

Analyst: Community colleges, taxpayers could feel weight of ITT closures

September 8, 2016

With the closure of a large for-profit university this week, Illinois' community colleges could see a surge in new students and new costs, according to one higher education expert.

ITT Technical Institute abruptly closed its doors this week after the federal government said the school will not be able to accept any more students using federal financial aid. Cato Institute Education Analyst Neal McCluskey said most of those students will pick up classes at community colleges. In turn, McCluskey said this typically places a heavier burden on state coffers because the schools are subsidized upfront by taxpayers instead of federal student loans.

"Either you'd need to greatly expand the state subsidies so that you could expand to meet those needs, or you create big lineups of students trying to get programs and classes, which leads to huge delays for them and an overburdening of community colleges as they exist now," McCluskey said.

McCluskey also said that the cost to educate students through community colleges would be greater because they typically carry a longer average completion time to get their degrees or discontinue coursework.

"We have people who enter community colleges, many people who don't finish, and they often take a long time not finishing," McCluskey said.

Illinois Community College Board spokesman Matthew Berry said the state's community colleges have seen declines in enrollment since 2010 and anticipates no new costs to Illinois taxpayers due to a sudden influx of what the board estimates to be roughly 1,000 former ITT students who potentially could enroll in classes.

Illinois has three now-shuttered ITT campuses in the Chicago suburbs and one in Springfield.