

# The State Universities of Michigan: Powering Michigan's Workforce & Economy

House Appropriations Subcommittee on  
Higher Education and Community Colleges



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CEO



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# Michigan's 15 Public Universities

- National/International Reputation for Academic and Research Excellence
- Fall 2024 student headcount: 259,241
- Degree Completions (2022-2023): 67,559
  - Associates: 1,012
  - Bachelor's: 44,753
  - Master's: 16,629
  - Doctorate: 2,167
  - Professional: 2,998



# Research & Innovation

- \$3.37 billion in R&D expenditures (FY 2023)
  - 53% from federal government
  - 47% from industry, non-profits, local and state government
- \$24 billion annual economic impact (URC)
- Bolstering key state industries: mobility, advanced manufacturing, life & health sciences



# **Value of a College-Educated Workforce**

# Michigan's Educational Attainment Goal

60% of residents aged 25-64 to have a postsecondary degree or certificate by 2030.

- Michigan's educational attainment rate: 51.8%
- National average: 54.9%
- National ranking: **34<sup>th</sup>** (four-year degree attainment)
- National ranking in per-capita income: **35<sup>th</sup>**



# Michigan's High-demand, High-wage Careers

**Of the 50** high-demand, high-wage occupations in Michigan through 2032, **42** require a four-year college degree or higher **(84%)**



Source: [Michigan Bureau of Labor Market Information and Strategic Initiatives](#)



# Most Top-paying Jobs Go to Those With Four-year Degrees

Two-thirds of Michigan's good-paying jobs go to workers with a bachelor's degree or higher, disproportionate to their share of the overall population. Workers with an associate degree, credential, or only a high-school diploma face far tougher odds of earning a good-paying job (of \$65,000 annually or higher).

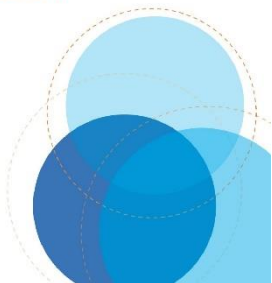
Source: Don Grimes,  
Bureau of Labor Statistics,  
U.S. Census Bureau.  
For the Detroit Regional  
Chamber.



STATE OF **EDUCATION**  
AND **TALENT**



2024



% OF WORKING-AGE  
POPULATION BY DEGREE LEVELS

Bachelor's degrees or higher

35%

Associate degrees,  
skilled trades, high school  
diploma, or lower

65%



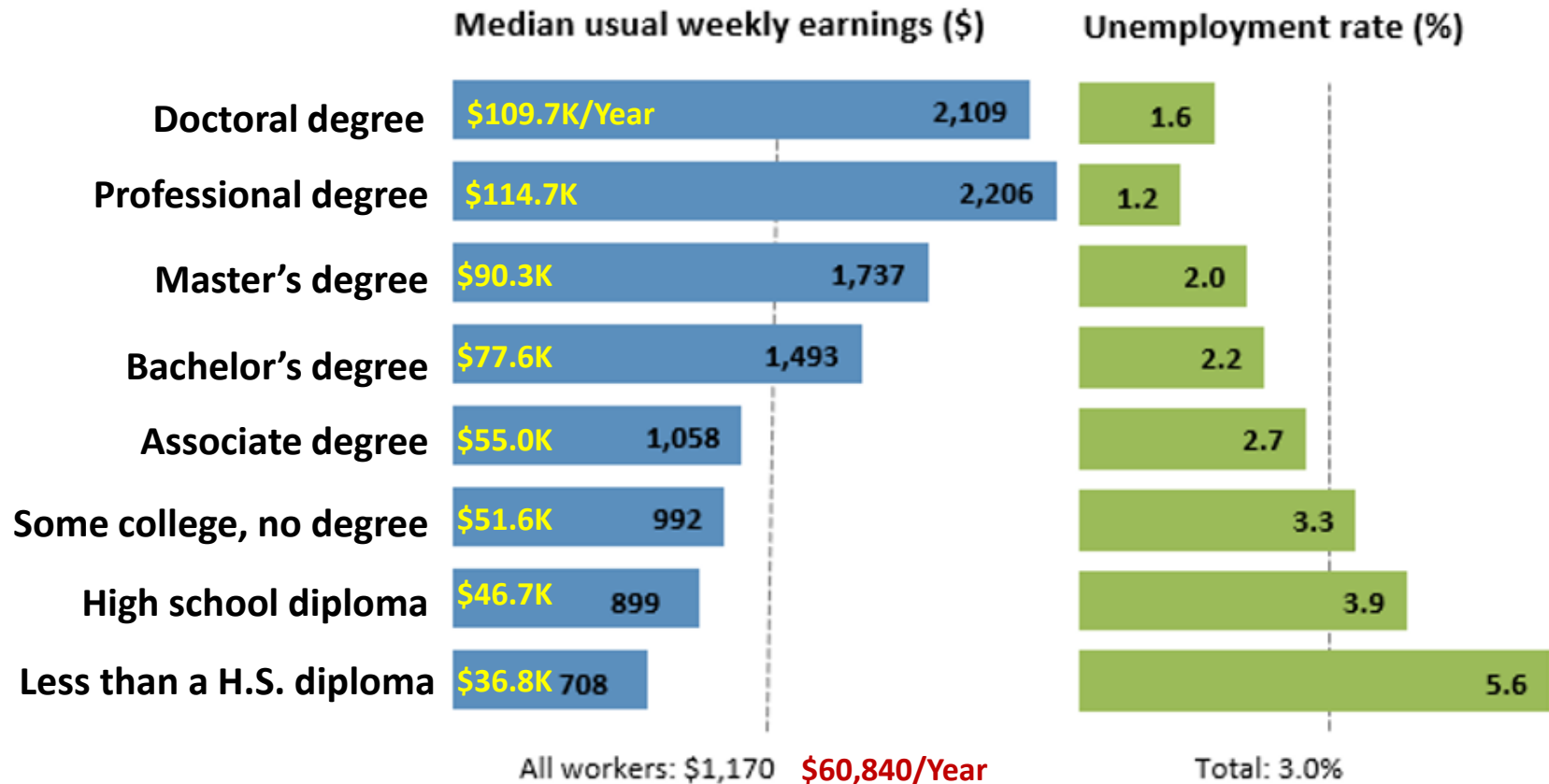
% OF JOBS THAT PAY  
\$65,000 OR MORE

66%

35%



# Earnings and Unemployment Rates by Educational Attainment, U.S., 2023



Data are for persons aged 25 and over. Earnings are for full-time wage and salary workers.

Source: U.S. Bureau of Labor Statistics, Current Population Survey.



# ROI of a Michigan Public University Undergraduate Degree

10 Year ROI    **\$188,400**

20 Year ROI    **\$756,600**

30 Year ROI    **\$1,386,000**

40 Year ROI    **\$1,912,667**

Average ROI figures among all 15 state universities.  
Source: [cew.georgetown.edu/cew-reports/roi2025](http://cew.georgetown.edu/cew-reports/roi2025)

GEORGETOWN  
UNIVERSITY  
McCourt School of Public Policy

CENTER ON  
EDUCATION AND  
THE WORKFORCE

# A More Accurate Portrait of the Value of College Attainment



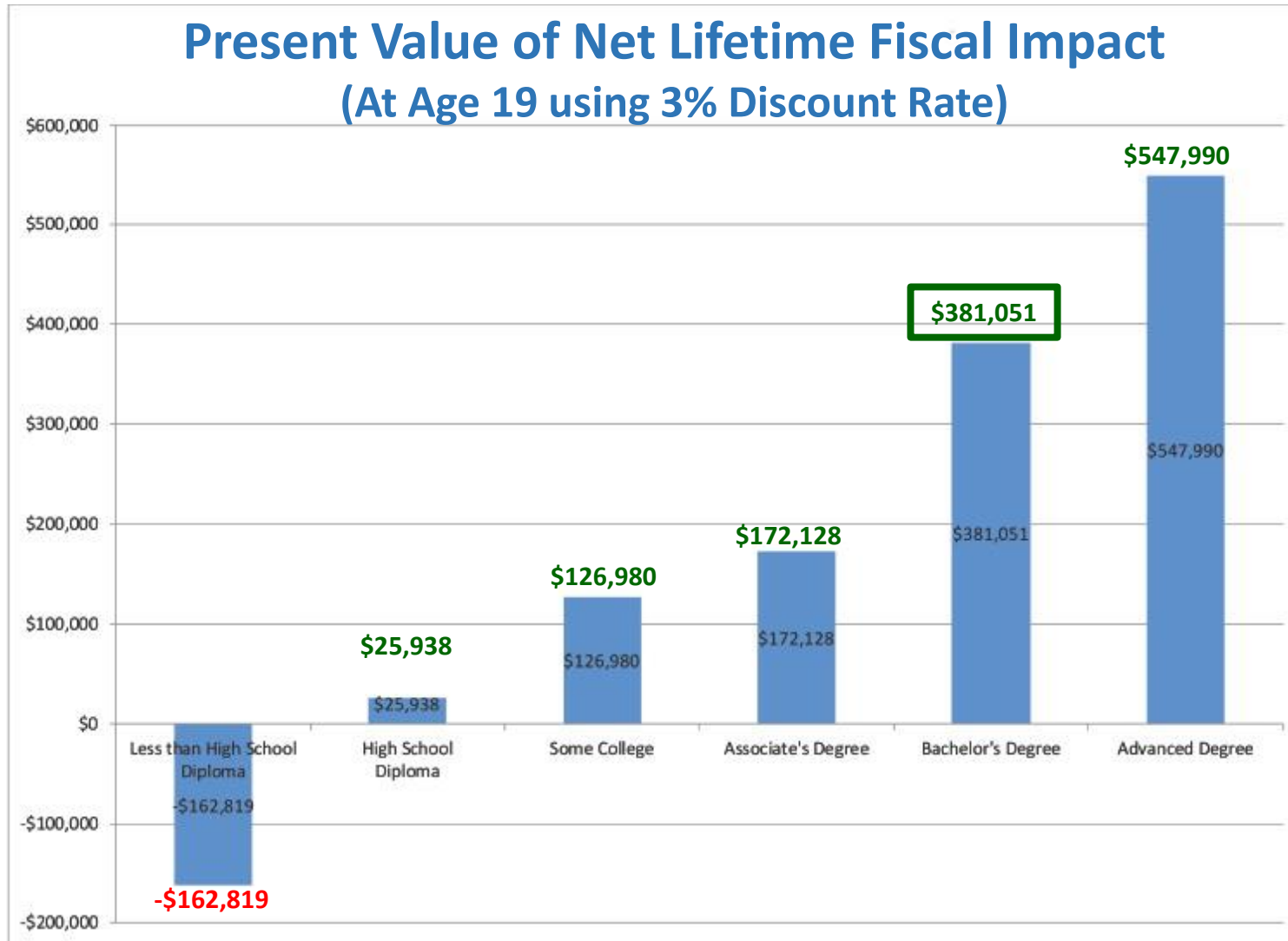
*When it comes to college attainment, increased earnings and job security are just the tip of the iceberg!*

## Factoring In:

- **Lifetime Taxes Paid**
  - Federal, social security, state, property, sales
- **Public Assistance**
  - Medicaid, food stamps, school lunches, cash assistance, energy assistance, housing subsidies
- **Social Insurance**
  - Unemployment insurance, supplemental security, disability, workers' compensation

# Net Lifetime Fiscal Impact of College Attainment

Lifetime Taxes Paid, minus Public Assistance and Social Insurance



College Degree  
vs.  
High School  
Diploma:

**\$355,113**  
more in net  
lifetime fiscal  
impact

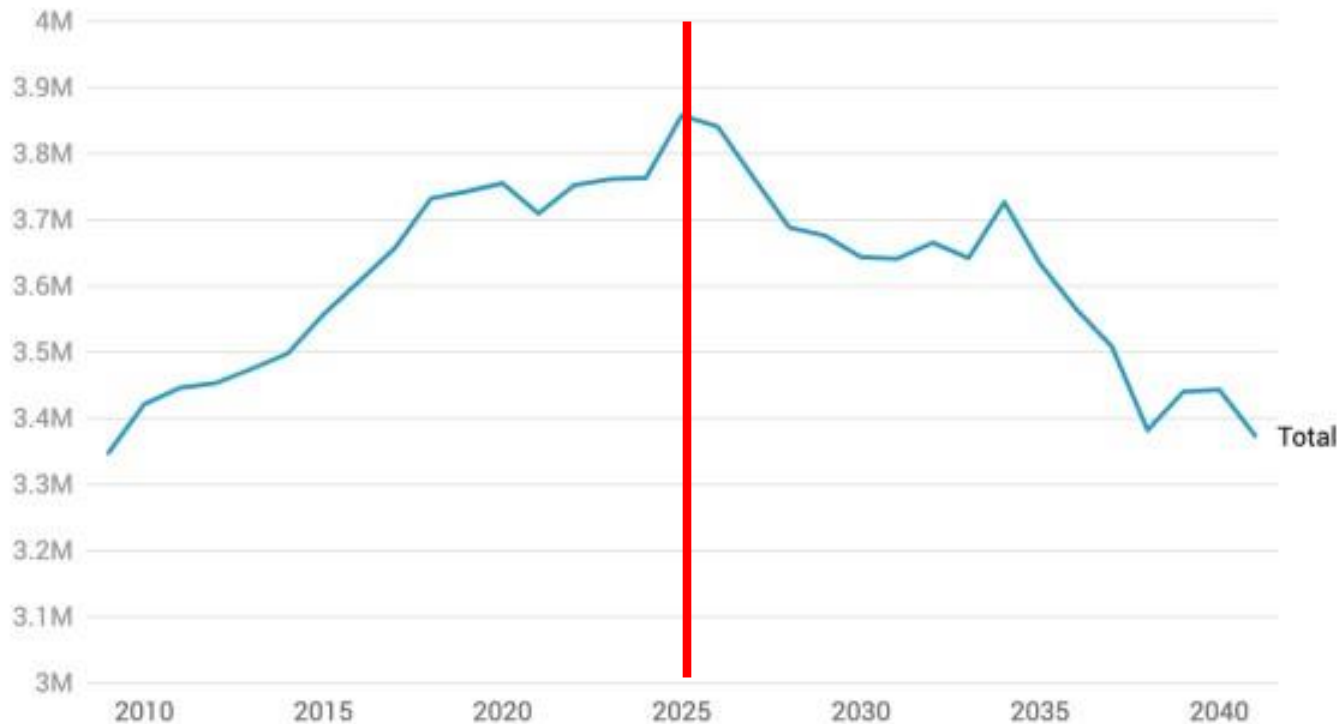
Source:  
*The Tip of the  
Iceberg,*  
**Change**, the  
Magazine of  
Higher Learning  
May/June 2017

In Sum: Increased college attainment generates greater tax revenues and reduces the need for government spending on public assistance and social insurance.

# Nationally: 2025 is Peak Year for High School Graduates

## An Imminent Drop-Off

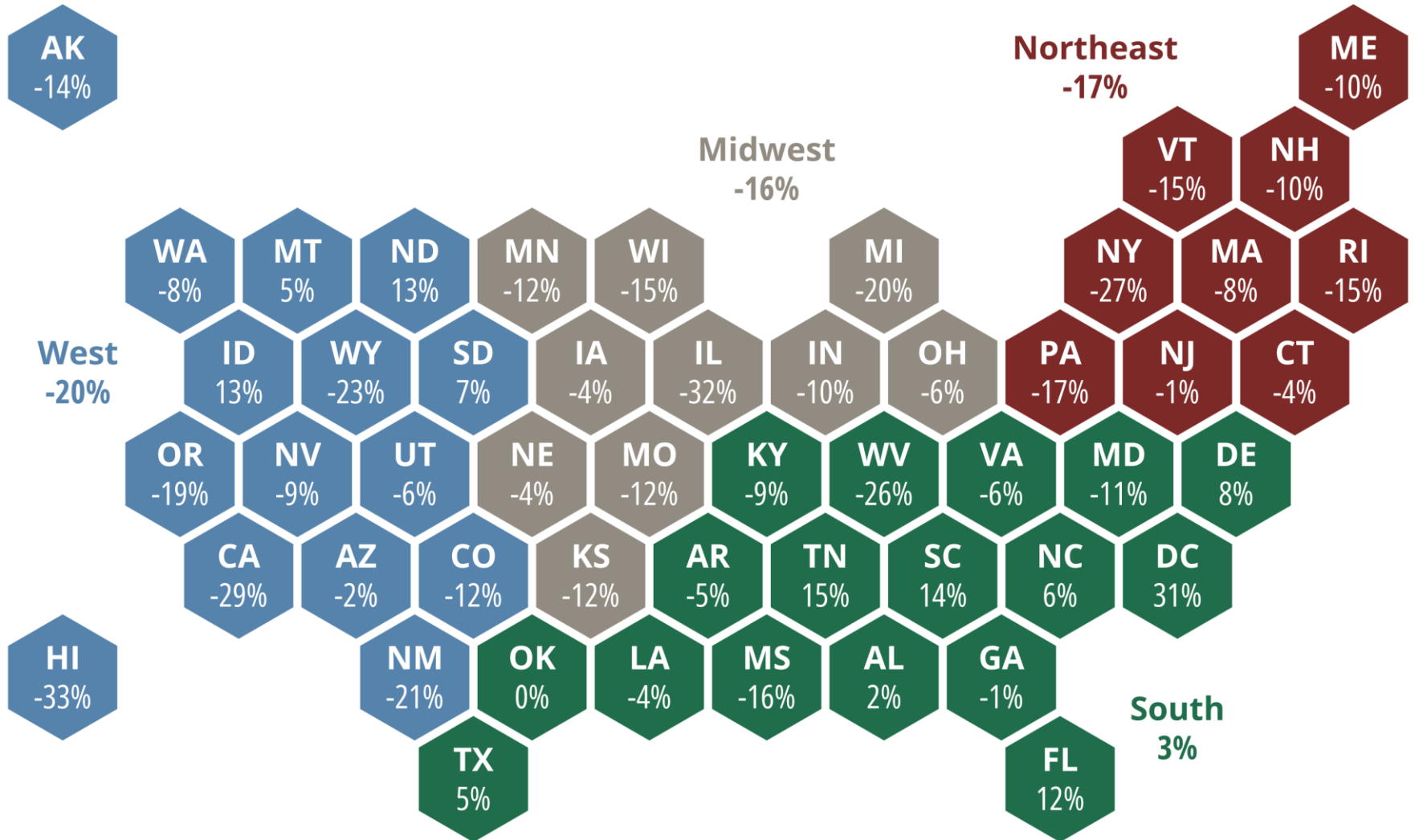
After cresting in 2025, the number of high-school graduates is projected to decline.



Source: "Knocking at the College Door," 11th edition, Western Interstate Commission for Higher Education • [Get the data](#) • Created with [Datawrapper](#)

- **Spring 2025: 3.9M HS grads—Most ever**
- **13% decline over next 16 years**
- **Decline extended from 2027 to 2041**
- ***MI's decline began in 2007***

# Projected Change in High School Graduates, 2023 to 2041



Source: Western Interstate Commission for Higher Education  
Wiche.edu/knocking

# Michigan H.S. Graduate Forecast 2023-2041

6<sup>th</sup> largest drop among the states (-20%)

2023: 106,883



2025: 104,326

2030: 95,746

2035: 96,183

2041: 85,131





# Demography is Not Destiny

- Improve college enrollment rates among recent high school graduates
- Make the admissions process easier to navigate
- Graduate students more efficiently
- Make college more affordable
- Close achievement gaps
- Enroll more out of state & international students
- Enroll more adult students (including stop-outs, non-degree completers)
- Improve retention and completion rates





# Comments on FY 2026 Higher Education Budget

# State Investment in Higher Education

## --The Longer View--

- Michigan's rank in per capita state fiscal support for higher ed  
2001: 20<sup>th</sup>      2024: 41<sup>th</sup>  
Two-thirds of the national average
- State funding reductions (inflation-adjusted)  
Since 2011: \$369 million  
Since 2002: \$1.2 billion

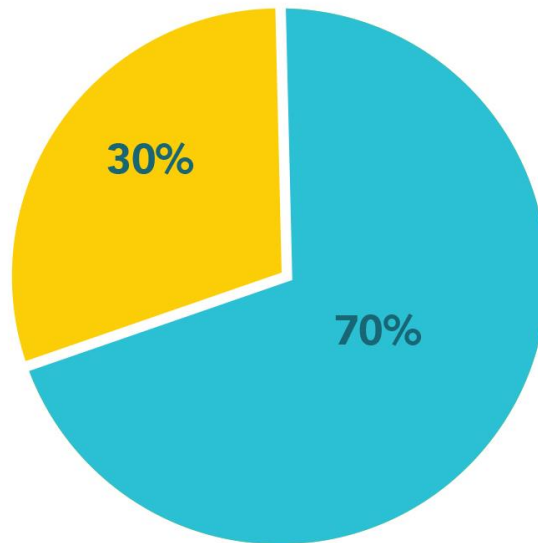


# State-to-Student Cost Shift in Paying for a Michigan Public University Education

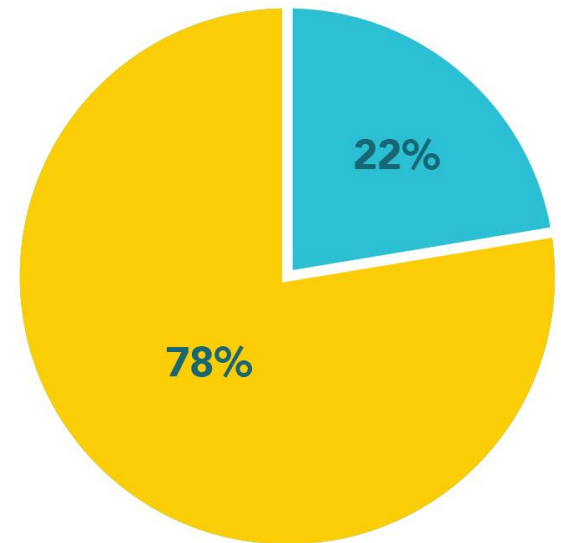
## STATE VS. FAMILY SHARE OF HIGHER ED EXPENSES 1979 VS 2024

- Family Share
- State Share

University General Fund Revenues  
FY1979



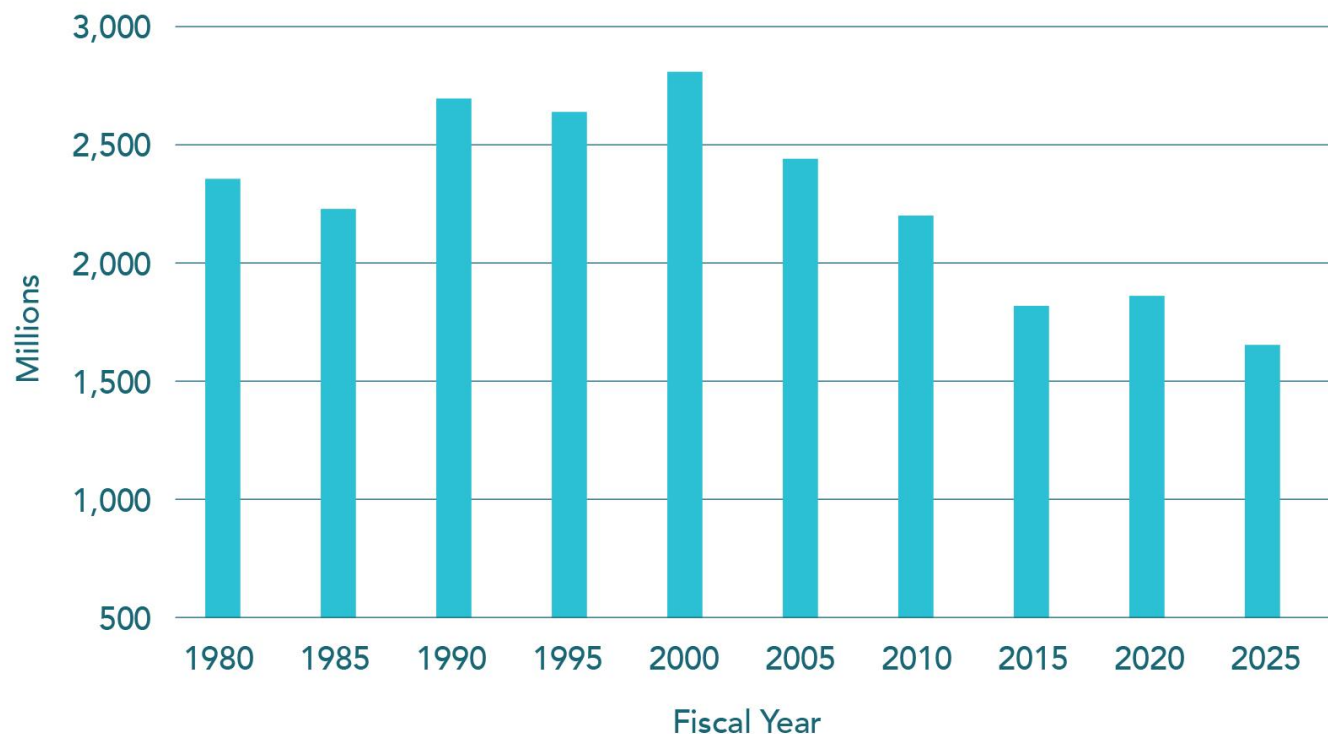
University General Fund Revenues  
FY2024



# Michigan Public University Base Appropriations 1980-2024

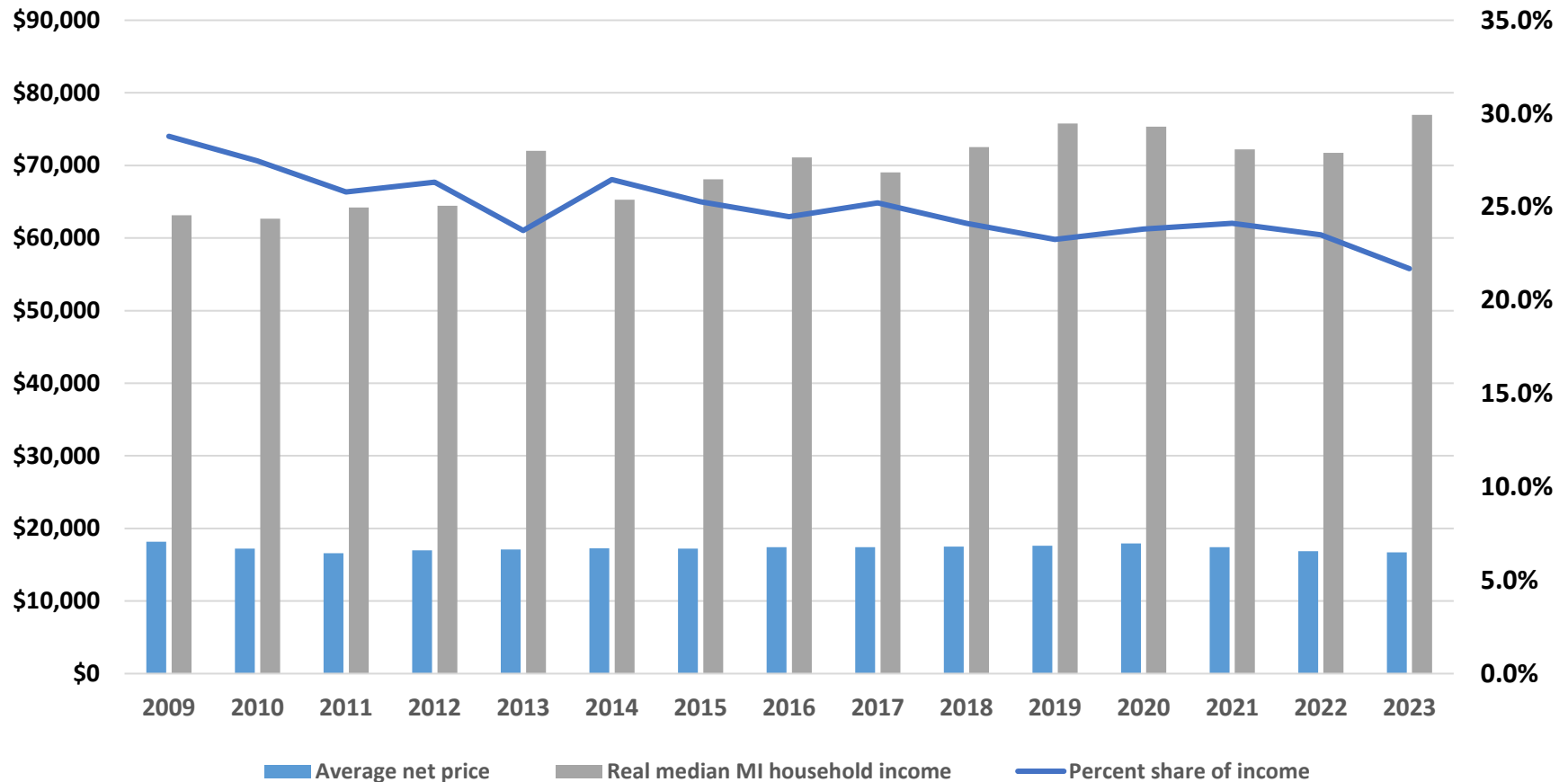
MICHIGAN PUBLIC  
UNIVERSITY BASE  
APPROPRIATIONS  
1980-2024

Adjusted to  
FY2025 Dollars,  
CPI-U



# Net Price of Attendance at a Michigan Public University as a Percent of Household Income

(Constant 2023 dollars)

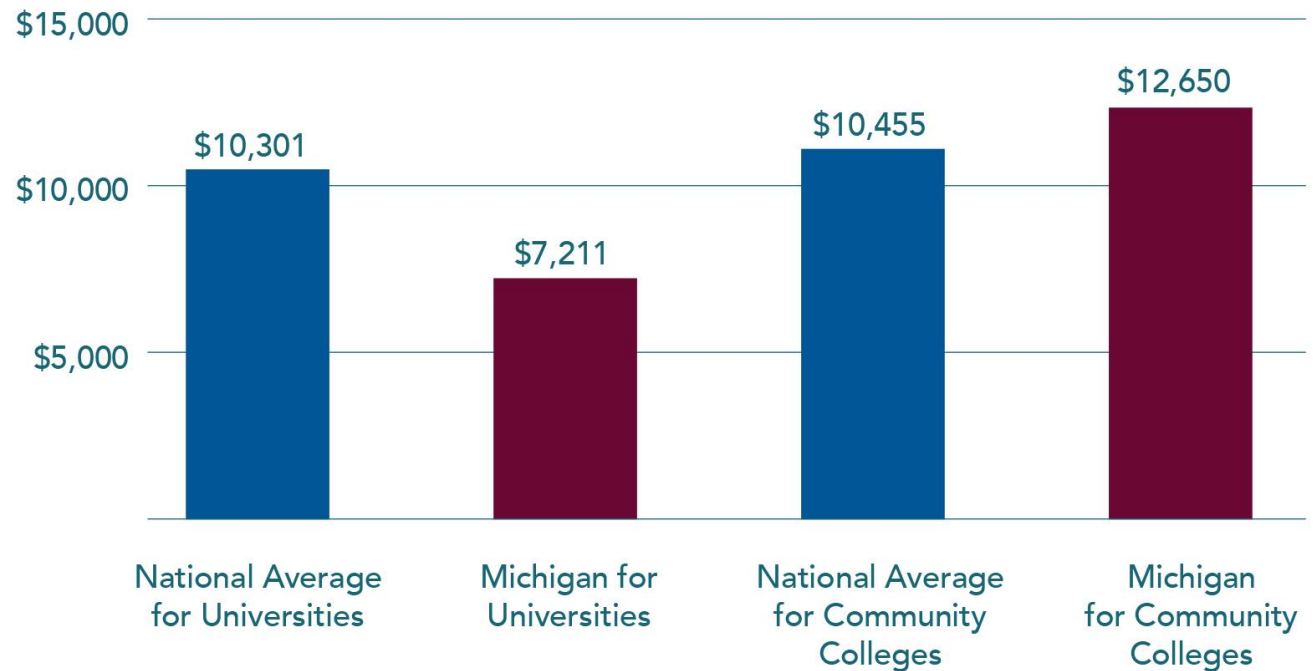


Between 2019 and 2023:

- Average net price has declined 8%.
- Percent share of household income has declined by 25% (from 28.8% to 21.7%)

# State and Local Support for Michigan Colleges and Universities Per Fiscal Year Equated Student (FYES)

STATE AND LOCAL  
SUPPORT FOR  
COLLEGES AND  
UNIVERSITIES  
PER FISCAL YEAR  
EQUATED STUDENT  
(FYES)



# Public Universities' FY 2026 State Funding Requests

- 1) **Increase in institutional operating dollars**  
4.8% (double CPI) \$83.5 million
- 2) **Continued build-out of the Michigan Achievement Scholarship**
- 3) **Campus infrastructure improvement:**  
Infrastructure, Technology, Equipment, Maintenance, Safety (ITEMS) dollars  
\$100 million

**The result?**

Increased *college affordability*,  
*academic quality*, and *student success*.



# Michigan's Future is in College

