An Overview of the Education Construction Scene

2024 CONTINUED A COMEBACK TREND FOR CONSTRUCTION ON education facilities in both PreK–12 and higher education. Whereas 2021 saw the first decline in construction spending since 2013, 2023 brought increased spending well beyond pre-pandemic levels—and that increase continued in 2024, albeit not quite as steeply. Spending growth did not come without its share of challenges: Spaces4Learning 2025 Construction Brief survey respondents across PreK–12 and higher education complained of high construction costs (for both materials and labor), aging buildings, and volatility causing issues with planning and cost estimates, among other issues.

Education construction spending in the United States reached $138.22 billion in 2024, according to United States Census Bureau data, up $15.16 billion from 2023. Private construction spending on education totaled $25.80 billion in 2024, up $1.96 billion from 2023. Public construction spending on education increased as well, from $99.22 billion in 2023 to $112.42 billion in 2024.

How was the money spent? About 39% of PreK–12 survey respondents reported completing major renovations or modernizations in 2024, while 37% reported completing new or replacement buildings and 34% said they completed additions to existing buildings. On the higher education side, major renovations/modernizations were the most commonly completed construction projects of the year, cited by 56% of respondents. Thirty-five percent of higher ed respondents said they completed new or replacement buildings, and 29% said additions to existing buildings were completed in 2024.

Funding continues to be a hurdle for education institutions across the board. Roughly 68% of PreK–12 respondents said they had fewer funds or no change in available funds this year, and 81% of higher education respondents said the same.

CHANGES IN POPULATION AFFECT ENROLLMENT

POPULATION CHANGE

Between 2023 and 2024, the population of the United States grew from 336,806,231 to 340,110,988, representing an increase of about 1%, according to the United States Census Bureau. That's the fastest annual population growth the country has seen since 2001.

For the fourth year in a row, the natural increase in population (births minus deaths) fell below increases in population owing to international migration. In other words, there were more net international migrants adding to the U.S. population (2.79 million) than net gains through childbirth minus deaths (518,638)—making international migration the primary driver of U.S. population growth.

The Census Bureau noted that improved methodology has enabled it to better capture recent fluctuations in net international migration. "International migration flows are a significant contributor to population growth and demographic change in the United States," the organization said in a news release. "However, data on recent migrants are often limited, making accurately estimating and projecting international migrant flows very challenging." By leveraging both survey and administrative data, the Census Bureau is working to improve the international migration components of the population estimates to more accurately reflect current trends.

Some stats for the year based on current estimates (as of July 2024, the most recent census data available) include:

- The total population of the United States in 2024 was 340.11 million, according to the Census Bureau. The total population in 2023 was 336.81 million. The total population in 2022 was 334.02 million. The total population in 2021 was 332.10 million. The total population in 2020 was 331.58 million.
- According to current Census Bureau projections, there is one birth every eight seconds, one death every 11 seconds, and one international migrant (net) every 22 seconds, resulting in a net gain of one person every 14 seconds.
- Seventeen states, as well as Puerto Rico, saw more deaths than births (natural declines).
- Thirty-three states and the District of Columbia saw more births than deaths.
- Every state in the union, as well as the District of Columbia, was net positive in international migration.

HIGHEST GROWTH AND DECLINE BY NUMBER (2023 to 2024)

State	2023 Population	Growth
Texas	31,290,831	562,941
Florida	23,372,215	467,347
California	39,431,263	232,570
North Carolina	11,046,024	164,835
New York	19,867,248	129,881
Alaska	740,133	3,623
Wyoming	587,618	2,551
Mississippi	2,943,045	-127
Vermont	648,493	-215
West Virginia	1,769,979	-516

Source: U.S. Census Bureau, Vintage 2024 Population Estimates: April 1, 2020 to July 1, 2024. See census.gov/newsroom/press-releases/2024/population-estimates-international-migration.html.

Between 2023 and 2024, the population increased in 47 states and the District of Columbia. Nine states—Arizona, California, Florida, Georgia, New Jersey, New York, North Carolina, Texas, and Washington—saw population gains of more than 100,000 people.

The South remains the country's fastest-growing region. With a growth rate of 1.4% and a population gain of nearly 1.8 million between 2023 and 2024, the South added more people than all other regions combined. Texas and Florida had the largest numeric gains, at 562,941 and 467,347, respectively.

North Carolina and Florida experienced growth rates of 1.5% and 2.0%, respectively—well above the national average.

Just three states saw their populations decrease between 2023 and 2024: Vermont, Mississippi, and West Virginia.

ENROLLMENT ESTIMATES

PREK–12

While final data are not yet available for enrollment in 2024, the National Center for Education Statistics (NCES) recorded that 49.52 million students attended public PreK–12 schools in fall 2023. That is up by about 310,000 from the previous projection for 2023. About 1.57 million of those are pre-kindergarten level; 3.50 million kindergarten; 33.95 million PreK–8; 15.57 million grades 9–12.

DEGREE-GRANTING POST-SECONDARY

In higher education, 19.04 million students attended colleges and universities in 2023—an increase of 460,000 compared to 2022 and the first sign of growth after 13 years of decline. Of those:

- 11.58 million were full-time.
- 7.46 million were part-time.
- 13.83 million were enrolled in public institutions.
- 5.21 million were enrolled in private institutions.

NCES has not updated its projections for public or private school enrollment in PreK–12 and higher education institutions since 2022.

ENROLLMENT PROJECTIONS (IN THOUSANDS)

Year	All	PK-12	PK-12 Public			PK-12 Private			Degree-Granting Postsecondary		
			Total	PK-8	9-12	Total	PK-8	9-12	Total	Public	Private
2024	73,591	54,344	48,707	33,267	15,441	5,636	4,151	1,486	19,248	14,088	5,160
2025	73,305	53,737	48,228	33,037	15,190	5,510	4,044	1,466	19,568	14,318	5,249
2026	72,802	52,994	47,644	32,722	14,923	5,350	3,890	1,460	19,808	14,490	5,318
2027	72,614	52,647	47,370	32,633	14,737	5,277	3,818	1,459	19,967	14,603	5,365
2028	72,441	52,365	47,184	32,542	14,642	5,181	3,715	1,466	20,075	14,676	5,399
2029	72,256	52,124	47,028	32,522	14,505	5,096	3,561	1,535	20,133	14,714	5,418
2030	72,097	51,930	46,940	32,313	14,627	4,990	3,546	1,444	20,167	14,736	5,431
2031	72,026	51,792	46,890	32,225	14,664	4,902	3,545	1,357	20,234	14,785	5,449

Source: nces.ed.gov/programs/PES/current_tables.asp

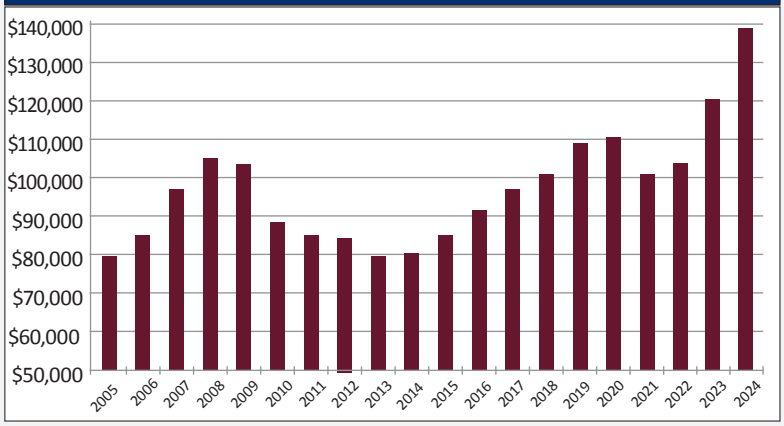
EDUCATIONAL CONSTRUCTION SPENDING

The total dollar value of education construction work done in the U.S. (including all 50 states and the District of Columbia) is estimated to have been $138.22 billion in 2024—the strongest year on record for construction spending in the education sector, up $15.16 billion from 2023. Spending has steadily increased each year since the steep decline of about $9.7 billion between 2020 to 2021, when supply chain and staffing issues during the pandemic likely had a major effect on construction.

Public educational construction accounted for $112.42 billion of the total, while private educational construction totaled $25.81 billion.

Educational construction spending includes expenditures for new buildings and structures; additions; renovations; rehabilitations; major replacements (such as the complete replacement of a roof or heating system); mechanical and electrical installations; site preparation; and outside construction of fixed structures or facilities, such as sidewalks, parking lots, and utility connections. Educational facilities include preschools, primary/secondary schools, higher education facilities, trade schools, training facilities, and other educational spaces, including museums and libraries.

EDUCATION CONSTRUCTION (MILLIONS OF DOLLARS)

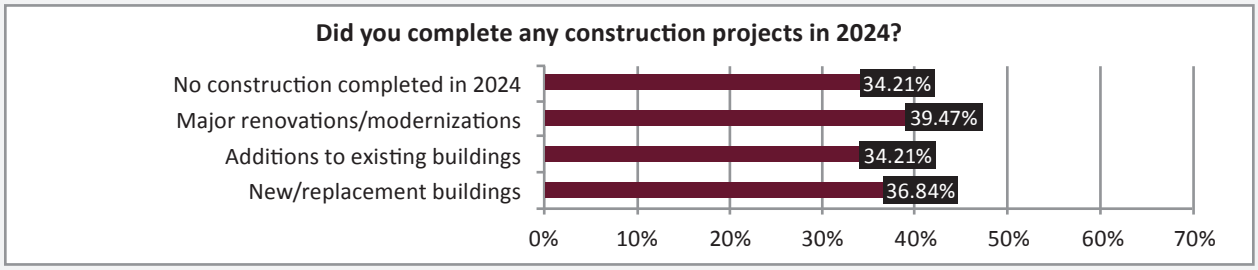


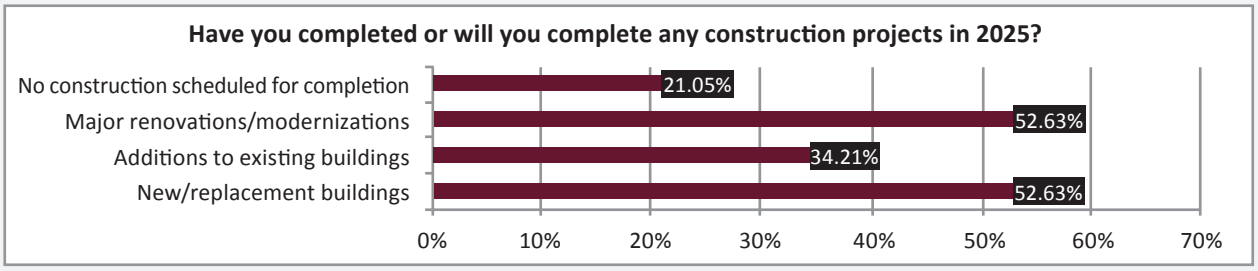
Source: U.S. Census Bureau

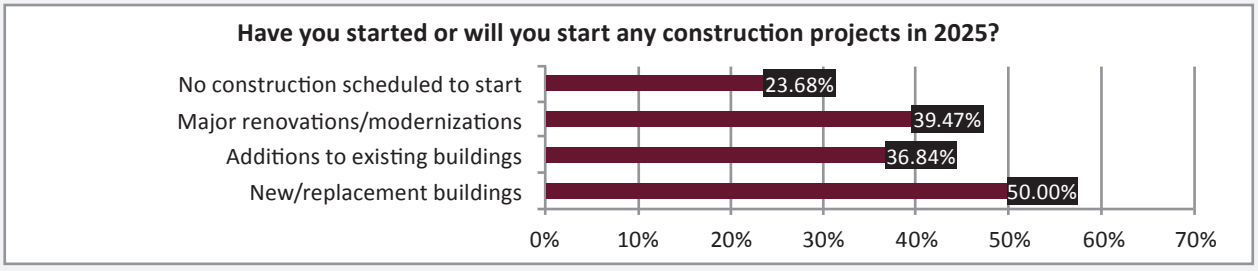
YEAR	TOTAL (Millions of Dollars)
2005	$79,687
2006	$84,928
2007	$96,758
2008	$104,890
2009	$103,202
2010	$88,405
2011	$84,985
2012	$84,672
2013	$79,060
2014	$79,681
2015	$85,346
2016	$91,629
2017	$96,685
2018	$101,210
2019	$108,952
2020	$110,692
2021	$100,988
2022	$104,035
2023*	$123,067
2024	$138,223

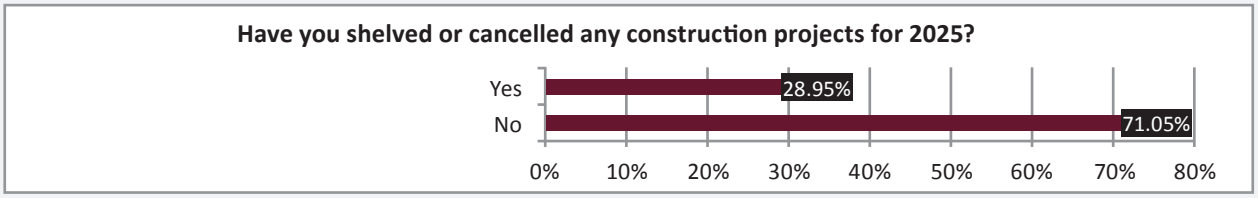
Source: U.S. Census Bureau, Annual Value of Construction Put in Place (Annual Totals).
* Revised using the most recent statistics available, as of May 2025. Previously reported at $120,226.

SURVEY ON PREK-12 SCHOOL CONSTRUCTION

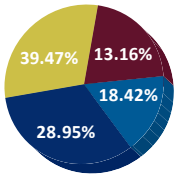








What is your opinion on the funds available for construction compared to last year?



- Fewer funds are available
- No change in available funds
- More funds are becoming available
- Don't know

Top 6 space(s) that will undergo construction or renovation in the coming year:

Classroom	39.47%
Gymnasium/sports facility	36.84%
Theater/auditorium	34.21%
Restroom/locker rooms	34.21%
Gymnasium/sports facility	31.58%
Transportation/roads/parking	31.58%

TRENDS TO WATCH

In this year's survey, we asked respondents what trends will impact education facilities most in the coming year. Their top five picks:

- Campus safety—55.26%
- Doing more with less—47.37%
- Multi-use spaces—39.47%
- Healthy schools—34.21%
- Artificial intelligence and automation—21.05%

HOPES AND CHALLENGES FOR PREK–12 INSTITUTIONS

The top five facilities and construction challenges (besides funding) for survey respondents at the PreK–12 level this year were:

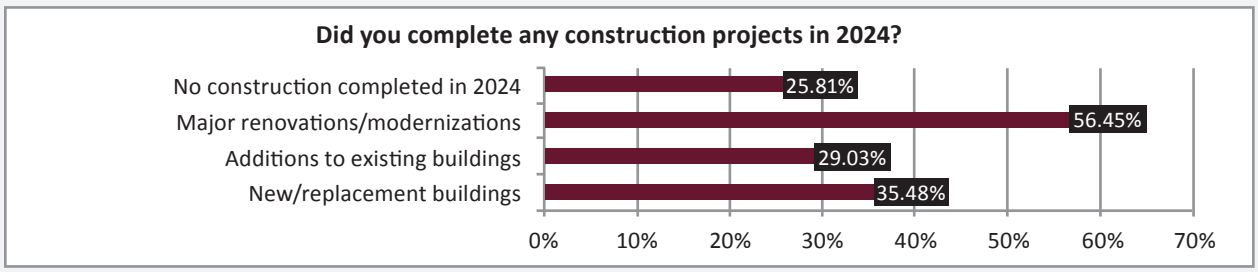
- Construction costs (materials and labor)—47.37%
- Volatility causing issues with planning and cost estimates—31.58%
- Long lead times for equipment—23.68%
- Aging buildings—23.68%
- Shortage of qualified staff and labor—18.42%

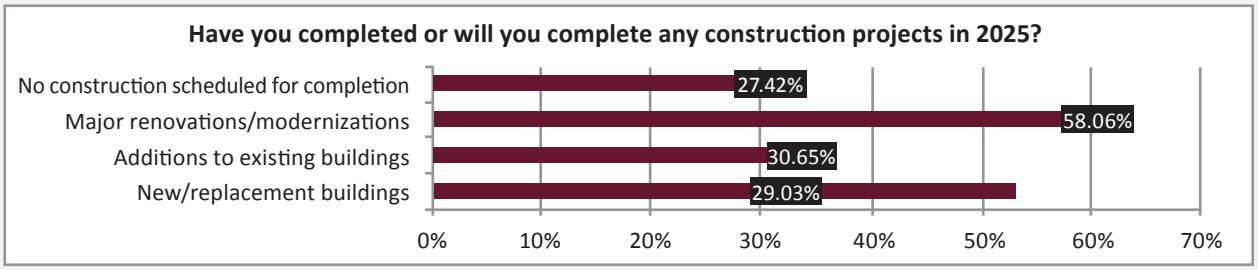
When asked what is on their facilities and construction wish list this year, the majority of PreK–12 respondents focused specific learning needs, such as art facilities, e-sports spaces, outdoor learning, and flexible/multi-use spaces. Many wished for technology upgrades, including safety and security tech. Several wished for decreased costs and more stable funding sources:

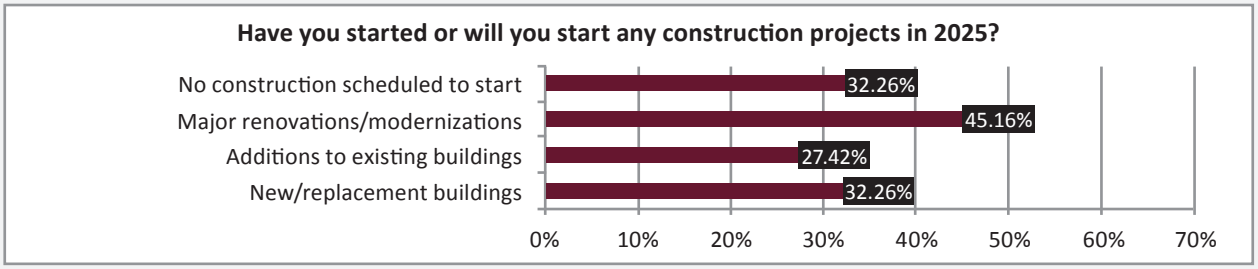
- "Increase technology budget."
- "Less cuts/funding by feds."
- "Funding for more comprehensive building renovations."

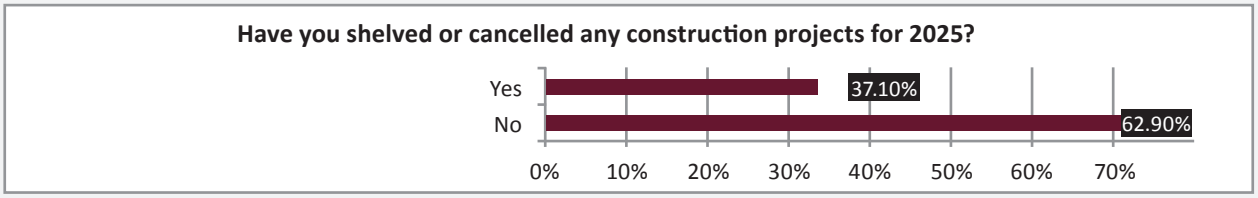
Survey Respondents: 38 PreK-12 school districts responded to this survey among 14 states.

SURVEY ON COLLEGE AND UNIVERSITY CONSTRUCTION









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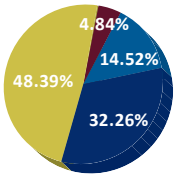

- Fewer funds are available
- No change in available funds
- More funds are becoming available
- Don't know

Top 8 space(s) that will undergo construction or renovation in the coming year:

Classroom	41.94%
Administrative and office	30.65%
Multi-purpose room	29.03%
Makerspace/lab/studio	27.42%
Library/media center	24.19%
Cafeteria/food service/dining	24.19%
Theater/auditorium	24.19%
Restroom/locker rooms	24.19%

TRENDS TO WATCH

In this year's survey, we asked respondents what trends will impact education facilities most in the coming year. Their top five picks:

- Doing more with less—50.00%
- Artificial intelligence and automation—43.55%
- Multi-use spaces—40.32%
- Campus safety—33.87
- Hybrid learning—24.19%

HOPES AND CHALLENGES FOR PREK–12 INSTITUTIONS

The top five facilities and construction challenges (besides funding) for survey respondents at the college and university level this year were:

- Aging buildings—40.32%
- Construction costs (materials and labor)—32.26%
- Deferred maintenance—24.19%
- Decision-making process—22.58%
- Shortage of qualified staff and labor; timeliness of project completion; issues dealing with municipal governments; backlog of projects—four-way tie at 16.13%

When asked what is on their facilities and construction wish list this year, college and university respondents focused largely renovation needs and technology upgrades. Funding issues were also a common theme:

- "Stable funding."
- "More appropriated funding for repair and renovation projects. As a public institution, funds are hard to come by these days."
- "Additional funding for mechanical/infrastructure renewal."
- "Better project scoping at the beginning of projects with knowledgeable stakeholders."

Survey Respondents: 62 colleges and universities responded to this survey among 28 states.