







August 13, 2025

The Honorable Sarah Anthony Chair, Senate Appropriations Committee P.O. Box 20026 Lansing, MI 48909 The Honorable Ann Bollin Chair, House Appropriations Committee P.O. Box 30014 Lansing, MI 48909

Dear Senator Anthony and Representative Bollin:

On behalf of the statewide business community, we thank you for your continued public service and leadership and look forward to working with you to grow Michigan's economy and keep our state globally competitive. We know that talent is a top priority and concern of businesses across Michigan. Our members overwhelmingly recognized that Michigan needs to invest in education to ensure employers have the workforce they need to compete in today's high-tech, knowledge-based economy.

While only about half the adult population in Michigan has a skilled trades certificate, associate, or bachelor's degree, nearly 70% of all Michigan jobs will require a post-high school credential by 2031. Addressing this gap will require a stronger talent pipeline and long-term, sustainable investment that recognizes the changing education and talent landscape.

In 2000, Michigan ranked 18<sup>th</sup> in per capita income while ranking only 33<sup>rd</sup> in the percentage of adults with a college degree, thanks in large part to its strong automotive and manufacturing base. With the emergence of advanced manufacturing, AI, and automation, that is a world that no longer exists. State per capita income rankings now align directly with college attainment. Michigan still ranks around 33<sup>rd</sup> in educational attainment, which now leads to a ranking of 39<sup>th</sup> in income. There is no longer any such thing as a prosperous state that is not also highly educated. In light of that reality, our concern is growing as Michigan continues to rank toward the bottom of the nation in many key educational metrics.

- Michigan ranks 18<sup>th</sup> in per-pupil spending, yet ranks 44<sup>th</sup> in fourth-grade reading and 34<sup>th</sup> in fourth-grade math.
- College enrollment is declining even though those with bachelor's degrees achieve average net worths nearly five times those with only a high school diploma, according to Michigan Future. In fact, only two out of five Michigan parents of high school students feel college is worth the investment, based on a survey conducted with the Glengariff Group, Inc.
- The perception crisis about the value of college bears out in the numbers. Approximately 37% of students are not enrolling in college after high school, and 42% of students who do enroll in post-high school education do not have a credential or are no longer enrolled after six years.

These trends cannot continue if Michigan intends to remain globally competitive. We fear existing talent gaps will be exacerbated in the years ahead without strategic, targeted investment in critical programs and initiatives that have shown promise in strengthening the talent pipeline.

As the Legislature evaluates budgets, we ask that you consider the following steps and investments that can strengthen the talent pipeline from K-12 to post-high school education.

- Continue the goal of achieving 60% educational attainment by 2030. Including this language in the budget helps set an overarching goal for Michigan to work toward that will increase the number of Michiganders with technical certificates, associate, and bachelor's degrees, and who are ready to fill high-demand jobs.
- Support efforts to improve the culture of valuing education in Michigan, emphasizing the importance of "K 12 + 2," which would reinforce an expectation of at least two years of post-high school education or training for every Michigander. Making that continued education tuition-free through strategic investment is critical to initiating this necessary culture shift around educational attainment.
- A highly focused effort to improve third-grade reading and math scores, which are essential to setting a foundation of success for all students as they advance along their educational journey to high school and college.
- Increase funding for the Michigan Achievement Scholarship, an unprecedented investment program that expands opportunities for a majority of families across Michigan to access and afford college or other programs.
- Raise awareness and marketing of existing programs that make college more accessible and affordable and increase educational attainment. In recent years, Michigan has made significant strides by creating programs like the Michigan Achievement Scholarship and Michigan Reconnect. Unfortunately, too few Michiganders are aware of these programs and miss out on resources already available to them.
- Incentivize school districts to expand dual enrollment options by changing the funding model, which currently requires schools to pay for dual enrollment out of their per-pupil allotment. Students, particularly low-income and first-generation students, who dual-enroll in college are more likely to enroll in higher education after high school, as it reduces the cost of higher education for students and families.
- Incentivize and expand employer-led apprenticeships programming and initiatives such as Going PRO.

To put it in stark terms, when it comes to educational outcomes, Michigan is in dire straits. Without a significant long-term educational investment and strategy that transcends election results, our state, businesses, and students will continue to fall further behind.

We ask you to consider these priorities as you deliberate Michigan's budget and make decisions that are essential to our future prosperity and global competitiveness.

Sincerely,

Sandy K. Baruah

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Cc: The Honorable Winnie Brinks

The Honorable Matt Hall

The Honorable Aric Nesbitt

The Honorable Ranjeev Puri

Michigan Senate Appropriations Committee

Michigan House Appropriations Committee