

Michigan's Workforce System:

Delivering Results, Addressing Challenges

FY 2027 Budget Priorities

Michigan Works! Association

House Appropriations Labor and Economic Opportunity Subcommittee
March 2026

Impact on the Ground

How these investments translate to real outcomes in Michigan communities.



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Key Themes You'll Hear

- ✓ Employer-driven training that leads to real jobs
- ✓ Removing barriers to help more people enter the workforce
- ✓ Apprenticeships building long-term career pathways
- ✓ Local flexibility delivering statewide results

Michigan Works! at a Glance



16

Local Agencies
Serving All 83 Counties



90+

Service Centers
Statewide



1M+

Services to
Jobseekers Annually

The Nation's First Unified Workforce System

Michigan Works! Agencies are the delivery system for publicly funded workforce programs in Michigan. We connect jobseekers to careers and employers to the talent they need—in every community, across every industry.



Jobseekers

Career counseling, training, and employment services



Employers

Recruitment, retention, and upskilling solutions



Communities

Driving economic development across 83 counties

Results That Matter

Michigan Works! consistently meets or exceeds 100% of state and federal performance targets.

#1 in the U.S.

Credential attainment for adults AND helping individuals with disabilities get employed

#3 in the U.S.

Helping adults get employed AND customized reemployment services

#4 in the U.S.

Active Registered Apprentices with 22,000+ participants statewide

#1 in the Midwest

Employment services to more individuals than any other state in the region

\$12.4 Billion in Annual Statewide Economic Impact

1

Implement SNAP/Medicaid Work Requirements Responsibly



Why It Matters

- New work and reporting requirements will drive significant traffic to Michigan Works! offices
- Without support, eligible individuals will lose coverage due to paperwork barriers—not because they don't qualify
- Michigan and other states have seen this before—proactive investment prevents costly downstream consequences

Requested Investment

\$25 Million

- Hire and train frontline navigators in every region
- Build coordination and referral processes with MDHHS and community partners



Expected Impact

- Protect coverage for eligible adults while supporting work
- Reduce downstream costs from uninsured care and labor-force detachment
- Connect individuals to jobs, training, and compliance support in one place

Goal: Support work and health—without unnecessary coverage loss.

2

Scale Registered Apprenticeships

#4 in the U.S. for active apprentices

22,000+ active apprentices in Michigan

94% retention rate after completion

\$1.47 employer return per dollar invested

\$80K median first-year earnings

Requested Investment

\$5 Million

for Registered Apprenticeship expansion in FY27

Target Sectors

- Advanced Manufacturing
- Health Care
- Information Technology
- Construction & Skilled Trades
- Public Service

3

Restore the Going PRO Talent Fund

Proven Impact Since 2014

\$323.4M

Invested in Michigan businesses since 2014

241,600+

Workers trained across the state

6.2%

Average wage increase after training

96%

Of employers served are small businesses

“The Going Pro Talent Fund not only trains the current workforce, but also keeps jobs here, including the 60+ jobs in rural Northern Michigan at M R Products.”

— Ryan Schulz, CEO, M R Products

FY26 Funding Cut Impact – Cycle 1

- Budget reduced from \$53.8M to \$31.8M
- \$23.4M in employer requests denied
- 13,986 workers missed training opportunities
- ~300 fewer employers served per cycle
- **\$41.7M in lost private investment**

FY27 Ask

Maintain at \$31.8M

At minimum—with a path toward restoring full funding to meet employer demand.

Goal: Align training dollars with employer demand to move workers into in-demand, higher-wage jobs.

The Challenge: A System Under Strain

Michigan's workforce system is delivering nationally ranked results—but doing more with less.

42%

Cut to Going PRO Talent Fund in FY26—from \$53.8M to \$31.8M

\$23.4M

In employer training requests denied in FY26 due to insufficient funding

13,986

Workers who could have been trained with the denied funding requests

88%

Of small businesses hiring report few or no qualified applicants (NFIB, Jan. 2026)

We can't grow Michigan's economy while underinvesting in the programs that build its workforce.

The Return on Investment (2024-2025)

Every dollar invested in Michigan's workforce system generates measurable returns.



Economic Impact

\$12.4B

Annual statewide workforce impact driven by local Michigan Works! Agencies



Employer Savings

20-30%

Reduction in onboarding time for employers in sector collaboratives



Wage Growth

\$6,000+

Average wage increase within six months for Going PRO participants

Our Ask to This Subcommittee

\$25M

**SNAP/Medicaid
Work Requirements
Implementation**

Frontline navigators and coordination

\$5M

**Registered
Apprenticeship
Expansion**

Grow earn-and-learn pathways

\$31.8M

**Going PRO
Talent Fund
Maintenance**

Sustain employer training capacity

Total FY27 Investment Request: \$61.8 Million

Michigan Works! is the Proven Partner for Michigan's Economic Future.

*We don't need to build something new.
We need to invest in what's already working.*

Thank You

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