



State Policy Leaders Make College More Affordable to Grow Jobs

By Doug Rothwell, President & CEO, Business Leaders for Michigan

Higher education is a critical element to fueling Michigan's economy. Universities account for a growing share of the research and development conducted in the state that fuels the growth of start-up companies and attracts new businesses. Today, Michigan's public universities account for over 6% of the total state economy and have the potential to create nearly 40,000 additional jobs in Michigan in the next decade. Higher learning also boosts lifetime earning potential. Median wages for Michigan workers with a bachelor's degree are over twice as high as those with only a high school diploma. Further, they are far less likely to be unemployed.

Our leaders in Lansing understand that a strong higher education sector is crucial for a healthy state economy. For the third straight year, Governor Rick Snyder proposed—and the state Legislature enacted—increased state aid to universities. For FY 2015, universities received the largest single-year increase in more than a decade, and funding has increased 11 percent over FY 2012 levels – more than most other states.

These increases put Michigan back on the path to toward making college more affordable. This is more important than ever before because most of the good paying jobs available today and tomorrow will require an education beyond high school.

While the need to make a quality college education more affordable is not unique to Michigan, our policymakers have adopted a solution that's getting national attention. For the past 3 years Michigan has tied state appropriations to performance metrics to improve affordability and access and measure productivity, efficiency and economic impact. My organization was proud to play an active role in developing those performance metrics, and they have resulted in keeping tuition at or below the rate of inflation while increasing enrollments. If we continue this pace of reinvestment, we have the potential to make Michigan a Top Ten state for college affordability within a decade.

In fact, our emphasis on performance places Michigan at the forefront of higher education transparency and accountability. Just last week, the National Journal and Governing Magazine recognized our efforts.

The National Journal cited the Michigan model as “remarkable” in that it achieved what the federal government and other states could not by taking “a well-accepted economic idea – that more college degrees from a diverse population creates more growth – and turned it into a set of concrete benchmarks.” Unfortunately, these articles left out the most important partners of all – Michigan’s governor and state lawmakers.

Thankfully, Governor Snyder and legislative leaders like Senate Majority Leader Randy Richardville, Senators Roger Kahn and Tonya Schuitmaker, House Speaker Jase Bolger and Representatives Al Pscholka and John Walsh recognize the importance of having strong, affordable universities. Without their leadership, Michigan wouldn’t once again be leading the nation.

Across the US, the Michigan higher education partnership is becoming a national model. But, at the end of the day, the only real success measure that matters is the reason we came together in the first place—improving access to higher education by making college more affordable.

On behalf of the state’s business leaders, I want to thank the Michigan Legislature and Governor for hearing the call, and for taking decisive action to answer it. They have shown tremendous vision, leadership and conviction through their support for stronger universities.

By reversing a decade of disinvestment, our state leaders recognize the increasing role higher education must play to growing our state’s economy. We congratulate them for a job well done.