

State Notes

TOPICS OF LEGISLATIVE INTEREST

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How Will Declining Birth Rates Affect Public Universities? By Ellen Jeffries, Deputy Director

Since calendar year 1990, the number of live births in the State of Michigan has been dropping. From 1982 through 1990, live births rose from 137,950 to 153,080, an increase of 11.0%. In calendar year 1991, the number of live births was 149,478 and had dropped by 13.0% to 133,231 live births, by 1996. The birth rates obviously affect the number of 12th graders enrolled in Michigan's public schools.

The 12th grade headcount for the high school graduating class of 2008 was 126,380. In recent years, an average of approximately 80.0% of the number of live births in the State appear as 12th graders 18 years later. The decline in birth rates (based on actual data) would portend a drop of at least 15.7% in the number of graduating seniors for the class of 2014. Table 1 outlines the number of births in Michigan from 1982 through 1996, and the ensuing actual (2000 through 2008) and estimated (2009-2014) 12th grade headcount.

Table 1

| Comparison of Live Births in the State of Michigan to the Number of Michigan High School Seniors | | | |
|---|-------------------------------------|---------------------------------|----------------------------------|
| Calendar Year | Number of Live Births (Actual Data) | High School Graduating Class of | 12 th Grade Headcount |
| 1982 | 137,950 | 2000 | 102,282 |
| 1983 | 133,026 | 2001 | 101,833 |
| 1984 | 135,782 | 2002 | 103,839 |
| 1985 | 138,052 | 2003 | 108,987 |
| 1986 | 137,626 | 2004 | 108,688 |
| 1987 | 140,466 | 2005 | 111,055 |
| 1988 | 139,635 | 2006 | 113,351 |
| 1989 | 148,164 | 2007 | 116,774 |
| 1990 | 153,080 | 2008 | 126,380 |
| 1991 | 149,478 | 2009 | 119,582 |
| 1992 | 143,827 | 2010 | 115,062 |
| 1993 | 139,560 | 2011 | 111,648 |
| 1994 | 137,844 | 2012 | 110,275 |
| 1995 | 134,169 | 2013 | 107,335 |
| 1996 | 133,231 | 2014 | 106,585 |

Note: 12th grade headcounts are estimates beginning with 2009.

Source: Michigan Department of Community Health; Center for Educational Performance and Information (CEPI); and Senate Fiscal Agency calculations.

The decline in the birth rate and the resulting decrease in the number of graduating seniors have the potential to affect enrollments at Michigan's colleges and universities. Since 2000, the Michigan resident freshman headcount at the State's public universities has been very stable, with an average annual growth of only 0.003%. Table 2 compares the number of 12th graders for the graduating classes of 2000 through 2007 with the number of freshmen enrolled at the 15 public universities. As the table indicates, only an estimated 43.6% of 12th graders at Michigan high schools became freshmen at Michigan's public universities in 2007. If the number of 12th graders in 2014 does decline by 15.7% to 106,585, and the percentage of



Michigan high school graduates that become freshmen at public universities is maintained at the average of 2000 through 2007 (47.5%), there would be a 15.7% drop in the public university freshman resident headcount.

Table 2

| Public University Michigan Resident Freshman Headcount As a Percentage of Michigan High School Seniors | | | |
|---|--|--|--|
| High School Graduating Class of | 12th Grade Headcount | Public University Frosh Headcount | Frosh Headcount as % of 12th Grade |
| 2000 | 102,282 | 50,935 | 49.8% |
| 2001 | 101,833 | 51,612 | 50.7% |
| 2002 | 103,839 | 51,079 | 49.2% |
| 2003 | 108,987 | 51,932 | 47.6% |
| 2004 | 108,688 | 51,632 | 47.5% |
| 2005 | 111,055 | 51,896 | 46.7% |
| 2006 | 113,351 | 50,574 | 44.6% |
| 2007 | 116,774 | 50,946 | 43.6% |
| 2008 | 126,380 | 59,999 | 47.5% |
| 2009 | 119,582 | 56,772 | 47.5% |
| 2010 | 115,062 | 54,626 | 47.5% |
| 2011 | 111,648 | 53,005 | 47.5% |
| 2012 | 110,275 | 52,353 | 47.5% |
| 2013 | 107,335 | 50,958 | 47.5% |
| 2014 | 106,585 | 50,601 | 47.5% |

Note: Frosh (freshman) headcounts are estimates beginning with 2008.

Source: CEPI; Higher Education Institutional Data Inventory; and Senate Fiscal Agency calculations.

What does this mean for the public universities? The smaller number of high school graduating seniors does not automatically translate into a smaller number of enrolling freshmen in college. Due to the deterioration of the auto industry in Michigan, it is possible that more students will see the need to seek postsecondary education in order to secure a job. This may actually bolster the rather low percentage of 12th graders who enroll at Michigan's universities.

The impact on infrastructure is less clear. If a higher percentage of high school seniors move on to postsecondary education, the need to renovate, maintain, or perhaps build new facilities will continue. Within the public university system, there is a range of age of campus buildings, as well as a range of enrollment growth, so there may be a need both to build and to renovate. At the K-12 level, it would seem that fewer students will mean fewer buildings, but maintenance and renovation of those buildings still in use may be required.

In summary, the State needs to plan for the impending drop in the number of graduating high school seniors, both within the K-12 and public postsecondary systems. One of the stated goals of the Cherry Commission Report is to double the number of college graduates. This will be both more important and more difficult in the face of a declining number of Michigan high school graduates.