



**Testimony for Senate Commerce Committee Hearing
Opposition to SB 98**

**Daniel Hurley, Incoming CEO, Presidents Council, State Universities of Michigan
June 17, 2015**

My name is Dan Hurley. I am the incoming CEO of the Presidents Council, State Universities of Michigan. I am a Michigan native just returning from eight years in Washington, D.C. during which I served the higher education state policy interests of more than 400 public universities throughout the U.S.

During my time in Washington and throughout the country it has been abundantly clear that state policymakers are placing tremendous emphasis on the need for public colleges to focus on two paramount issues: boosting degree completion rates and increasing cost efficiency—both aimed at improving college affordability and institutional productivity. Unfortunately, the outcomes of SB 98 are completely counter to addressing both of these issues in any systemic way.

Recognizing the shortfalls of federal data, and recognizing the need for all institutions of higher education to boost degree completion rates, it cannot be ignored that the average federal graduation rate of Michigan's community colleges collectively is a mere 15 percent, well less than the national average for the public two-year sector. Given this fact, it would seem that the most important question to ask in discussions involving SB 98 is whether it is prudent state policy to encourage the state's community colleges to offer four-year degrees when such an overwhelming majority of these institutions' students are failing to complete a two-year degree.

In this era of constrained state and family budgets, the efficient use of taxpayer-provided state and local appropriations should be maximized. Yet, nationally, the high student attrition levels at community colleges ends up costing on average \$10,000 more to produce every two-year degree at these institutions than it does a four-year degree at a public comprehensive university.

Such inefficiency will only be exacerbated if the state policy prescription set forth in SB 98 to ultimately create 43 public four-year degree granting institutions is realized—and, keeping in mind, in a state with a nation-leading forecasted decline in high school graduates in the years ahead.

Rather than fostering mission creep and enormous programmatic duplication, a more prudent approach by the state should be to continue the long-standing collaboration between Michigan's state universities and its community colleges. We should build upon an existing and impressive array of ladder degree programs and to provide seamless transfer between institutions. There are dozens of public university bachelor degree completion programs throughout the state (see reference map). Further, the state's public universities, through the Presidents Council, have pledged to collaborate with our community college colleagues to provide any new baccalaureate or degree completion program for which there is a need within a community college district (see Pledge Letter dated June 3).

As it involves the Bachelor of Science in Nursing (BSN) program in particular, nearly 30 such programs are currently offered throughout the state, as well as more than 20 BSN completion programs (for registered nurses with an associate's degree who seek a four-year degree). The BSN completion programs have student slots available. In fact, in a recent survey of Michigan BSN completion programs, 15 of 16 responding institutions indicated they were under capacity.

And finally, it must be made clear that enabling community colleges to offer the BSN program will in no way reduce costs borne by students or taxpayers in the long run. They will have to pay for huge cost increases for new facilities, simulation technologies and additional faculty and staff, and many other aspects that are required for national nursing program accreditation. Both associates and bachelor's degree programs in nursing already face insufficient funding, limited clinical space and a shortage of qualified nursing faculty. The community college BSN degree will require tuition increases, more state and local tax revenues, all the while creating a duplicative set of programs that are already under-enrolled.

It is incumbent upon all of the state's higher education stakeholders to improve outcome measures involving student success and the efficient use of state resources: SB 98, if enacted, will work contrary to these aims. I encourage you to vote NO on SB 98.

MICHIGAN BOARD OF NURSING APPROVED EDUCATION PROGRAMS

REGISTERED NURSE PROGRAMS



June 3, 2015

Dear Senator:

Michigan's fifteen public universities have long had excellent working relationships with the state's community colleges. We believe that an expansion of those collaborations is the most efficient way to provide Michigan residents with the four-year degree programs that some community colleges want to offer in their districts. What the community colleges are suggesting would be the most expensive and least efficient way to meet that need, the substantial costs for which would, in any event, be borne solely by students and local taxpayers. There is a better way.

The Presidents Council on behalf of Michigan's 15 public universities have pledged to collaborate with our community college colleagues and will provide locally any new baccalaureate or degree completion program for which there is a need within that community college district. This pledge would apply for any of the programs identified above, including a Bachelor of Science degree to community college graduates who are registered nurses and who wish to enroll in a BSN completion program. This pledge is identical to the commitment we made during the last legislative session.

This continuous pledge by our member universities ensures that duplication and waste will be avoided, can be implemented immediately, and is far less costly – which is exactly what our elected officials have been asking from public agencies at all levels.

The Presidents Council, State Universities of Michigan, is ready to coordinate and implement this pledge with our community college colleagues. Legislation is unnecessary, as the universities and community colleges have a long history of crafting and implementing collaborative programs.

Sincerely,



Glenn Mroz, Chair
President, Michigan Technological University



Michael A. Boulus
Executive Director

*Central Michigan University
Eastern Michigan University
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