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Annual Grapevine Data show initial 10.2% increase in state support for higher education

Data reported by states in the latest Grapevine survey indicate that initially approved state support for higher education in fiscal year (FY) 2024 reached \$126.5 billion, a 10.2% increase over 2023.¹ This is the third year state fiscal support for all higher education has topped \$100 billion. This increase reflects a 36.5% increase over the past five years. Tax appropriations, non-tax support, non-appropriated support, and returns from state funded endowments make up total state support. The Grapevine report provides a first, tentative look at state higher education funding in the new fiscal year. However, an important caveat is that the Grapevine data *do not* account for inflation.²

Although states allocated 50.5% less federal funding to support higher education than in FY 2023, an additional \$801.3 million in federal stimulus funding brings the total state fiscal support for higher education in FY 2024 to \$127.3 billion.³ Since 2020, states allocated just under \$10 billion in federal stimulus to higher education.

Grapevine data are collected annually by the State Higher Education Executive Officers Association (SHEEO). The FY 2024 data represent initial allocations and estimates reported by the states from October 2023 through January 2024 and are subject to change.

Both including and excluding federal stimulus dollars, 19 states saw increases of at least 10% since 2023. Including federal stimulus, 10 states saw increases greater than 15%. Eight states saw increases greater than 15% without federal stimulus.

Nine states and Washington, D.C., reported an overall decline in state support, including federal stimulus funding, between 2023 and 2024. Four states and Washington, D.C., had one-year declines

¹ FY 2024 marks the eighth year Grapevine has included Washington, D.C., in its survey. Washington, D.C., is excluded from all state counts and U.S. totals. The data reported by the District of Columbia, including federal stimulus funding, reveal an 8.9% decline in the last year and an 8.5% decrease in the last two years, but a five-year increase of 25.6%.

² While actual inflation data are not available for FY 2024, forecasts suggest the U.S. will face 2.8% inflation over FY 2024. Source: OECD Economic Outlook: Statistics and Projections, Inflation Forecast Indicator <https://data.oecd.org/price/inflation-forecast.htm>.

³ Federal stimulus funding was awarded to states for higher education to stabilize state and local sources of funding, and to provide additional resources during COVID-19. Federal stimulus funding excludes funds allocated to public capital projects and any funds (such as HEERF) allocated directly by the federal government to institutions or students.

excluding federal stimulus. Excluding federal stimulus funding, only two states (Alaska and Wyoming) had lower state support in 2024 than in 2019.

The Grapevine tables include data on how total higher education state support allocations were used across two-year public operating, four-year public operating, state financial aid, research, and other uses for FY 2024. While state allocations across each area are not final and include estimates for several states, initial appropriations to each area were as follows:

- \$27.3 billion to two-year public operating.
- \$59.8 billion to four-year public operating.
- \$16.4 billion to state financial aid for all students.
- \$16.8 billion to research, agriculture extension, hospital extension and medical schools.
- \$6.1 billion to other uses, including agency funding, private institution operations, and non-credit appropriations.

The full Grapevine report, including tables summarizing the results of the FY 2024 Grapevine survey and a complete dataset of state support for higher education going back to 1980, can be found on the SHEEO State Higher Education Finance (SHEF) website at <https://shef.sheeo.org/grapevine>.