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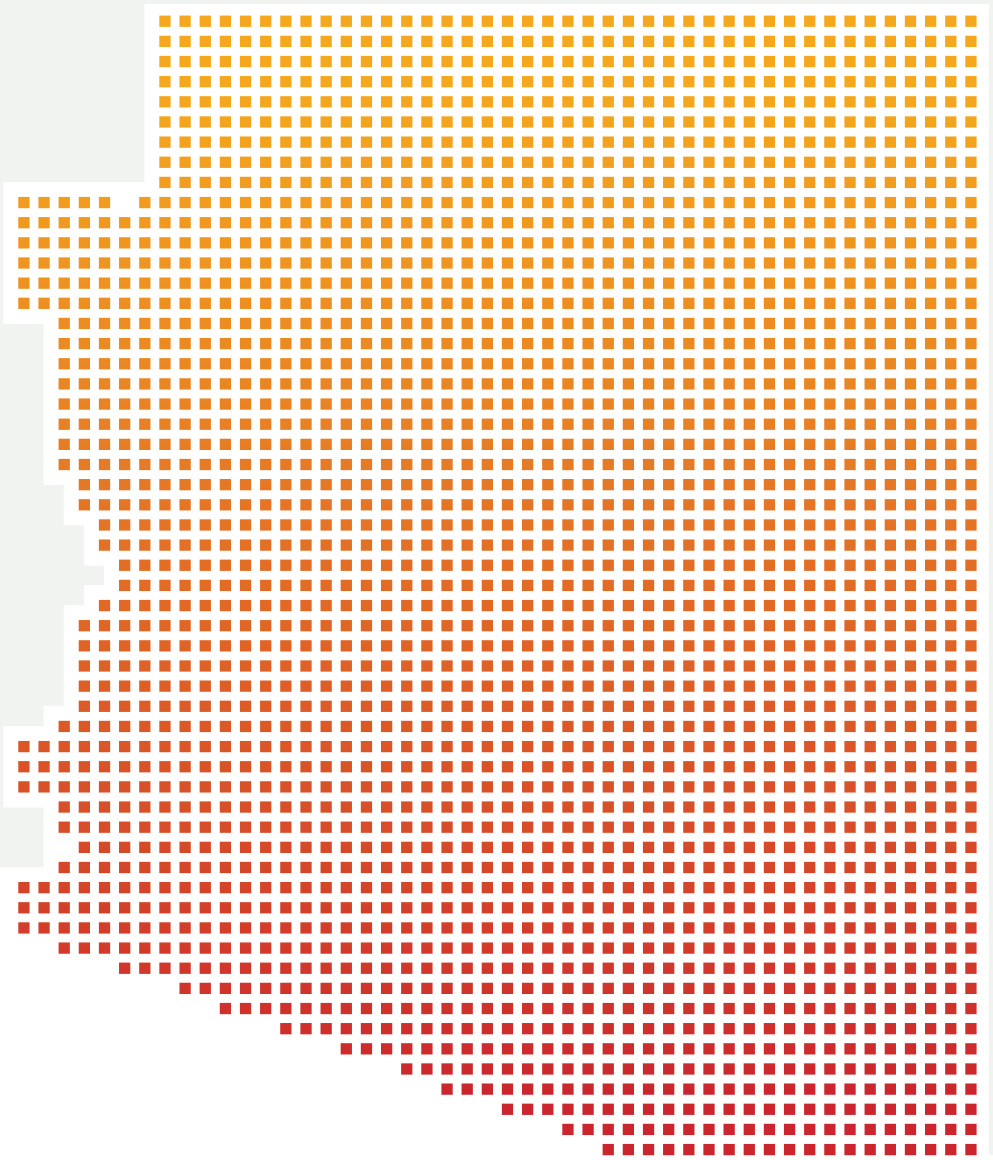

Billions in the Balance

Postsecondary Attainment, Talent Creation, and Economic Opportunity in Arizona

OCTOBER 2026

Helios Education Foundation

education FORWARD arizona

Executive Summary

Arizona Still Has Billions to Gain

Updated economic modeling confirms that increasing postsecondary enrollment and completion would generate substantial benefits for individual Arizonans and for the state. It shows that, were Arizona's 2026 high school cohort ultimately able to reach a 60 percent postsecondary attainment rate, Arizona would stand to benefit from estimated economic gains that exceed $11 billion.

This report updates the analysis presented in *Billions to Gain: The Economic Benefits of Investing in a More Educated Arizona,* released in 2023. Using updated information about Arizona's education pipeline, labor market, postsecondary costs, demographics, and economic conditions, the new analysis reaches a similar conclusion: higher levels of postsecondary enrollment and completion continue to produce substantial returns for individuals, communities, taxpayers, and Arizona.

Arizona's Achieve60AZ goal calls for 60 percent of adults ages 25 to 64 to hold a postsecondary certificate, license, or degree by 2030. The state's attainment rate stood at 50 percent in 2024. Current patterns among younger Arizonans indicate that considerable room for improvement remains.

Statewide Gains from Increased Postsecondary Attainment

ATTAINMENT SCENARIO	SOCIAL GAINS PER COHORT	FISCAL GAINS PER COHORT
2026 cohort reaches 60 percent attainment	$11.1 billion	$3.75 billion
College enrollment increases 20 percent	$5.8 billion	$2.0 billion
College completion increases 10 percent	$3.0 billion	$1.0 billion

Note: All values are expressed in 2026 dollars as present values at age 18. Fiscal gains are a subset of the broader estimate of social gains; accordingly, totals for social and fiscal gains should not be added together.

The scenarios modeled represent lifetime gains associated with one high school cohort, rather than annual economic impacts or gains across Arizona's entire workforce. Each new cohort creates another opportunity for the state to realize benefits associated with greater postsecondary enrollment and completion.

More Postsecondary Education Continues to Produce Greater Individual Gains

For Arizona students and families, the economic value of postsecondary education begins with higher lifetime earnings and better health.

Compared with an Arizonan whose education ends with high school, someone who attends college without completing a credential gains an estimated $217,510 over their lifetime. The estimated gain increases to $354,110 for an associate degree graduate, $1.10 million for a bachelor's degree graduate, and $1.38 million for an individual with an advanced degree.

HIGHEST ATTAINMENT	ADDITIONAL LIFETIME GAINS
Some college	$217,510
Associate degree	$354,110
Bachelor's degree	$1.10 million
Advanced degree	$1.38 million

Note: All values are expressed in 2026 dollars as present values at age 18.

Completion produces the largest gains. The analysis also finds notable gains for individuals who attend college without completing a credential. These findings are particularly relevant as students and families examine the cost and value of education after high school. The overall economic evidence remains strong, while outcomes for individual students depend on the pathways they pursue. Cost, time to completion, transfer options, expected earnings, and connections to employment all influence the value of a specific postsecondary experience.

That value can take many forms. Certificates, licenses, associate degrees, bachelor's degrees, and advanced degrees all contribute to Arizona's economy and can provide meaningful opportunities for students, depending on the field and pathway.

Higher Attainment Creates Broader Benefits for Arizona

The benefits associated with postsecondary education extend beyond individual earnings. Higher attainment is also associated with improved health, lower involvement in the criminal justice system, greater workforce productivity, lower public assistance costs, and higher tax revenues.

The model captures these effects through estimates of social and fiscal gains. A 20 percent increase in college enrollment would produce an estimated $5.8 billion in lifetime social gains for one Arizona high school cohort, including approximately $2.0 billion in fiscal gains. Increasing associate and bachelor's degree completion by 10 percent would generate approximately $3.0 billion in social gains, including nearly $1.0 billion in fiscal gains.

The updated estimates remain similar in overall magnitude to those calculated in 2023 after accounting for inflation and changes in Arizona's student population, postsecondary system, and labor market.

The central finding remains consistent: increasing postsecondary attainment creates substantial value for Arizona and its residents.

Demographic Change Raises the Stakes for Attainment

Arizona's high school-age population is projected to decline over the next decade before beginning to increase again. The number of residents ages 14 to 18 is projected to fall from approximately 492,000 in 2025 to about 428,000 in 2037.

As future cohorts become smaller, successful transitions from high school into postsecondary education become increasingly consequential. Migration will continue to contribute to Arizona's talent base, but the projected demographic change increases the importance of helping more Arizona students enter postsecondary education and complete credentials that provide economic value.

Current enrollment and completion patterns leave significant potential unrealized. When Arizona residents do not enter or complete postsecondary pathways, individuals may forgo higher earnings and greater economic opportunities. Arizona also realizes fewer of the broader social and fiscal benefits associated with higher attainment.

This is the economic opportunity at the center of Billions in the Balance. Arizona's economy can continue to expand even when some of these potential gains go unrealized. Increasing attainment enables more residents to participate in the opportunities created by that growth.

Two Industries Show Why Postsecondary Pathways Matter

Healthcare and semiconductor-related manufacturing illustrate how the relationship between postsecondary education and employment can vary widely across sectors.

Healthcare is a large, established sector with comparatively well-defined credentials and career pathways. Arizona postsecondary institutions award approximately 37,400 healthcare credentials each year, spanning certificates, associate degrees, bachelor's degrees, graduate degrees, and professional credentials.

Meeting projected healthcare employment demand would require approximately 8,700 additional credentials annually, a 23 percent increase over current production. The modeled expansion would generate an estimated $12.9 billion in net additional lifetime earnings and $21.4 billion in net lifetime economic value for each expanded annual cohort.

Semiconductor-related manufacturing presents a different set of circumstances. The sector is highly capital-intensive and relies on workers prepared through computing, engineering, technical, and technician programs. Those pathways often connect to employment across several industries, and the routes into semiconductor occupations can be less immediately apparent to students.

Arizona institutions award approximately 25,290 credentials annually in fields relevant to semiconductor work. Graduates from those programs work throughout the economy, with an estimated 4,300 entering semiconductor employment. Meeting projected sector demand would require approximately 1,240 additional semiconductor-related credentials annually, an increase of about 28 percent in the current sector-specific pipeline. The modeled expansion would generate approximately $1.35 billion in net additional lifetime earnings and $2.63 billion in net economic value per expanded cohort.

	HEALTHCARE	SEMICONDUCTOR-RELATED MANUFACTURING
Current pipeline	37,400 credentials	4,300 graduates entering sector
Additional credentials needed	8,700 (+23%)	1,240 (+28%)
Net economic value from expanded cohort	$21.4 billion	$2.63 billion

The comparison illustrates why Arizona's postsecondary pathways need to reflect differences among industries. Healthcare offers an established credential structure that can be expanded and strengthened. Semiconductor-related manufacturing requires continued work to clarify how technical, computing, and engineering education connect to specific occupations and advancement opportunities.

What the Findings Mean for Arizona

The analysis points to two closely related opportunities. Arizona can help more students enter postsecondary education, and it can help more of those who enroll complete credentials with economic value. Progress on either front would generate substantial benefits. Progress on both would strengthen outcomes for students while increasing the broader gains Arizona receives from higher attainment.

Reaching those outcomes requires attention across the education continuum. Academic preparation influences whether students are ready for education after high school. Affordability, advising, transfer policies, financial aid, and other supports can affect whether students enroll, persist, and complete. Clear information about programs and careers can help students understand the costs, requirements, and likely outcomes associated with different choices.

Completion represents a particularly significant opportunity. Approximately one-quarter of Arizona's 2026 high school cohort is projected to enroll in postsecondary education without ultimately completing a credential or degree. Increasing associate and bachelor's degree completion by 10 percent would generate an estimated $3.0 billion in social gains for that cohort.

The sector analyses reinforce the importance of providing multiple pathways through postsecondary education. Arizona needs shorter-term credentials and associate degrees as well as bachelor's, graduate, and professional degrees. The mix differs by occupation and industry, as do the ways students prepare for and advance within particular fields.

Connections with employers can strengthen these pathways by providing clearer information about skills and occupations, expanding opportunities for applied learning, and helping education providers respond as workforce needs change. The objective is to ensure that students can see how postsecondary programs connect to careers and make informed choices among the options available to them.

Increasing enrollment and completion would allow more Arizonans to realize the individual benefits associated with postsecondary education while generating substantial economic gains for the state.

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