

Remarks by President Thomas J. Haas
Grand Valley State University
February 14, 2019

Good morning. This is the 13th time I have had the privilege of appearing before this committee. But as I'm retiring on June 30th, this will be my last. This is a bittersweet day for me. I'm grateful for the friendships I've made in this building, and I will miss these opportunities to visit about Michigan's future.

I might also say I am glad there are no term limits for university presidents. Alas, there are for lawmakers and all but one of you is new to this committee. So, guided by our State Constitution, let me presume to offer some context for your future deliberations and policy decisions.

Article 8, section 1, sets the table: **Religion, morality and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged.** These words come from the Northwest Ordinance of 1787 and have appeared in every Michigan constitution since. What do these words mean to me? That education is to be a priority of government – today, tomorrow, forever. It is a public good! Those before us knew that for a democracy to thrive we must have educated citizens.

Article 8, section 4 addresses state funding for higher education. It says: **The Legislature shall appropriate moneys to maintain....**the state's public universities. This directive of the Constitution is not optional. Shall means must.

Now, I recognize the word "maintain" is subject to interpretation. So, what did "maintain" mean in 1963 when our current constitution was adopted? We can tell a great deal by looking at how the Legislature appropriated for higher education in 1963 -- when a significant number of the men and women who'd written the Constitution had become members of the House and Senate. For Grand Valley, the legislature appropriated 90.2% of the university's operating revenue. That ratio was the same at nearly all the other regional universities.

What's happened in the intervening 56 years? 90% became 2/3rds; 2/3rds became 50%; and so on until today the state's share at Grand Valley is 17.6%. Public universities have just two revenue streams, and so tuition has filled that gap. If you or your constituents wonder why tuition has gone up so much, here is your answer. Along with my written answers to the committee's questions I've included in your packet a spreadsheet that shows the progression of state aid. Grand Valley State University appropriations per student is \$3087 and the state average is \$5476, with \$8914 going to the top university in this measure. From our performance metrics Grand Valley is one of the best performing universities in Michigan. If we were resourced at the average for an above average institution, I could reduce tuition by 17% – and at the top by 40%.

We know why this is bad for students and their families. But allow me to tell you why I think this trend is bad for Michigan.

Among the 50 states, the wealthiest are those with the most college graduates and 86% of recent Grand Valley State University graduates are working in Michigan. The poorest states are those with the fewest college graduates. College grads have better jobs, higher incomes, pay more in tax, are healthier, and use fewer government services.

We can see the truth of this right here in Michigan. Our state's healthiest, most vibrant, most attractive cities are the cities that host a public university campus.

I've never claimed that everyone ought to go to college. There are great careers in fields for which an associate's degree or a certificate are the keys to stable, good paying jobs. By the way, Grand Valley was the first university to create a 2+2 agreement with a community college and the first to enact reverse transfer agreements with all 28 community colleges. Working together, these partnerships are helping our state to prosper.

But we can't continue on as we have been, with our students and their families paying most of the bill for a public good. Much has been said recently about the need to "fix the damn roads," and few among us would disagree.

We know that higher education is the pathway to prosperity. Yet that pathway in Michigan is full of potholes, with some of its bridges near collapse. If we are going to invest in our infrastructure, we cannot continue to kick higher education to the curb. We are not part of the problem. We are part of the solution. The return on investment and Michigan's competitive advantage depends on investing in our human capital.

Earlier I mentioned in some jest that no term limits for universities presidents ... true, but what is needed now more than ever is leadership, your leadership in creating policies needed now and a generation from now. I ask you to think and act to ensure that Michigan is relevant.

Thank you. Now, I'd like to save my last two minutes so you can hear from the other president at Grand Valley --- Rachel Jenkin, president of the student senate.