

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

House Appropriations Subcommittee on
Higher Education and Community Colleges



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CEO



April 16, 2025

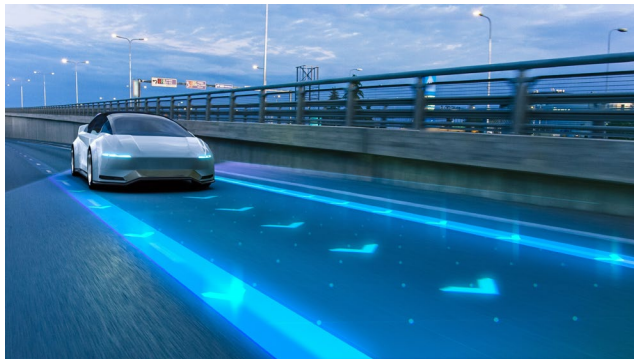
Michigan's 15 Public Universities

- 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: **34th** (four-year degree attainment)
- National ranking in per-capita income: **35th**



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).

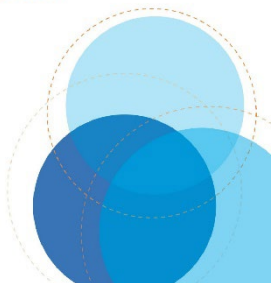
Source: Don Grimes,
Bureau of Labor Statistics,
U.S. Census Bureau.
For the Detroit Regional
Chamber.



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%



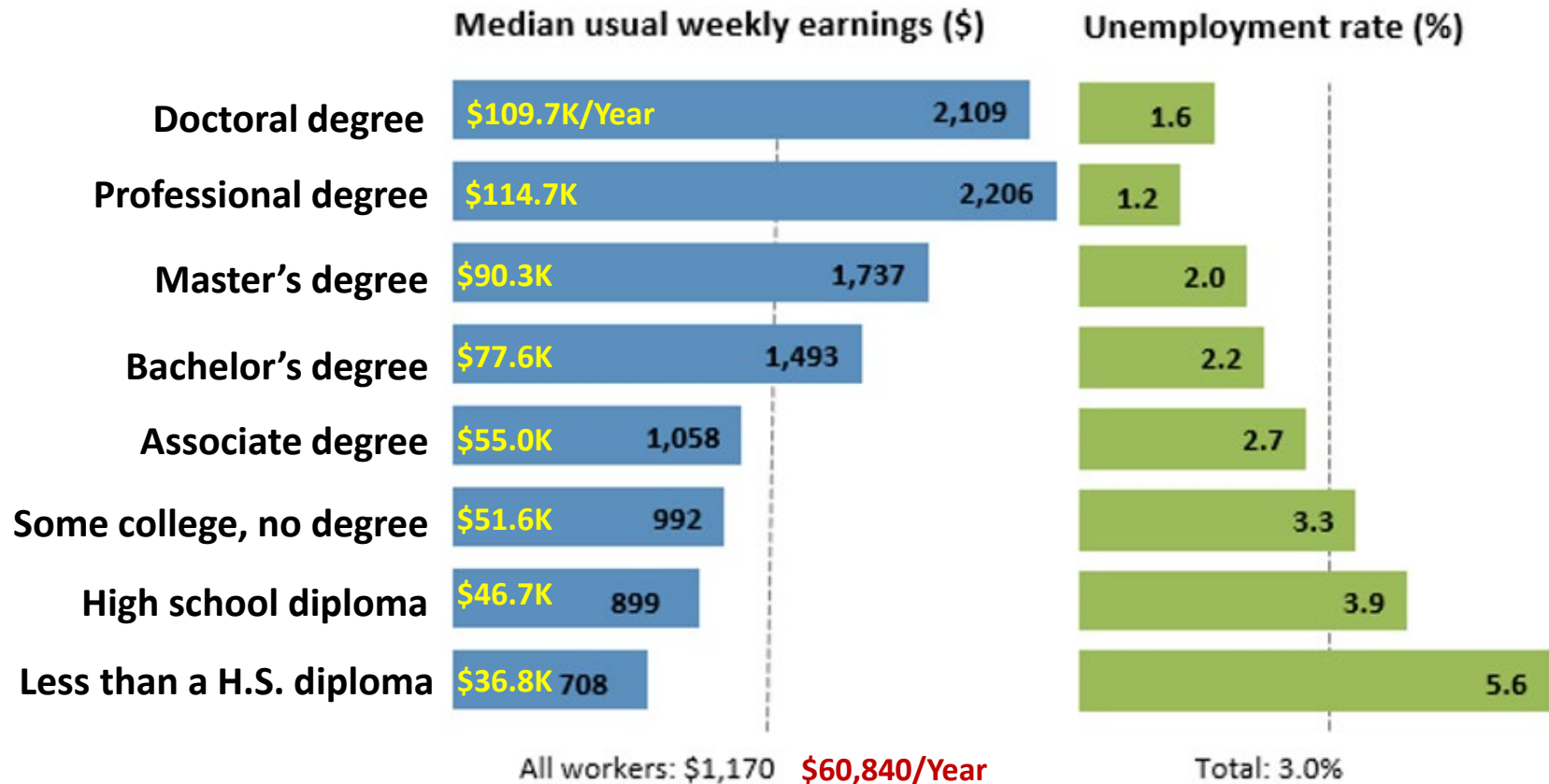
% OF JOBS THAT PAY
\$65,000 OR MORE

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**

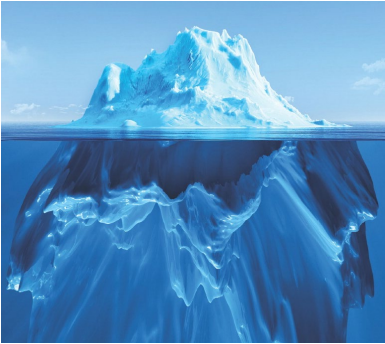
Average ROI figures among all 15 state universities.
Source: cew.georgetown.edu/cew-reports/roi2025

GEORGETOWN
UNIVERSITY

McCourt School of Public Policy

CENTER ON
EDUCATION AND
THE WORKFORCE

A More Accurate Portrait of the Value of College Attainment



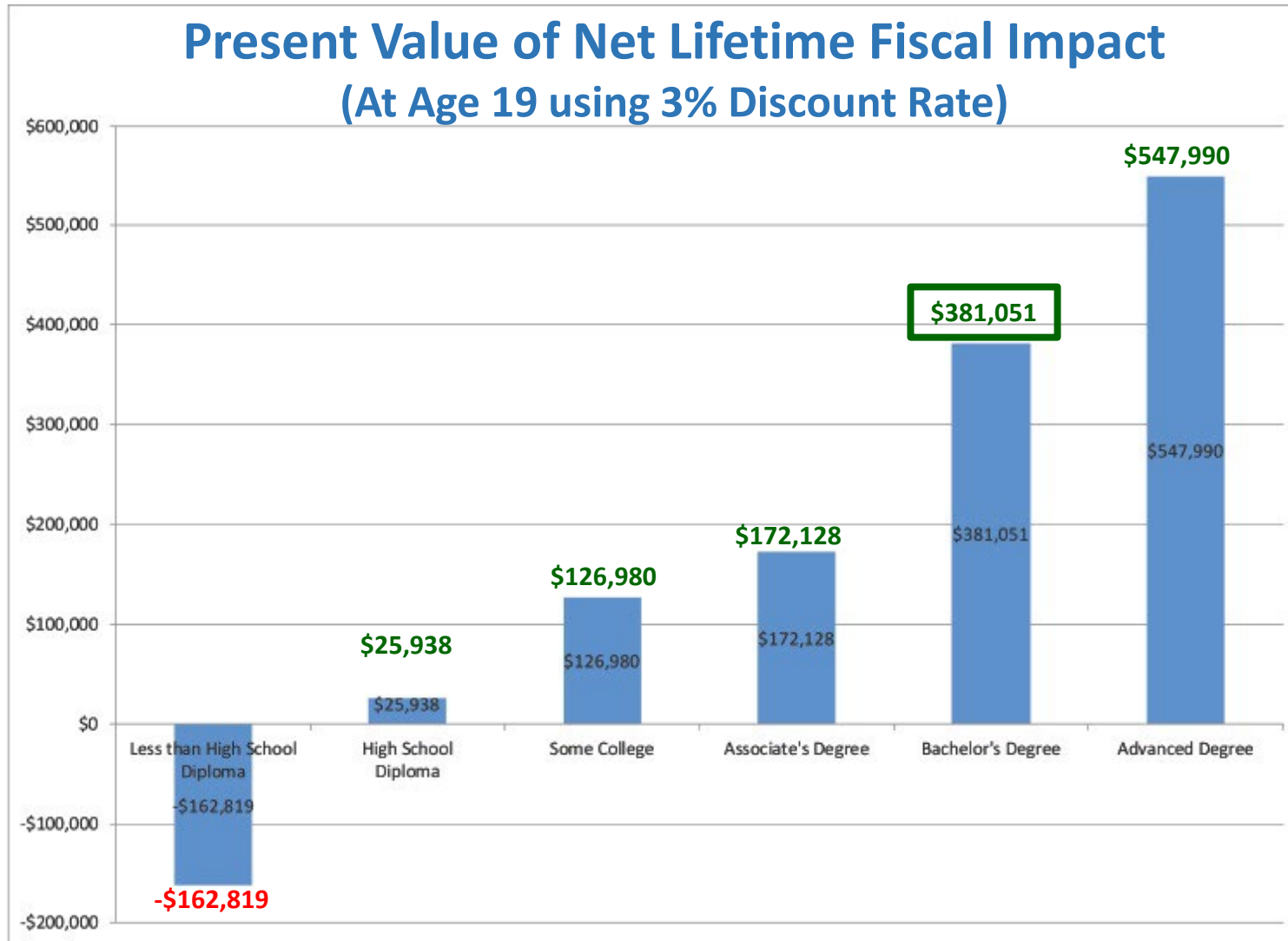
When it comes to college attainment, increased earnings and job security are just the tip of the iceberg!

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

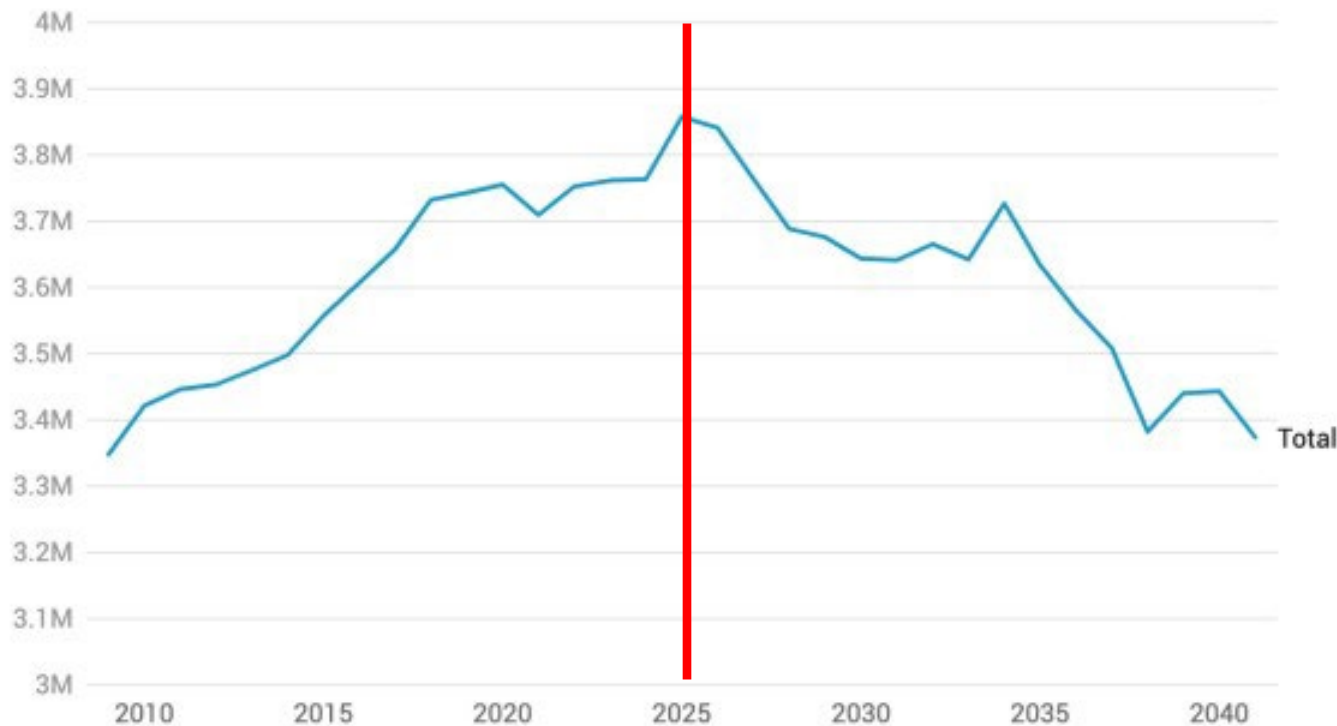
Source:
*The Tip of the
Iceberg,*
Change, the
Magazine of
Higher Learning
May/June 2017

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.

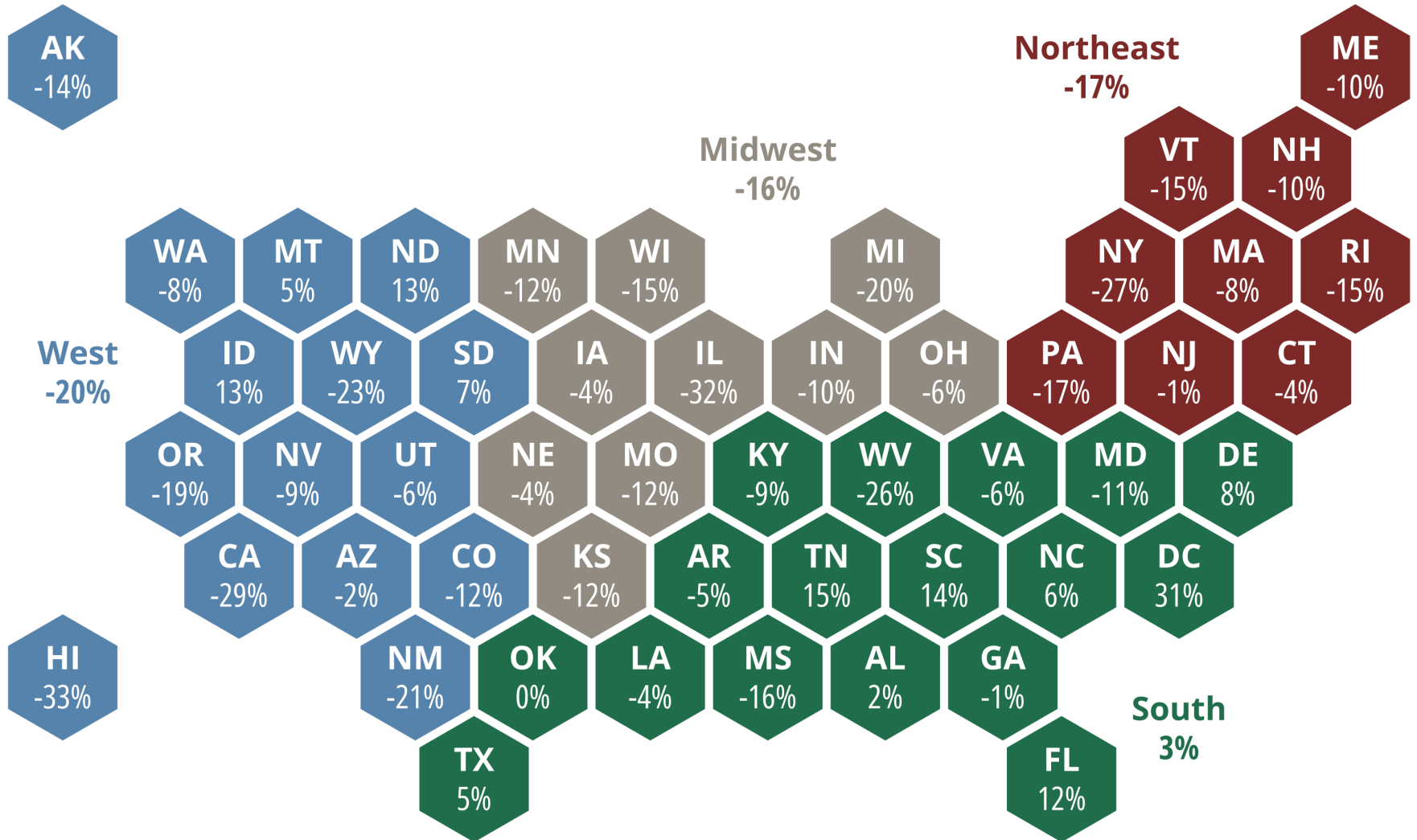


- **Spring 2025: 3.9M HS grads—Most ever**
- **13% decline over next 16 years**
- **Decline extended from 2027 to 2041**
- ***MI's decline began in 2007***

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

Source: Western Interstate Commission for Higher Education
<https://knocking.wiche.edu/state-profiles/>

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

6th 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

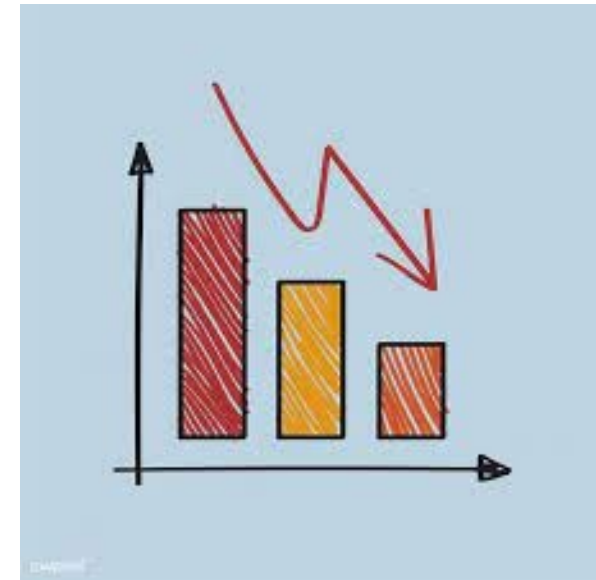


Comments on FY 2026 Higher Education Budget

State Investment in Higher Education

--*The Longer View*--

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

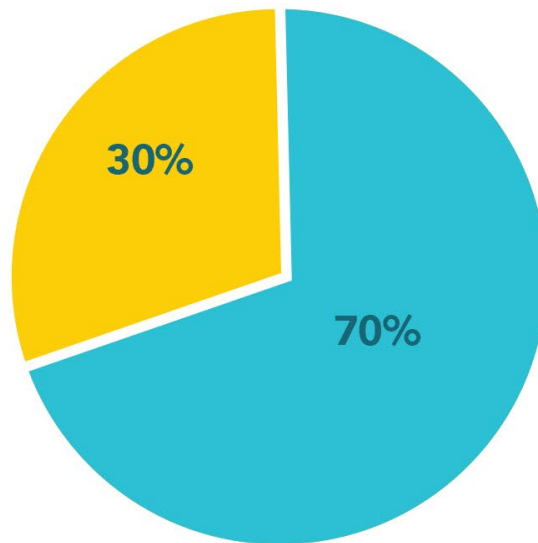


State-to-Student Cost Shift in Paying for a Michigan Public University Education

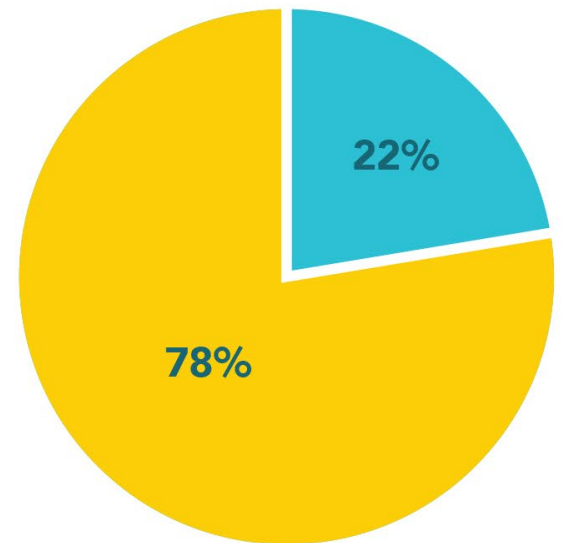
STATE VS. FAMILY SHARE OF HIGHER ED EXPENSES 1979 VS 2024

- Family Share
- State Share

University General Fund Revenues
FY1979



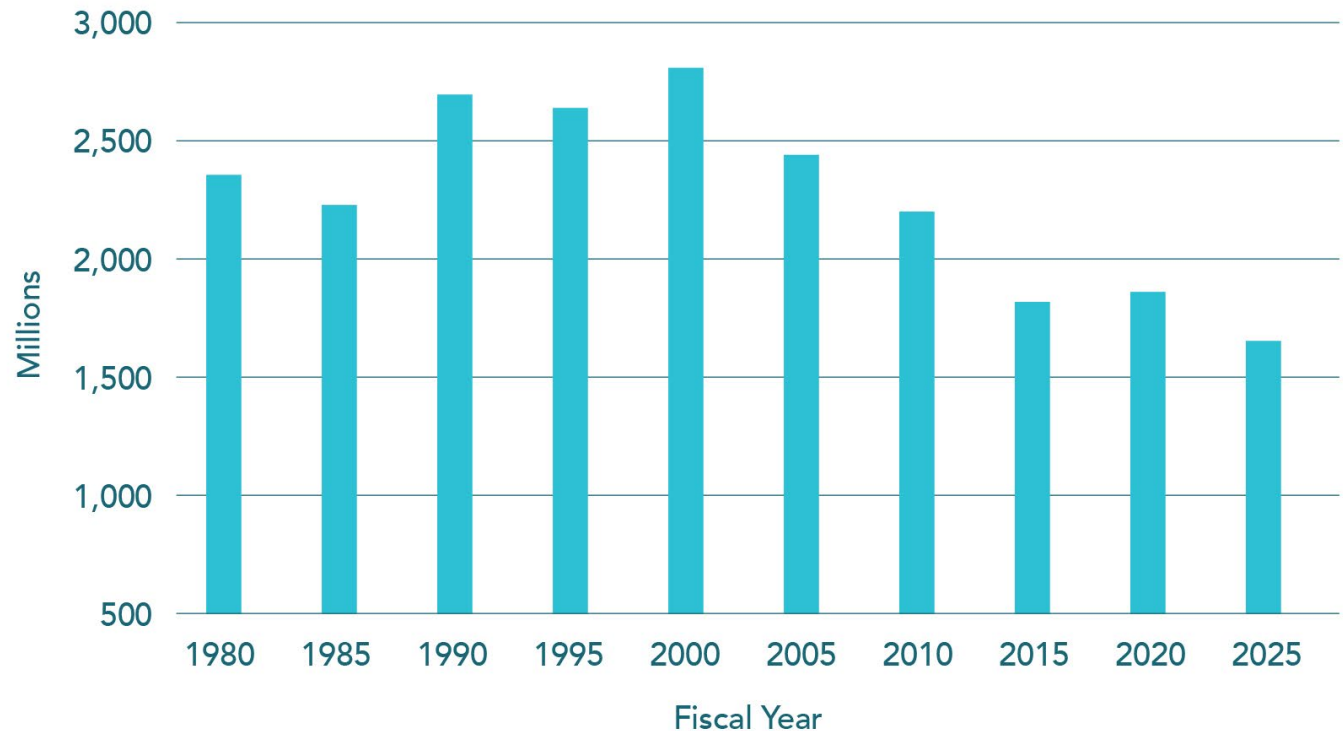
University General Fund Revenues
FY2024



Michigan Public University Base Appropriations 1980-2024

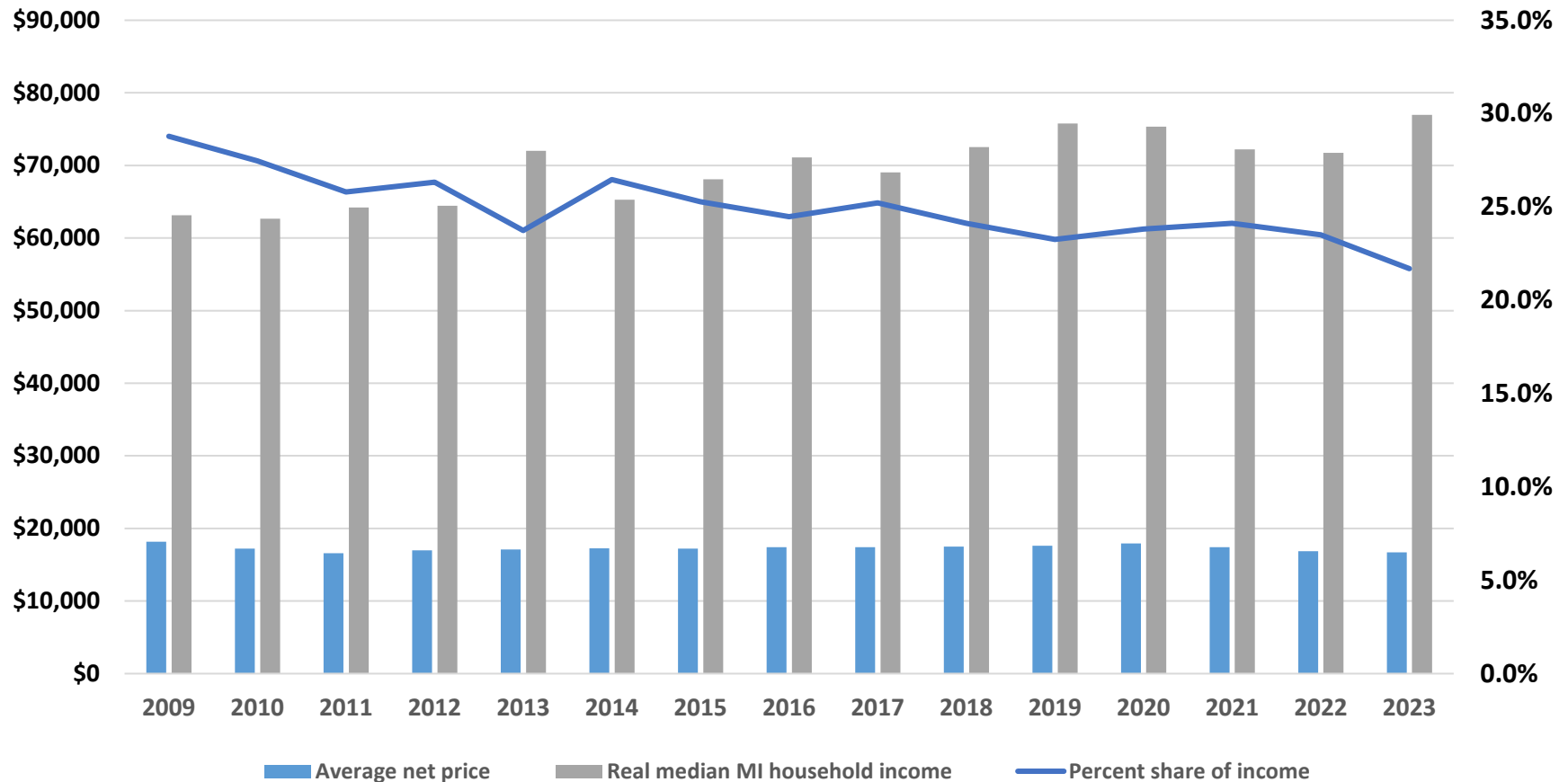
MICHIGAN PUBLIC
UNIVERSITY BASE
APPROPRIATIONS
1980-2024

Adjusted to
FY2025 Dollars,
CPI-U



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

(Constant 2023 dollars)

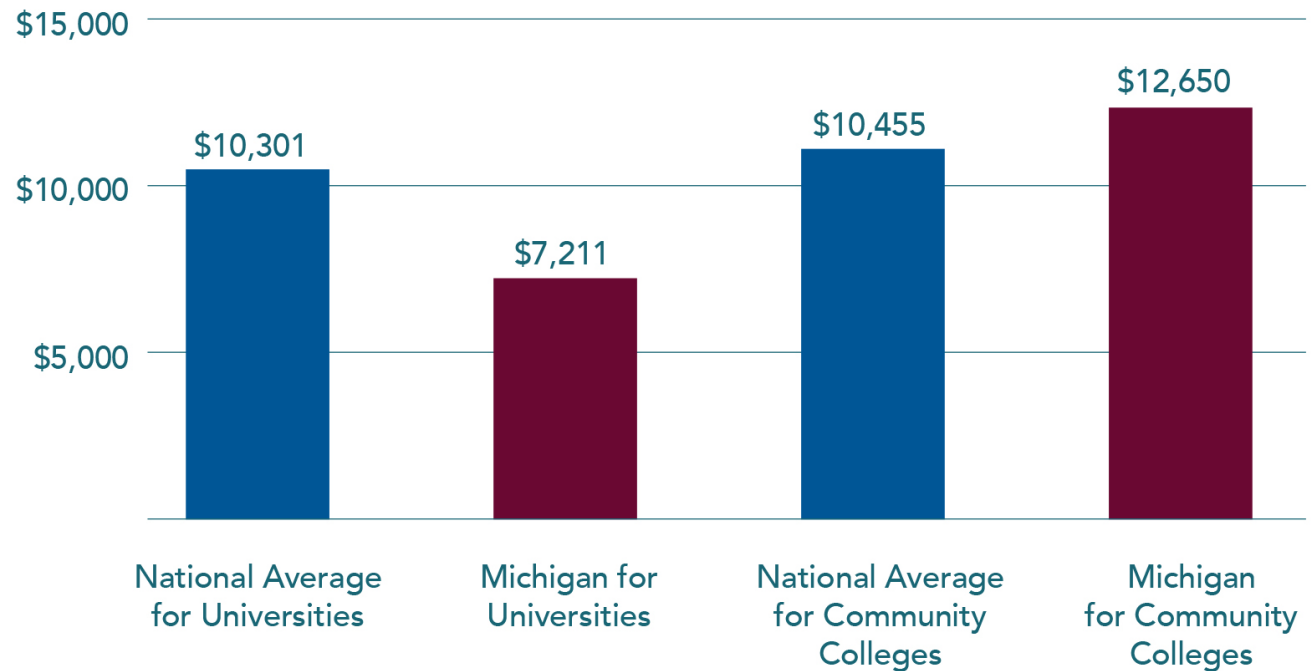


Between 2019 and 2023:

- Average net price has declined 8%.
- Percent share of personal 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

