

EDUCATION

FINANCE

AND POLICY

EFP Takeaways

Returns to Education at Community Colleges

Background

With costs of higher education skyrocketing, relatively low-cost community colleges play a critical role in policy debates regarding college access. Previous research on community colleges has focused on outcomes for those enrolled in post-secondary education in the 1980s and 1990s. The most recent research on the topic has primarily relied on administrative data - which is limited in terms of examining outcomes for those without previous work experience, and does not allow for comparison to a control group of adults who did not attend college. In recent years, “free college” policies promise free (or reduced) tuition for in-state students to attend community colleges. With the increase in these new free college policies, in tandem with limited previous research, there is a need for further research on community colleges.

A new study Dave Marcotte at American University in vol. 14, issue 4, helps to bridge this gap.

The Study

This study updates the literature on the economic value of community college education through an examination of a nationally representative sample of over 3,000 people who entered college or the labor force during the mid-2000s, just before the Great Recession.

Findings

The findings reaffirm the economic benefits of community colleges. The benefits of attending community college now are at least as large as they were in the past. On average, young Americans educated at community colleges are more likely to be employed and those who were employed earned about 21 percent more than comparable peers with only a high school education – and those earning an associate’s degree earn approximately 40 percent more. Despite this, there is a need for continued discussion around costs of college and returns for college-educated workers. The findings from this study have important ramifications for policymakers and college administrators in development of future policies related to college access and outcomes.

For more details:

- View the [full issue](#).
- See the [full article in Education Finance and Policy](#).
- [Sign up here to receive future EFP Takeaways](#).
- Summary of:
Marcotte, Dave E. (2019). The returns to education at community colleges: New evidence from the Education Longitudinal Survey. *Education Finance and Policy*, 14(4), 523 - 547.