

# Promoting Accountable Postsecondary Systems Delivering Valuable Degrees and Credentials

## Background

Despite the persistent and clear economic benefits of a postsecondary degree or credential, skepticism of the value of higher education continues to grow. Polling from the [Wall Street Journal](#) shows that in 2023, for the first time, a majority of adults no longer felt college was worth the cost of attendance. That year, 56% of respondents did not believe a college degree was worth it, an increase from just 40% a decade prior. Skepticism in higher education has manifested in declining enrollments; overall postsecondary enrollment has declined [more than 7%](#) in the past decade fueled largely by shrinking community college enrollment. Colleges and universities also face [shrinking cohorts of high school graduates](#), due to lower birth rates during the Great Recession.

Amid this challenging environment, postsecondary education institutions continue to largely deliver degrees and credentials that provide value to learners and families. Data from [Third Way found](#), 88% of students who receive a bachelor's degree and 73% of students who receive an associate's degree, will recoup their net cost of attendance within 20 years. Additionally, 87% of programs at public colleges and universities provide a positive return on investment for students. Important distinctions exist by degree choice and institution type, but most postsecondary degrees and credentials do pay-off.

Postsecondary education institutions and policymakers continue a range of strategies to serve students including boosting student supports for [nontuition costs](#), offering more [nondegree options](#) and [promoting affordability](#). As schools and systems work to implement these policies, state policymakers will continue to evaluate their effectiveness. States continue to develop approaches that support accountability for institutions and programs, create an emphasis on measurable components of value, and target funding to workforce relevant programs.

## State Policy Action

### ACCOUNTABILITY & OVERSIGHT

State legislators retain significant purview to oversee the mission and funding of postsecondary education institutions in their state. New Jersey has enacted legislation over multiple years to address postsecondary degree and credential quality and higher education accountability. In 2021, lawmakers passed [SB 1271](#) which established new requirements for academic programs, including sufficient academic quality, evidence of labor market demand, lack of duplication and requirements for additional state resources. The legislation also creates new requirements for establishing a new location or branch campus. These requirements are overseen by the discretion of the secretary of higher education.

### Key Takeaways

- Amid skepticism about the value of higher education, states continue to develop strategies to promote valuable degrees and credential for students and families.
- States continue to consider measures to expand accountability, collect and use data, and promote relevant workforce programs.

The legislation expands the responsibilities of the secretary of higher education to take a larger role in the statewide planning of higher education and development of a statewide master plan. The legislation also addresses the development of teach-out plans at proprietary institutions in preparation for potential closures.

The state also passed [AB 1695](#) in 2022 which created performance quality standards for career-oriented programs. The measure required the higher education secretary and the Department of Labor and Workforce Development to develop and implement minimum standards for career-oriented programs including those offered by proprietary institutions and private career schools. The standards will be based on earnings of students in the programs compared to the tuition and fees charged by the school. This gainful-employment standard is similar to federal gainful employment proposals, which [have not been implemented](#). The framework and implementation for the standards is still [being developed](#). The legislation also included provisions for the dissemination of information related to enrollment costs, institutional success metrics and composition of teaching faculty.

## FOCUS ON VALUE

States have also worked to enhance measures of postsecondary value often through expansions or refinements of data collection and usage, as well as explicit reports on value generated by postsecondary institutions. Since 2022, states have considered more than 50 bills impacting postsecondary data collection, governance and usage. Several states including [Colorado](#), [Illinois](#), and [Maryland](#) have passed significant legislation focusing on the development of longitudinal data systems.

Colorado passed [HB 1226](#) in 2018 which requires the state department of higher education to publish an annual return on investment report for undergraduate degree and certificate programs. The state's [value framework](#) considers things like price, debt, choice and value on both a public and personal basis. The legislation provides that the report must consider the number of students enrolled, number of degrees earned, average time to complete, average number of credits earned, average cost to complete a degree, average student loan debt, average annual earnings and employment rates of graduates. The state has also developed a publicly available data tool to show the annual median earnings for graduates after completion of a credential.

In 2022, lawmakers passed [HB 1349](#) to develop a broader interactive data system for postsecondary student success information. The legislation requires modernization of current systems and collaboration before the Department of Higher Education, higher education institutions and workforce development agencies. The state also appropriated \$3 million to fund this data enhancement.

In 2023, the value [report found](#) that earnings continue to rise as educational attainment increases and the labor force without any postsecondary experience had median earnings of less than \$1,000 per week compared to almost \$1,500 per week for those with a bachelor's degree. The report also found that student loan debt among graduates of Colorado's public institutions has declined by 5% at four-year schools and 10% at two-year schools since 2014.

## RELEVANT WORKFORCE PROGRAMS

States continue to focus on expanding access to programs in areas of workforce needs. Through a mix of specialized programs, targeted financial aid, and limited loan forgiveness, state policymakers can address specific workforce challenges in their states.

Arkansas has passed several laws to address in-demand workforce professions in the state. In 2023, the state passed [SB 476](#) which created the Rural Veterinary Student Scholarship Program to support veterinary medical students in counties of fewer than 40,000 people. In 2021, the state created, via [HB 1389](#), the Foresters for the Future Scholarship to support students studying forestry. That same year, the state passed [SB 114](#) to amend scholarships for teachers in high need subject areas. Incentives in other states cover a wide range of professions Texas has created [incentives](#) for cybersecurity, Virginia has developed a [program](#) for Career and Technical Education teachers, Kentucky has passed measures to [promote](#) healthcare workforce.

Since 2019, states have enacted more than 130 bills related to student loan forgiveness. These forgiveness programs provide student borrowers with limited relief in exchange for working in an in-demand profession within the state, often in a high-need area. Common areas of forgiveness programs include teachers and healthcare professionals. Most state loan forgiveness programs are small in scale, offering a limited group of borrowers, limited financial relief.

## Additional Resources

- [NCSL Postsecondary Bill Tracking Database](#)
- [NCSL Podcast: Accountability & Value in Higher Education](#)

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