



Michigan League FOR Human Services

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To: Members of the Senate & House Appropriations Subcommittees on Higher Education
From: Karen Holcomb-Merrill, Policy Director
Date: March 27, 2012
Re: Higher Education Budget

As you consider the FY 13 Higher Education budget, the Michigan League for Human Services asks for support of Gov. Snyder's recommendation for performance-based funding of higher education.

A metric for keeping tuition costs down, performance-based funding helps ensure that children from low-income and middle-class working families can attend Michigan's universities without incurring unmanageable loads of debt. The Pell Grant metric is a good way to guarantee that low-income students are recruited and helped to succeed. We also agree with the Business Leaders for Michigan recommendation to add a retention rate metric that would encourage intervention with students who are having difficulty with coursework.

The League is concerned, however, that the proposed metrics do not specifically address a growing college population: low-skill individuals already in the workforce, many of whom are supporting families. Encouraging postsecondary institutions to help such workers get marketable credentials makes good economic sense. When they become economically self-sufficient, they spend more of their money at local businesses, pay more in Michigan taxes and are less likely to need public assistance.

We encourage the Legislature to adopt incentives in its budget that keep college tuition affordable and that target low-income older students with families as well as traditional students. In light of the many cuts the higher education budget has seen in recent years, we also ask for stronger state investment in our institutions of higher education to decrease the need for tuition increases and thus keep college education affordable for working families.

In conclusion, we ask for your support of the governor's recommendation for performance-based funding but urge you to expand the metrics to recognize low-skill individuals already in the workforce. In addition, we call for stronger state investments to make higher education more affordable. If you have any questions about the League's position, please feel free to contact me.