



2021 BUDGET PRIORITY: RESTORE COLLEGE FINANCIAL AID FOR OLDER STUDENTS

LEAGUE RECOMMENDATION:

Provide funding for the governor’s proposed Michigan Reconnect program for students age 25 and older.

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. The

eliminations were not due to a perceived decrease in need, but in order to meet budget targets. Among the eliminated programs was the Part-Time Independent Student Grant that specifically targeted older students ineligible for the other three grant programs. A newer program, No Worker Left Behind, provided workers with up to two years of training or community college, but was phased out quietly by the Snyder administration.

For Budget Year 2020, Governor Whitmer proposed Michigan Reconnect, which would provide two years of training or community college for students 25 or older. Unfortunately, funding was not included in the final iterations of the 2020 budget.

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). Financial aid would help workers in low-wage jobs acquire new marketable skills leading to better employment.

Michigan Devotes Far Fewer Financial Aid Dollars Per Student Than Any Other State

State	Public Student Aid as Percent of Educational Appropriations*		State Public Student Aid per FTE	
	Percent	National Rank	Dollars	National Rank
Indiana	19.2%	6	\$1,233	7
U.S.	9.6%	20	\$752	18
Minnesota	9.0%	21	\$666	20
Illinois	4.1%	33	\$592	21
Wisconsin	8.8%	23	\$545	25
Ohio	3.8%	35	\$218	40
MICHIGAN	0.1%	48	\$4	48

*Public student aid refers to state-funded financial aid that goes to students at public institutions. There were 48 states in which this could be measured. Source: State Higher Education Executive Officers Association, State Higher Education Finance: FY 2018, Tableau Visualization Data, 2019 (<https://sheeo.org/project/state-higher-education-finance>, accessed December 2019).

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.

Michigan ranks last, in dollars per student, among the states in providing financial aid for attendance at a public community college or university. The Michigan Reconnect program, if properly funded, can be a key component in making sure financial aid goes to all students who need it.

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.

Making college more affordable can decrease inequities in educational level based on race and ethnicity. While 31% of White and 66% of Asian residents in Michigan have a bachelor's degree, only 18% of Black residents, 20% of Latinx residents, and 14% 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.

Educational Attainment by Race in Michigan in 2018 (Age 25 Years and Over)

Race	Less than 9th Grade	9th to 12th grade, no diploma	Regular high school diploma	GED or alternative credential	Some college, no degree	Associates degree	Bachelor's Degree or Higher
White	2%	5%	25%	4%	23%	10%	31%
African-American	3%	10%	26%	6%	29%	9%	18%
Latinx	15%	12%	21%	6%	20%	7%	20%
Native American	6%	10%	25%	9%	27%	10%	14%
Asian	5%	5%	10%	1%	8%	5%	66%

Source: American Community Survey 5-Year Statistics (2018)

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