



2020 BUDGET PRIORITY: RESTORE THE PART-TIME INDEPENDENT STUDENT GRANT

LEAGUE RECOMMENDATION:

Reinstate the Part-Time Independent Student Grant and provide \$4.7 million in funding.

BACKGROUND:

The decision by workers to get trained in new skills is often made more than 10 years after graduation from high school. While state financial aid helps many students of traditional college age, there are no state financial aid programs to help students attend public community colleges or universities if they have been out of high school for more than 10 years.

Michigan’s financial aid targets “traditional” college students (age 18-24 who go to college full time), despite the fact that a significant and growing percentage of students are older. Two of the three existing grant programs exclude individuals who have been out of high school for more than 10 years, and the third is available only to those attending private, not-for-profit institutions.

None of Michigan’s three grant programs are available to students who go to college less than half time, even though that is sometimes the most feasible choice for those who are working and raising a family.

In budget year 2010, the Michigan Legislature eliminated all grant programs that were available to older learners going to a public community college or university. Among the eliminated programs was the Part-Time Independent Student Grant. The elimination was not due to a perceived decrease in need, but in order to meet budget targets. There have been proposals to restore the grant, but only to community college students and not public university students.

WHY DOES IT MATTER?

Many low-paid workers have a difficult time finding employment providing higher pay and more job security. Often, this is due to lack of a postsecondary credential (degree, certificate or license). The Part-Time Independent Student Grant helps workers in low-wage jobs acquire new marketable skills leading to better employment.

EARNINGS, POVERTY AND UNEMPLOYMENT FOR MICHIGAN WORKERS, BY EDUCATIONAL ATTAINMENT

	Median Earnings (25 Years & Older)	Poverty Rate (25 Years & Older)	Unemployment Rate (All Ages)
Less than high school graduate	\$21,773	27%	11.8%
High school graduate (includes equivalency)	\$30,065	14%	6.0%
Some college or associate degree	\$34,761	10%	4.7%
Bachelor's degree	\$51,527	4%	2.4%
Graduate or professional degree	\$70,518		

Sources: 2017 American Community Survey 1-Year Estimates (Median Income and Poverty) and Economic Policy Institute analysis of 2017 Current Population Survey Data (Unemployment)

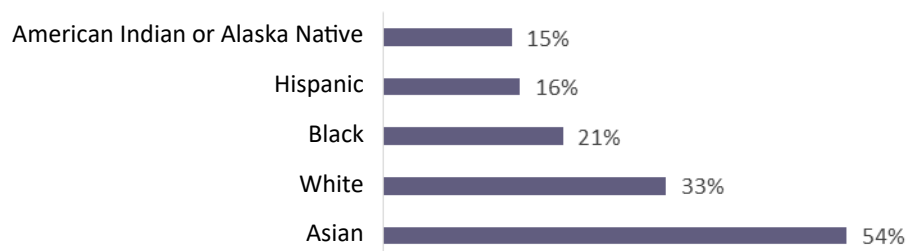
Michigan university tuition is very high. Our state has the second-highest public university tuition among Midwestern states and the sixth highest in the nation. Students must often work while going to college, which can cause strain on their families, particularly if they have young children. Financial aid to older students can make a big difference in whether they complete a college program successfully.

Increasing the skill levels of workers is good for Michigan's economy. When workers earn more, they pay more in taxes, spend more money in their local communities and are less likely to need public assistance. Providing grants that enable working parents to get skilled jobs is good workforce development.

Part-time students have a more difficult time completing college than full-time students. While 49% of Michigan full-time community college students complete their studies within six years, only 18% of part-time students do. Financial aid could help more part-time students succeed in college.

Making college more affordable can decrease inequities in educational level based on race and ethnicity. While 33% of White and 54% of Asian residents in Michigan have a bachelor's degree, only 21% of Black residents, 16% of Hispanic residents, and 15% of American Indian/Alaska Native residents possess one. Restoring the grant can help mitigate the cost barrier and help nontraditional students of color complete their studies.

MICHIGAN RESIDENTS WITH A BACHELOR'S DEGREE OR HIGHER (2017)



Source: American Community Survey, 2017

MICHIGAN LEAGUE FOR PUBLIC POLICY | WWW.MLPP.ORG