

***The Michigan Association of State Universities Supports HBs 5361
(Amending of Community College Act) and 5362 (Amending of General Property Tax Act)***
Testimony before the House Tax Policy Committee – MASU CEO Daniel Hurley, January 26, 2022
[Video of Testimony](#) (runs from 12:30 through 41-minute mark)

3 Points that underscore why these bills ensure efficiency of taxpayer dollars and avoid wasteful duplication of postsecondary offerings in Michigan

1) HB 5361 and 5362 Will Ensure Efficiency of Taxpayer Dollars Invested in Michigan Postsecondary Education

Michigan already has 15 public universities delivering four-year degree options on their main campuses, on satellite campuses, on community college campuses, at university centers throughout the state, and online for working adults. It must be made clear: access to four-year degree programs in Michigan is not a problem.

Passage of HB 5361 and 5362 will ensure more efficient use of taxpayer dollars, by preventing needless and wasteful spending for a duplicative set of four-year degree programs. Make no mistake: four-year degree programs cost more to deliver: Authorizing community colleges to offer the degrees will require additional state appropriations, increases in local taxes through millages, and/or increases in tuition rates. [Reference national data]

In prior versions of legislation authorizing community colleges to offer bachelor's degrees, a House Fiscal Agency analysis indicated that doing so would increase operating costs at those institutions. This is why when similar legislation to these bills that are being discussed today came before this committee in 2016, it was promptly passed out of committee.

These bills must also be considered in the context of our state's graying demographic: Michigan has one of the steepest forecasted declines of high school graduates in the years ahead. Therefore, authorizing 28 more taxpayer-supported public four-year degree granting institutions would be a remarkably inefficient use of taxpayer dollars. We already have more than 40+ four-year institutions in Michigan, both public and private, not-for-profit. Here again, access to any type of four-year degree program is not an issue.

2) Collaboration, not Duplication, Should be the Model for Michigan Higher Education

Michigan's students are already very well served by the collaborative efforts of universities and community colleges. Michigan's universities are working hand in hand with community colleges to meet the needs of students on community college campuses. A few data points to illustrate:

- At least 1,058 unique articulation agreements between community colleges and the state's public and private colleges and universities;
- At least 280 programs of study offered by four-year institutions in Michigan on community college campuses;

An expansion and duplication of degree programs may threaten the collaborative relationships that exist between universities and community colleges.

If there is a demonstrated labor market need for any given four-year degree program, I have full confidence that the state's four-year university sector will enthusiastically work with any community college in any region of the state to meet that need.

The state's public universities have a long and successful history of collaborating on laddered degree programs to ensure smooth student transfer, and in offering programs to meet local workforce needs. This model of collaboration, as opposed to a model of duplication, should guide state policy.

3) Capitalizing on a Historic Opportunity to Boost Two-Year Degree Attainment

Thanks to the bipartisan work of this Legislature, Michigan has witnessed one of the most notable public policy achievements in recent decades when it comes to efforts to boost the educational attainment levels of Michigan residents – through the Michigan Reconnect program. The program provides tuition assistance up to earning an associate degree at any of Michigan's 28 community colleges for individuals aged 25 and above.

There are many things that we can be doing as a state to increase postsecondary education levels. But for sure one of the most obvious is to have our community colleges fully harness Michigan Reconnect monies to redouble efforts at enrolling and graduating students in two-year degree programs – and especially in Associate Degree in Nursing programs – to quickly and efficiently boost the production of nurses.

As you will hear, Michigan is an above-average state when it comes to the proportion of community college students who transfer to a four-year institution. That is a mark of pride. We should fully take advantage of the Michigan Reconnect program to ensure that we do even better in creating a strong pipeline of community college graduates who transfer and complete a four-year degree, and if they so choose, a graduate degree.

That's where our focus should be as a state, rather than authorizing community colleges to create a duplicate set of four-year degree programs.

Your support for this two-bill package will ensure the continued efficient approach to Michigan tax policy that supports postsecondary educational attainment.