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Michigan lags nation in support for higher education, hurting overall state prosperity

Michigan today ranks 44th in per resident support for higher education, which includes funding for public universities, community colleges and student scholarships, at \$197.79 per resident. If Michigan were at the national average of \$295.05 per resident, we would be investing nearly a billion dollars more this year in our students, and in turn, would be better able to meet today's employer needs and create a more prosperous economy.

The data comes from a [national compilation](#) of higher education data compiled by Illinois State University and the State Higher Education Executive Officers Association.

Michigan's higher education support on a per-resident basis is the lowest in the Midwest, and is far behind education leaders Minnesota (\$301.59 per resident) and Illinois (\$363.56 per resident). Those are also the two states with the highest median incomes in the Midwest.

Michigan ranks 31st in the share of its state population with a four-year college degree, and 32nd in median household income. The most prosperous states in the nation – states like Massachusetts, Maryland, and in the Midwest, Minnesota and Illinois – are those with high college attainment rates. Greater state investment in higher education will benefit all of Michigan and needs to be considered a key tool for increasing the state's workforce capacity and economic vibrancy.

"We know from federal employment data that in states with a higher proportion of college graduates, even workers without a degree also tend to earn more. That's because college graduates are better able to pay skilled trades workers for home and vehicle work, service economy workers, health care workers and others, providing a rising income tide that lifts all workers in a state," said Daniel J. Hurley, CEO of the Michigan Association of State Universities.

In other data: Michigan ranks 34th in state spending per full time public university student, at \$4,984, compared to a national average of \$7,482 per student. As a result, 59 percent of Michigan public university graduates have student loan debt; a figure that averages \$31,791, compared to an average of \$27,777 for public university graduates nationally, according to The Institute for College Access and Success.

Michigan has cut higher education support by \$6,000 on a per full-time student basis since 2001. That plus cuts to financial aid equates to an inflation-adjusted \$1 billion state-to-student cost shift in paying for a public university education.

Gov. Gretchen Whitmer has set a goal for Michigan to have 60 percent of its residents possess a postsecondary degree or certificate by 2030 – less than a decade from now. The administration has said that to meet that goal Michigan will need 70,000 more workers with apprentice-like credentials, 130,000 more with two-year degrees, and 500,000 more with four-year-degrees.

“Last year, the state provided only a 0.5 percent increase in support for higher education, well below the rate of inflation. Gov. Whitmer has recommended a 2.5 percent increase to each public university for the state’s 2020-21 budget year. MASU supports this recommendation as a minimum appropriation as a modest step toward reversing the state’s 20-year disinvestment in our students. This reinvestment in our state’s workforce talent capacity is absolutely vital to Michigan’s future economic competitiveness and the prosperity of its residents,” Hurley said.

The Michigan Association of State Universities serves as the coordinating board for Michigan’s 15 public universities, providing advocacy and fostering policy to maximize the collective value these institutions provide in serving the public interest and the State of Michigan.