

The Impact of Free Community College: An Evaluation of the Chicago Star Scholarship

Rising college costs and mounting student debt have spurred interest in policies that improve access to higher education. One such policy is free community college, which seeks to lower financial barriers to completing a bachelor’s or associate degree by making the first two years of college free. In Chicago, the Star Scholarship—a merit-based program offering free tuition at community colleges for Chicago Public Schools (CPS) graduates with a minimum 3.0 GPA—has provided an important test case. This study, conducted by researchers from the University of Chicago’s Inclusive Economy Lab, evaluates both the short- and long-term impacts of this policy for eligible students.

RESEARCH QUESTIONS

The evaluation examines three primary questions:

- Does providing free community college **increase college enrollment** for eligible students?
- Does providing free community college **shift where eligible students enroll in college**, particularly between two-year and four-year institutions?
- Does providing free community college **affect associate and/or bachelor’s degree attainment** for eligible students?

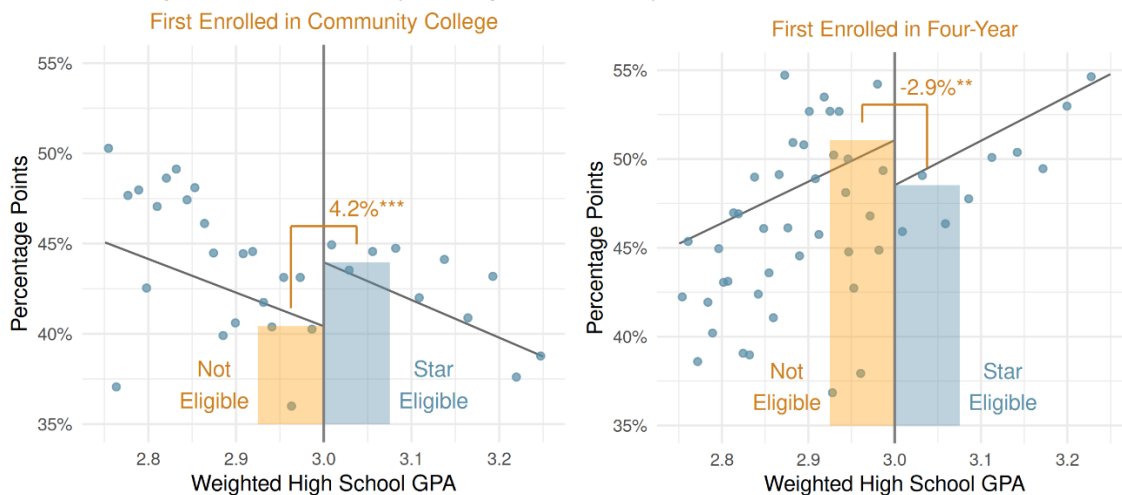
To answer these questions, this evaluation compares outcomes for students who are just above and just below the 3.0 GPA eligibility cutoff. This approach ensures that the only major difference between the groups is access to the scholarship, thereby isolating the policy’s causal impact.

KEY FINDINGS

We find that having access to free community college:

Does not affect *whether* students enroll in college, but does affect *where* students initially enroll in college, encouraging more students to begin their college journey at a community college

- Eligible students are 4.2 percentage points more likely to enroll first at a community college and 2.9 percentage points less likely to begin at a four-year institution.



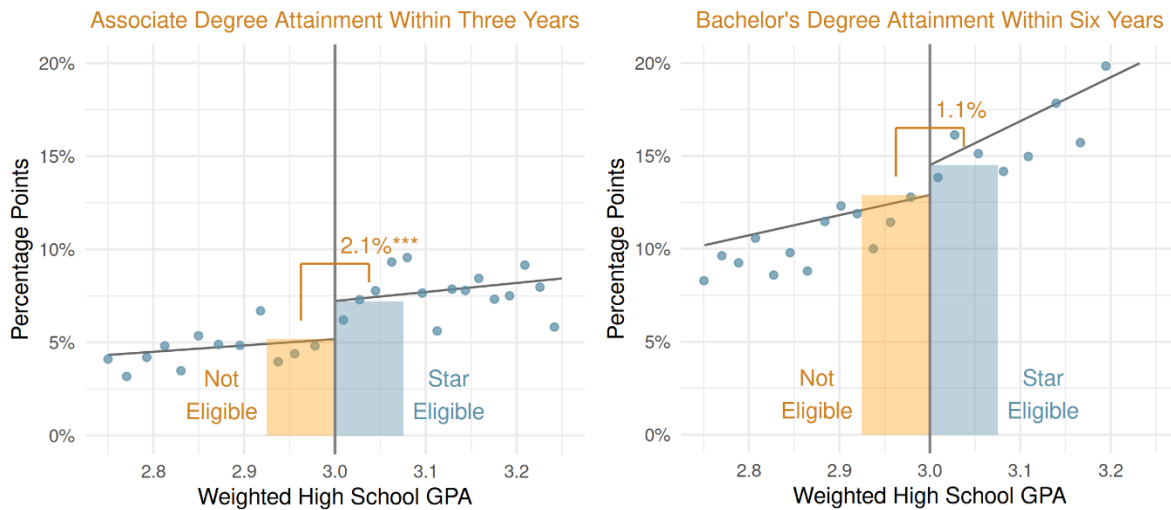
Note: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

Does not change whether students ever enroll in a four-year institution

- Six years after graduating from high school, eligible students are equally likely to have enrolled in a four-year institution, with some students first enrolling in CCC and later transferring to a four-year institution.

Increases the probability that students earn an associate degree

- Eligible students are 2.1 percentage points more likely to earn an associate degree.
- Eligible students are 1.1 percentage points more likely to earn a bachelor’s degree, though this estimate does not meet traditional standards of statistical significance. Conservatively, we conclude that eligible students are equally likely to earn a bachelor’s degree.



Note: * $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$

POLICY IMPLICATIONS

The evaluation provides robust evidence that offering free community college to students with average high school GPAs increases associate degree completion. Importantly, the diversion of these students from initial enrollment in four-year institutions to community colleges does not compromise students’ long-run goal of attaining a bachelor’s degree. This evidence supports free community college as a component of a broader strategy to increase educational attainment and economic mobility.

TO SUPPORT THIS WORK

To learn more about this work and opportunities to support it, please contact Carmelo Barbaro, Executive Director of the University of Chicago Inclusive Economy Lab, at cbarbaro@uchicago.edu.