

1: Increase State Operating Support for Public Universities to Strengthen Michigan's Talent Competitiveness and Improve College Affordability

KEY TAKEAWAYS

- State funding is essential to developing a competitive workforce that powers the Michigan talent pipeline and economy, boosting our capacity to retain and attract high-skill, high-wage industries and employers.
- Enhancing university operations support improves college affordability, especially for low- and middle-income students, ensuring equitable access to education that drives national competitiveness.
- Consistent, predictable funding is critical for universities to strategically plan to support Michigan's long-term economic and workforce needs.

THE REQUEST

- For the FY 2027 budget, build the much-needed 3% increase in one-time FY 2026 funding into the recurring base and provide an additional inflationary increase in base budget operating support.
- Continue to diversify revenues and provide flexibility to policymakers by increasing the proportion of School Aid Fund allocated to university operations appropriations.

2: Invest in Campus Infrastructure Funding to Power Michigan's Knowledge Economy and Preserve Vital Public State Assets

KEY TAKEAWAYS

- Maintaining world-class learning and research environments requires sustained state investment in campus infrastructure, such as facility upgrades, maintenance, technology, equipment, and safety, that underpins Michigan's economic competitiveness.
- State support of campus deferred maintenance extends the lifespan of state-owned campus assets that fuel talent development and innovation.
- Other Midwestern states continue to aggressively invest hundreds of millions of dollars in campus infrastructure improvement, out-competing Michigan's ability to provide state-of-the-art facilities. Michigan has only provided such infrastructure improvement monies once in the past two decades, putting the state at a competitive disadvantage in attracting students, research, and employers.

THE REQUEST

- Reinstate dedicated state payments for campus infrastructure needs to support innovation, facility upgrades, maintenance, technology, equipment, and safety.
- Such payments should be separate from institutional receipt of capital outlay project authorizations to accelerate modernization and competitiveness.

3: Invest in and Modernize the State Capital Outlay Process to Advance Research, Innovation and Student Success

KEY TAKEAWAYS

- To compete nationally for students, faculty, and research opportunities, it is vital that Michigan's public universities offer technologically advanced, high-quality facilities.
- Building sustainable, future-ready, technologically sophisticated and environmentally sound campus facilities requires a renewed state-university partnership to finance innovation and growth.
- Outdated processes and delays in approving capital adjustments impede efficiency and diminish Michigan's competitiveness nationally.

THE REQUEST

- Establish predictable, annual capital outlay funding for modern, high-quality campus academic, research, and student support facilities.
- Remove outdated hard caps on state contributions for capital projects.
- Institutional receipt of a capital outlay project authorization should be separate from receipt of campus infrastructure improvement monies.
- Convene a state and institutional workgroup to identify potential reforms to the capital outlay process.