. Today it is about 60%. That has created new barriers to access for many students, particularly students of color who are more likely to come from economically-disadvantaged backgrounds.

That increase in student costs has also driven increases in financial aid. From 2008 to 2022 funding for TOPS, which primarily benefits middle- and higher-income families, increased from about \$131 million to more than \$300 million. For most of that time, the state's need-based GO Grant program for economically-disadvantaged students actually declined or remained virtually flat. More recently it has grown from about \$29 million two years ago to \$55 million in 2023. Though that has increased both the number of students receiving assistance and the size of the awards, the program remains much smaller than TOPS.

If the state's goal is to increase educational attainment for all citizens, especially for those who are the most economically-disadvantaged and in greatest need of opportunities for education and training, Louisiana must continue its ongoing investment in need-based financial aid or develop additional strategies to ensure affordability and access to postsecondary education.

The state's demographics and education pipeline indicate that reaching the Board of Regents' 60% attainment goal cannot be achieved by simply graduating more students from high school and enrolling them in college or a training program. Success will require a concerted effort to reach the hundreds of thousands of adults who are working without a postsecondary credential.

This is complicated by the high number of citizens in Louisiana – more than 370,000 working-age adults – who never completed high school.

Typically, they work in low-paying, low-skills jobs and have not been eligible for the type of financial aid available to younger students when they graduate from high school. Because of this, they often cannot afford the education and training needed to move up the job ladder and remain trapped in a limbo of under-employment.

The Legislature created the M.J. Foster Promise Program in 2021 to specifically target this segment of the workforce. It is currently funded at \$10.5 million and helps Louisiana residents 21 years or older pursue education or training in a community college aligned to high-demand, high-wage jobs in growing industry sectors. These include fields such as construction, health care, information technology, manufacturing and transportation/logistics.

The state's four-year schools are also reaching out to adults. The University of Louisiana System has launched an initiative called Compete LA aimed at the more than 600,000 people in Louisiana who have some college credits, but no degree. The UL System is offering more than 50 degree programs, many available online, that are designed to make it easier for working citizens to access higher education and finish a degree on a timeline that works for them. The state's historically black colleges are also undertaking efforts to bring working adults back into postsecondary education.

While workforce needs are important, it should be noted that higher education in Louisiana is a critical incubator of research and innovation. Its medical schools produce physicians, and universities develop the

talent needed to fill the jobs of the future. Louisiana's economic mix of energy, manufacturing, agriculture and maritime has served the state well, but that landscape is changing. Universities must produce the talent Louisiana will need to adapt.

The RESET

If Louisiana is going to meet the workforce needs of today, produce the talent to fill the high-tech jobs of the future and improve the socio-economic status of its people, the state must increase its level of education attainment. To accomplish this Louisiana should:

- **Commit to the Board of Regents' goal of ensuring 60% of Louisiana adults have a high-value credential or postsecondary degree by 2030.**
- **Continue reinvestment in higher education with a focus on improving quality, meeting workforce needs, supporting targeted research and maintaining affordability.**
- **Improve access to postsecondary education for all students through ongoing support of need-based financial aid.**
- **Remove barriers that make it difficult for students to transfer credits between institutions, a problem that increases costs and delays completion.**
- **Guarantee all students a minimum number of dual enrollment course options at no charge.**
- **Increase the number of high school graduates enrolled in teacher preparation programs and close equity gaps.**
- **Strengthen the focus within postsecondary education to meet the workforce and knowledge needs of a more diversified, modern and changing economy.**

