

Overview: 2024 Fiscal Year Budget for Higher Education

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Gov. Brian Kemp's proposed 2024 budget allocates \$3.2 billion for the Board of Regents and \$442 million for the Technical College System of Georgia.

University System of Georgia

Funding for the teaching portion of the university system's operating budget is set to increase by \$121 million to \$2.9 billion. Major highlights include the following:

- \$83 million for \$2,000 of cost-of-living adjustments for full-time state employees
- \$17 million in increased funds for the employer share of health benefits
- \$13 million to adjust agency premiums for Department of Administrative Services administered insurance programs
- \$13 million of increased funds to reflect a 2.3 percent decrease in enrollment at USG institutions, offset by an increase in higher-cost program areas
- \$540,000 in transfer funds for a Fort Valley State University Land Grant match requirement supporting the school's teaching program
- \$3 million reduction to adjust formula funds to reflect corrected credit hour data for the Georgia Institute of Technology
- \$2 million reduction in funds for the Augusta University and University of Georgia Medical Partnership Expansion—a partnership established to create a four-year medical school campus in Athens to help alleviate a statewide shortage of physicians

In the 2020-21 academic year, 40 percent of undergraduate students in Georgia qualified for Pell grants, a federal program that supports students with economic need.

Source: National Center for Education Statistics of undergraduate students receiving Pell grants

All other programs under the Board of Regents, such as the Agricultural Experiment Station, Cooperative Extension Service and Public Libraries, increased by \$3 million due mostly to the cost-of-living adjustments.

Technical College System of Georgia

The proposed 2024 budget for technical colleges is \$443 million, a decrease of \$1.3 million from fiscal year 2023. The specific changes to the budget are outlined below.

Technical Education

- \$11 million increase for a cost-of-living adjustment for full-time, benefit-eligible state employees
- \$9 million reduction to reflect a decrease of 3.5 percent in credit hours

Workforce Development

- \$897,000 of increased funds to expand the electric vehicle industry workforce
- \$250,000 of transfer funds from the OneGeorgia Authority to the Defense Community Economic Development Fund¹

Adult Education

- \$482,000 for a cost-of-living adjustment for full-time, benefit-eligible state employees

The Georgia Student Finance Commission administers state funds for the REACH Georgia Scholarship, Dual Enrollment and a variety of other small scholarship, grant and loan programs.² In the fiscal year 2024 budget, there was no change for Dual Enrollment or REACH Georgia Scholarship. Dual Enrollment allows eligible high school students to take college courses at no cost. Funding remains at \$83 million for this program.

The REACH Scholarship uses both public and private funds. State appropriations for the scholarship continue at \$6.4 million in the fiscal year 2024. The REACH Scholarship goes to about 3,600 students who are nominated by school district leaders in eighth grade. To receive the REACH scholarship, students must also qualify for free/reduced-price lunch and have an average GPA of at least 2.5.

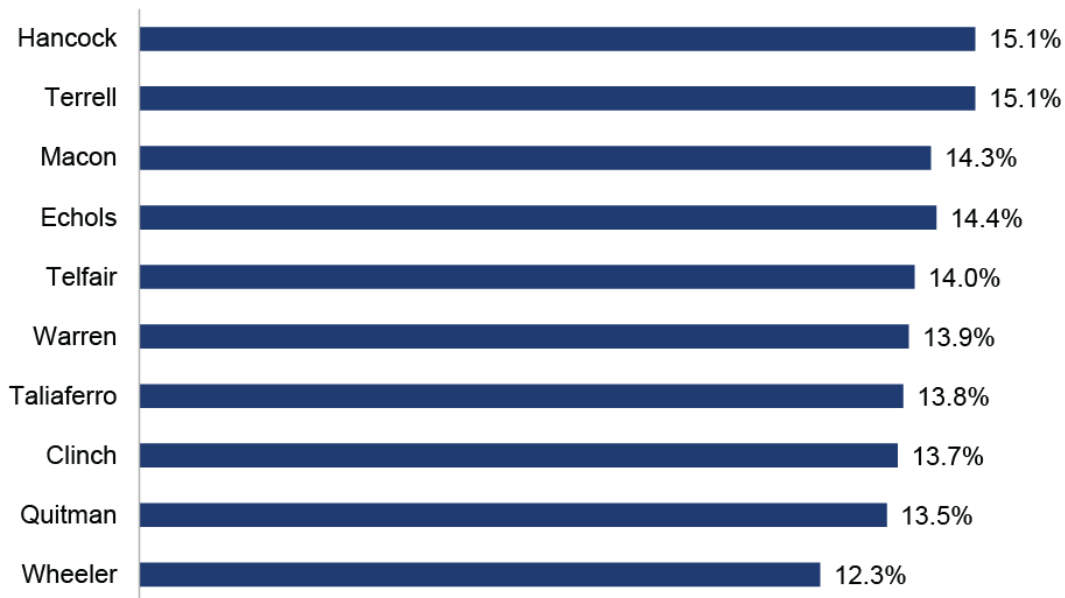
Budget Recommendation

Georgia’s postsecondary educational attainment goal is 60 percent by 2025 for adults ages 25-64. The national average for postsecondary attainment in 2021 was 53.7 percent, and Georgia is behind its benchmark and the national average with just a 51 percent attainment rate.³

Establishing diverse financial aid—including need-based options for Georgia students — will be instrumental in reaching this 60 percent goal. The temporary HOPE scholarship expansion benefits students already on track to receive financial aid based on academic merit. However, to reach the 60 percent postsecondary attainment goal, it is necessary to develop need-based financial aid to create broader access to college for students in Georgia.⁴

The lack of comprehensive need-based financial aid affects students across Georgia from diverse backgrounds. Geographically, students in rural areas tend to struggle disproportionately with post-secondary attainment. The chart below shows the ten lowest post-secondary educational attainment rates by county in Georgia, all of which are in rural Georgia and all but two of which are in the Black Belt.⁵

Georgia Counties with the Lowest Post-Secondary Attainment Rate



Source: Source: Lumina Foundation Stronger Nation Report on 2021 Degree Attainment by county.

Viewed through this geographic and historical lens, comprehensive state need-based aid becomes a racial equity imperative. It also demonstrates a slavery-influenced historic through-line connecting both K-12 and higher education rural funding scarcity. However, this scarcity can be partially resolved through robust state programs for higher education transition such as dual enrollment, and enhanced K-12 investments, such as strong sparsity grants and a meaningful opportunity weight. These simple steps would help address racist harms and place Georgia's rural students of color on a firmer footing to pursue a postsecondary degree.⁶

At the end of the day, lawmakers should consider systemic context and history and aim to shift the dialogue regarding college affordability toward need-based financial aid in light of serving students and supporting racial equity. This will not only increase Georgia's chances of achieving its 60 percent postsecondary attainment goal, but it will also offer students who are financially marginalized a better chance to access college.

End Notes

¹ Georgia Department of Community Affairs. *OneGeorgia Authority*. OneGeorgia Authority serves as a financial partner to help rural communities in Georgia create sustainable and diversified economies through land acquisition, infrastructure development, and entrepreneur support for qualified applicants. <https://www.dca.ga.gov/community-economic-development/funding-programs/onegeorgia-authority>

² REACH Georgia Scholarship. <https://reachga.org/>; Georgia Department of Education. *Dual Enrollment*. <https://www.gadoe.org/Curriculum-Instruction-and-Assessment/CTAE/Pages/Transition-Career-Partnerships.aspx>

³ Lumina Foundation. (2021). *Stronger nation report*. <https://www.luminafoundation.org/stronger-nation/report/#/progress/state/GA>

⁴ Lee, J. (2022, February 23). *The need for need-based aid*. Georgia Budget and Policy Institute. <https://gbpi.org/the-need-for-need-based-aid/>

⁵ Lumina Foundation. (2021). *Stronger nation report*. <https://www.luminafoundation.org/stronger-nation/report/#/progress/state/GA>; Owens, S. (2019, October). *Education in Georgia's Black Belt: Policy solutions to help overcome a history of exclusion*. <https://gbpi.org/wp-content/uploads/2020/10/EducationInGAsBlackBelt-1014update-withcover.pdf> (pp. 17-23). All but two counties, Clinch and Echols, had slave populations over 40 percent as of the

1861 census, with 2018 K-12 Black enrollment exceeding 30 percent and 30 percent or more of their 2018 population experiencing poverty.

⁶ Lee, J. (2019, November 14). *Dual enrollment requires sustainable funding to promote high school and college success*. Georgia Budget and Policy Institute. <https://gbpi.org/dual-enrollment-requires-sustainable-funding-to-promote-high-school-and-college-success/>; Owens, S. (2023, January 26). *State of education funding (2023): Opportunity is knocking*. <https://gbpi.org/state-of-education-funding-2023-opportunity-is-knocking/>; as of early 2021, sparsity grants had been funded at 25.5 percent of the amount that the formula dictates resulting in \$22 million less to sparse, rural districts in FY 2021 alone. Owens, S. (2021, January 11). *State of education funding (2021)*. Georgia Budget and Policy Institute. <https://gbpi.org/state-education-2021/>.