Introduction

This 21st edition of the Entrepreneurship Score Card Report comes at a time when the US Government is considering significant changes in spending, regulatory, tax, and trade policies. It is worth noting that the purpose of this report is not to predict the potential impact of policy decisions. It is to evaluate the current health and strength of Michigan's economy, with a strong focus and emphasis on entrepreneurial economy.

When the first Score Card was published 21 years ago, Michigan was in the midst of a long-term economic slowdown. The global economy has experienced two massive upheavals since then. 2025 marks 5 years since the start of the COVID-19 Pandemic and 15 years beyond the end of the Global Financial Crisis. This report seeks to define the current condition of Michigan's current entrepreneurial economy while also bringing into focus how it previously responded during times of intensive change.

Before this report, there was no ready reference with which to know how well the Michigan entrepreneurial economy was doing (as opposed to the broader economy) and no comprehensive data reference to determine progress. In response to this need, we designed and published the Score Card that is now one of the most complete and comprehensive assessments of Michigan's entrepreneurial economic performance.

Entrepreneurial Economy Defined

The term "entrepreneurial economy" refers collectively to sole proprietorships as well as small and midsized for-profit businesses (SME's). This segment is known for its dynamism – lots of establishments forming, merging, surviving, failing, expanding, contracting, moving, and growing. Research continues to confirm that around 50% of net new jobs are created by this segment of the economy. Michigan's entrepreneurial economy is complex. It is important to capture the many nuances and dimensions of the entrepreneurial economy and their rate of change. No single measure or metric will work. Understanding how Michigan's entrepreneurial future is positioned relative to the entrepreneurial economies of other states is even more challenging.

The U.S. Small Business Administration defines 'small business' as a private enterprise employing up to 500 employees. Such an expansive definition would not provide much insight. In this Score Card, small businesses are segregated into four business "stages" based on employee count. This shorthand definition by size is widely used.

Entrepreneurial / Business Stage	# of Employees
Self-Employed	No employees; single or few owners
Stage 1	Businesses with 1-9 employees
Stage 2	Businesses with 10-99 employees
Stage 3	Businesses with 100-499 employees
Large Business	Greater than 500 employees

CHAPTER ONE

A COMPREHENSIVE PROFILE OF MICHIGAN'S SMALL BUSINESSES

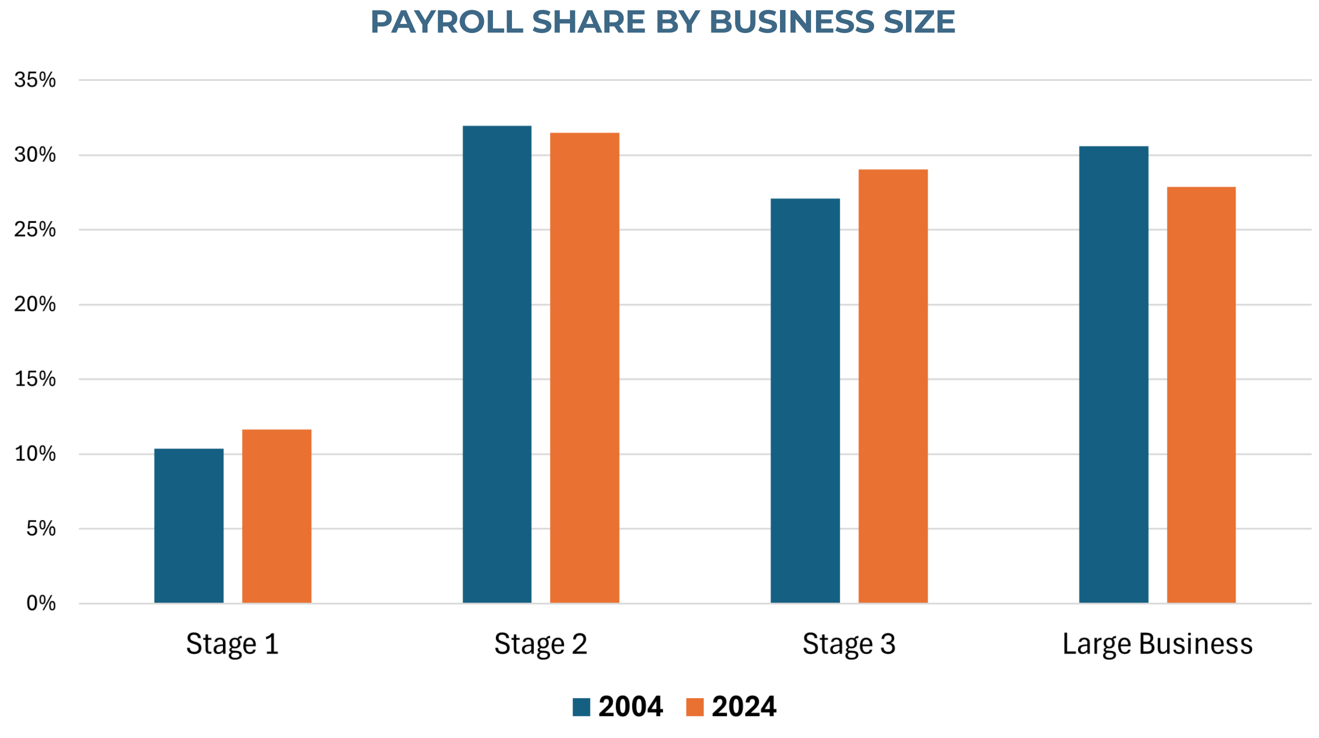
The small business value proposition to Michigan is compelling. Over time, Small-Mid-size Enterprises (SMEs) have become even more important to the Michigan economy, now with their share of private sector payroll exceeding that of large businesses.

Michigan's composition of businesses is also changing. Microenterprises and sole proprietor businesses are on the rise. In the last 20 years, the sole proprietors and private Stage 1 business establishments have grown in number, far outpacing growth in the number of Stage 2, Stage 3 and large businesses. Sole proprietor establishments are growing substantially in number and their contribution to employment has also been a growth outlier over the last 20 years.

In very important ways, small businesses have perhaps never been more important to Michigan's economy and future prosperity than they are right now.

Michigan Payroll Contributions of Small Businesses and Midsize Enterprises

Small/mid-size businesses (Stage 1 and 3 in particular) account for proportionately more payroll than they did 20 years ago. In other words, these size businesses have increased their contributions to value–added/wealth creation over recent decades. Further, most notably, Stage 3 businesses have overtaken large businesses in payroll contribution.



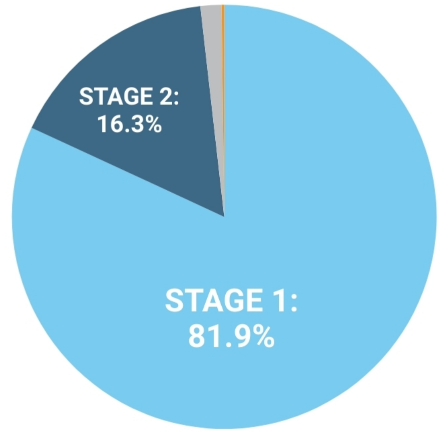
Source: US Bureau of Labor Statistics, QCEW

Microenterprises and Stage 1 Small Business are Gaining Numerically

According to the Quarterly Census of Employment and Wages (QCEW) there are an estimated 342,693 'employer businesses' (those with an owner and one or more employees) in Michigan, and 99.8% of them have fewer than 500 employees.

OF ALL PRIVATE BUSINESSES WITH EMPLOYEES:

- **Stage 1: 81.9%** of establishments had 1-9 employees
- **Stage 2: 16.3%** had 10-99 employees
- **Stage 3: 1.6%** had 100-499 employees
- **Stage 4: 0.2%** more than 500 employees



These proportions are similar to national norms which stand at 80.6%, 17.8%, 1.5%, and 0.2%, respectively.

But We Are Not Keeping Up with the National Pace

The number of Michigan Stage 1 companies has increased approximately 10 times faster than growth in the second, third, or fourth stages. The number of Michigan businesses with 1-9 employees has increased substantially over the past twenty years and far exceeded the Michigan growth rate of any other category. However, this growth does not match the national progress. While we appreciate and celebrate how important small businesses are to the Michigan economy, when comparing the Michigan growth rate in the number of establishments to the national average, Michigan fell short.

It is worth noting that establishment growth in the 1-9 employee category feeds each level above it. Michigan likely underperformed the 10-99, 100-499 and 500+ levels because it first fell short in the creation of businesses with 1-9 employees.

PRIVATE ESTABLISHMENT GROWTH

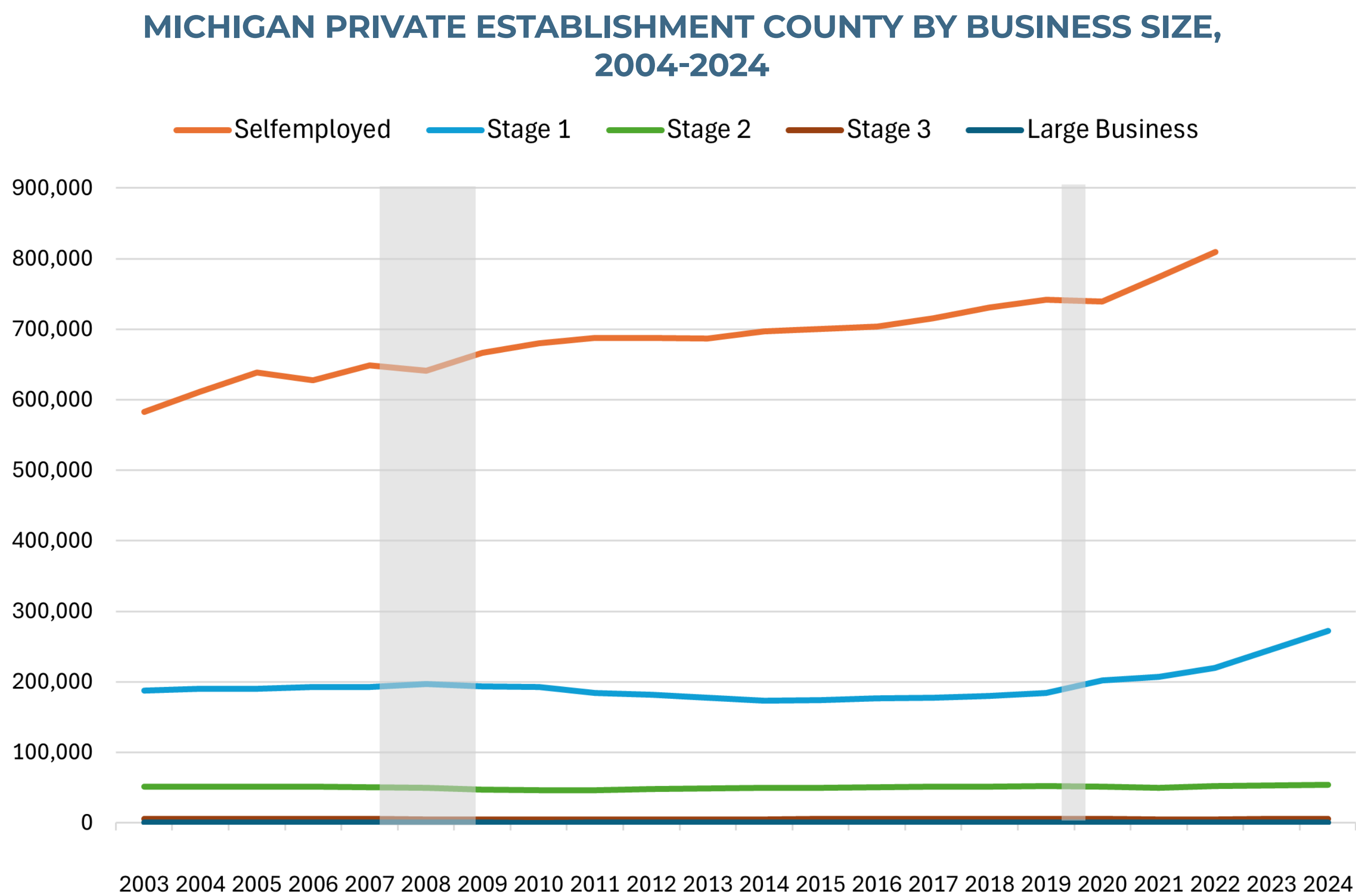
2004-2024	MICHIGAN	US
1-9	43.0%	54.0%
10-99	4.8%	23.3%
100-499	3.1%	19.2%
500+	4.9%	16.3%

Source: QCEW

Sole Proprietors and Micro Enterprises a Growing Economic Force

There were an estimated 809,426 self-employed in 2024. The trend of self-employment points to fundamental changes in how very early stage 'solo-preneurs' are responding to a changing economy. These businesses take many forms, such as gig, full time, part-time, flexible, and/or add-ons to traditional W2 positions held by sole proprietors.

In the last 20 years, the self-employment and Stage 1 businesses have grown in number by 33% and 43%, respectively, far outpacing growth in the number of Stage 2, Stage 3 and large businesses. These increases are noteworthy, and it is reasonable to think of them as a continuum. More sole proprietors likely increases Stage 1 businesses overtime. But clearly, Michigan is leaving opportunity on the table as compared to national growth rates in second and third stage businesses.

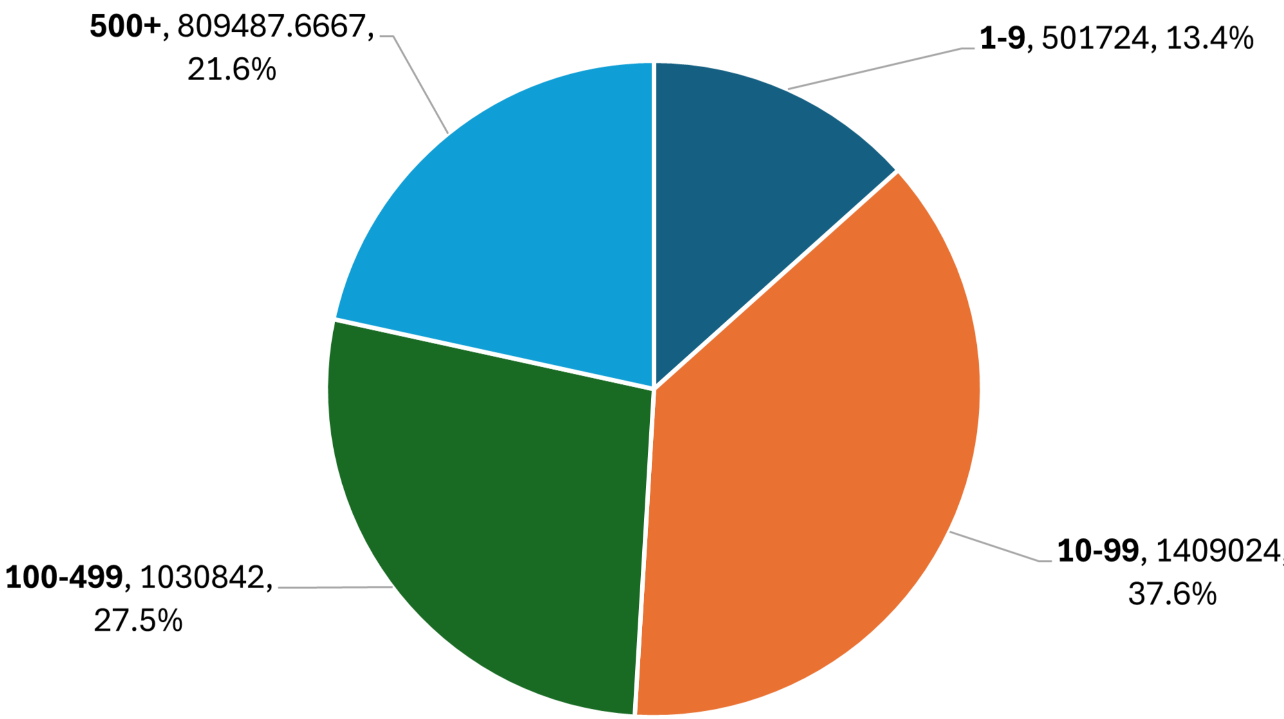


Source: Bureau of Labor Statistics, QCEW; US Census Bureau Nonemployer Statistics

But Total Employment in Stage 2 Businesses Still Dominates

Stage 2 firms are particularly important in terms of employment and stability. They have passed the volatile startup/Stage 1 phase and now face issues of scale up and growth rather than survival or stasis. Stage 2 small business founders, owners, and CEOs have also progressed from a startup management style to a more professional strategic management approach that emphasizes formal organizational structure, specialization, delegation, process and wider market penetration. Even with a plurality of employment already coming from second stage small businesses, this classification is probably where Michigan has the most untapped employment potential when comparing our second stage establishment growth rate to the rest of the United States.

NUMBER AND PERCENT OF MICHIGAN PRIVATE SECTOR JOBS BY BUSINESS SIZE, 2024 (EXCLUDING SELF EMPLOYED)



Source: US Bureau of Labor Statistics, QCEW

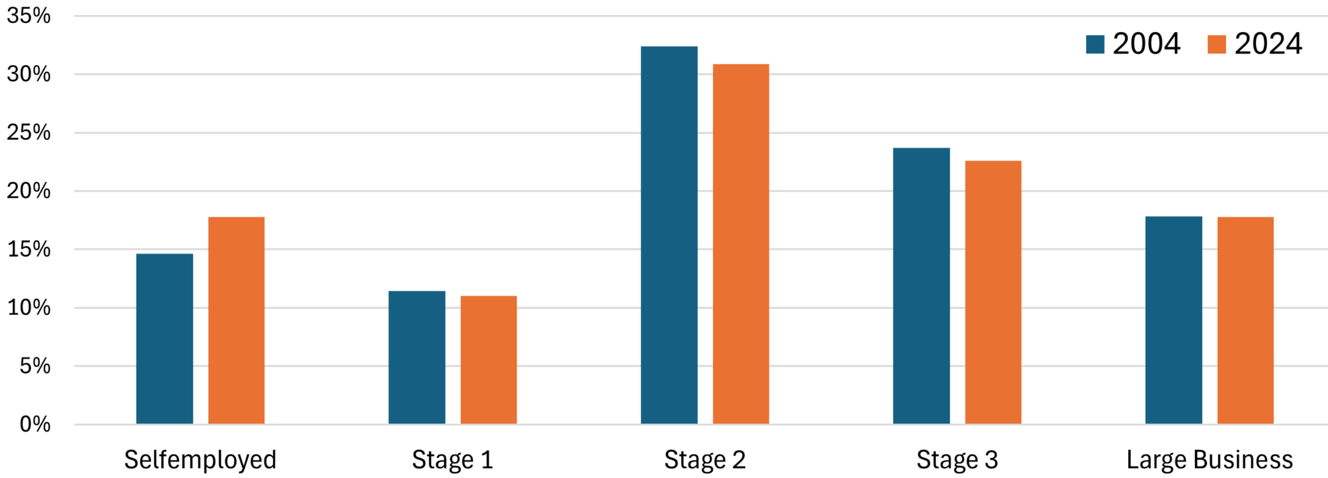
While Stage 1 businesses are large in number, they are not the source of most jobs. Stage 1 businesses account for 13.4% of private sector employment. Stage 2 companies comprise 37.6%, followed by 27.5% in Stage 3 businesses. Companies with 500+ employees account for 21.6% of private sector employment.

The bottom line is that small businesses provide over 50% of jobs (not including sole proprietors).

Employment by Business Size Including Sole Proprietors

Much of the analysis in this chapter is about private sector employment. But one of the most exciting developments in recent years is that self-employment (sole proprietors) now account for 17.7% of all employment. As a reminder, these are the smallest of businesses with a business owner and no employees.

EMPLOYMENT SHARE BY BUSINESS SIZE

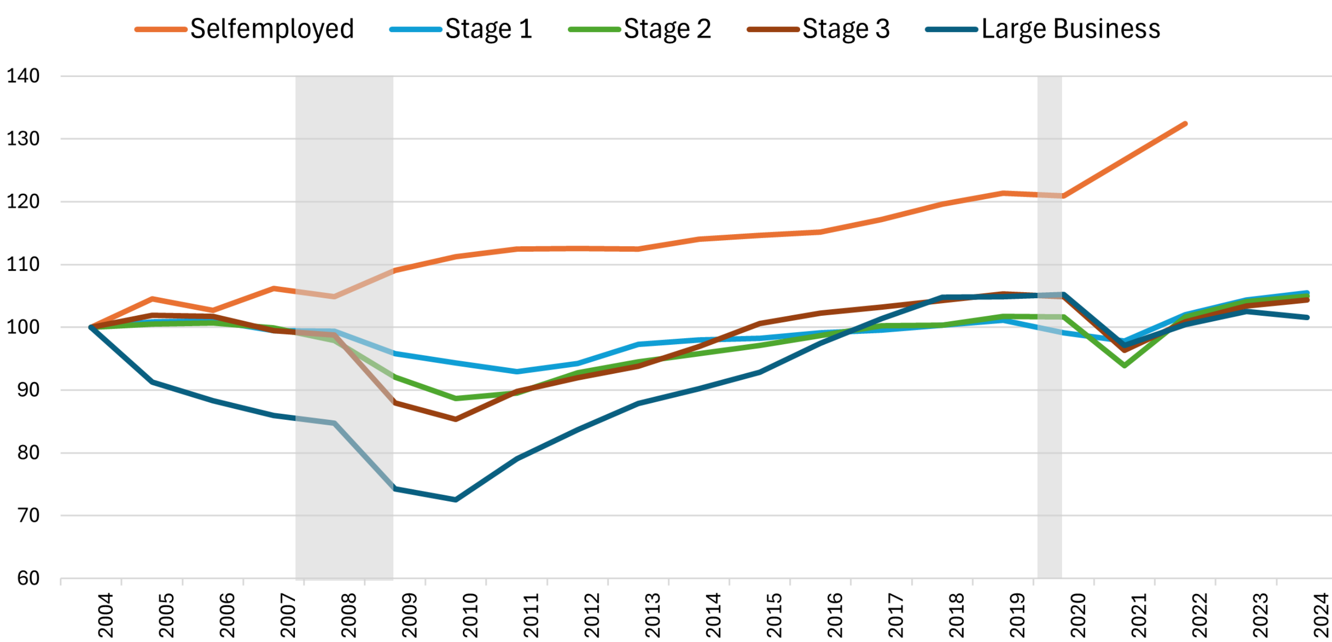


Source: Bureau of Labor Statistics, QCEW

Sole Proprietors are an Outlier in Growth

While self-employment establishments have grown substantially in number, their employment has also been a growth outlier (27% in 20 years) and shows an ongoing uptick. Employment growth rates for Stages 1, 2 and 3 businesses and large businesses have been substantially lower and similar over the past 20 years, in the 3-4 % range.

MICHIGAN EMPLOYMENT BY BUSINESS SIZE, 2004-2024 (2004=100)

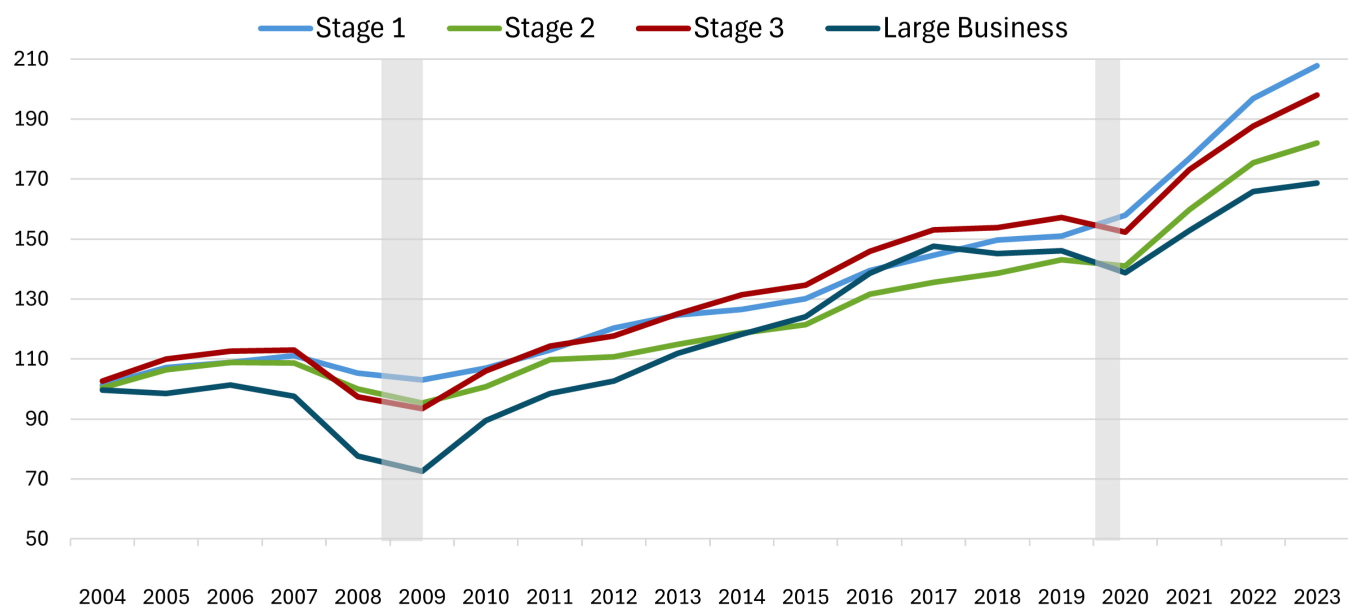


Source: Bureau of Labor Statistics, QCEW; US Census Bureau Nonemployer Statistics

Stages 1 and 3 Lead in Payroll Growth

The number of businesses and the number of employees in each stage is important, but payroll growth is also critical dimensions to examine. Since the Global Financial Crisis and the COVID-19 Pandemic all categories have grown, but stage 1 and stage 3 businesses have been the dominant contributors to payroll growth.

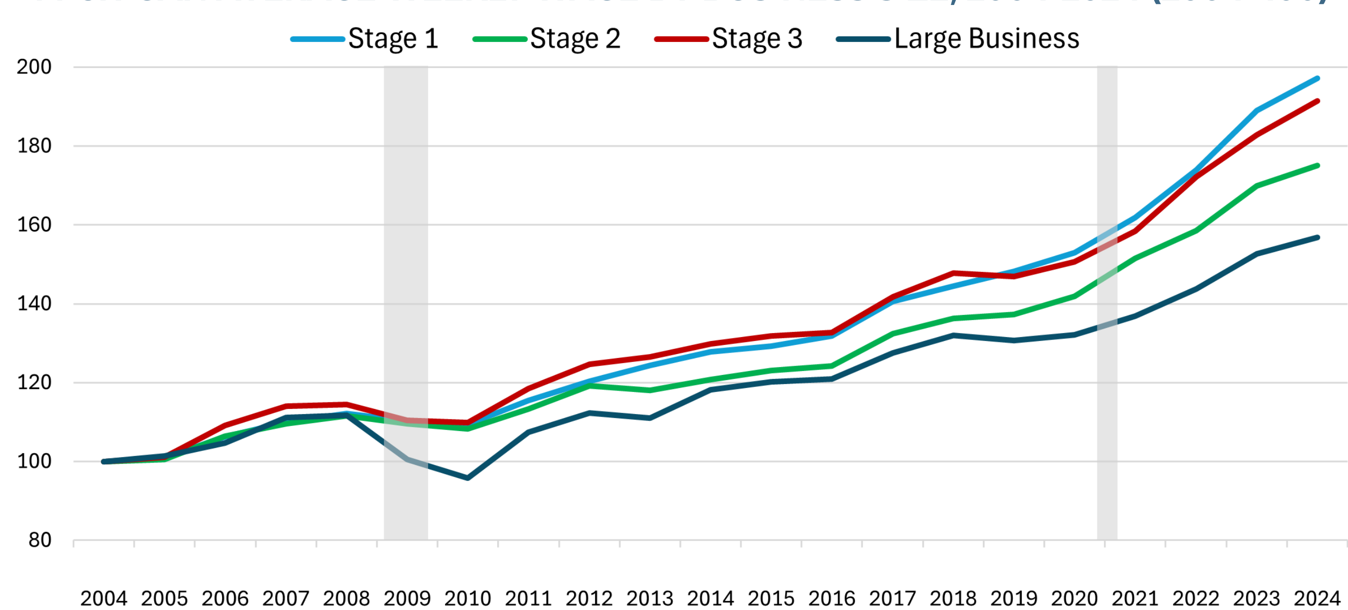
MICHIGAN PAYROLL BY BUSINESS SIZE, 2004-2024 (2004=100)



Source: Bureau of Labor Statistics, QCEW

Average Weekly Wage growth at 97% and 91% respectively for Stages 1 and 3 businesses noticeably exceeded that of other categories.

MICHIGAN AVERAGE WEEKLY WAGE BY BUSINESS SIZE, 2004-2024 (2004=100)

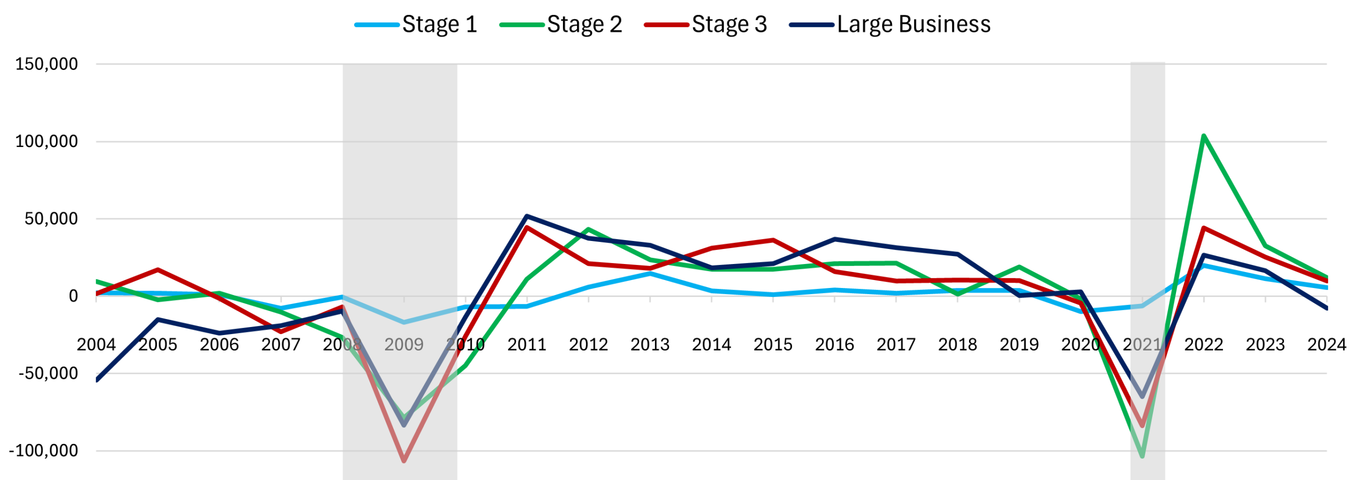


Source: Bureau of Labor Statistics, QCEW

Stage 1 Businesses are an Impressively Stable Employment Sector

Businesses of sizes 10-99 employees and above follow a familiar job creation pattern in terms of adding and losing jobs from year to year. Post-recession upturn can be particularly strong for these businesses, but the downturns are deeper. Stage 1 small businesses provide an employment base that is not so volatile: dipping mildly during recessions, followed by a subdued up-turn in the post-recession recovery phase.

MICHIGAN PRIVATE INCREMENTAL JOB GAINS/LOSSES BY BUSINESS SIZE



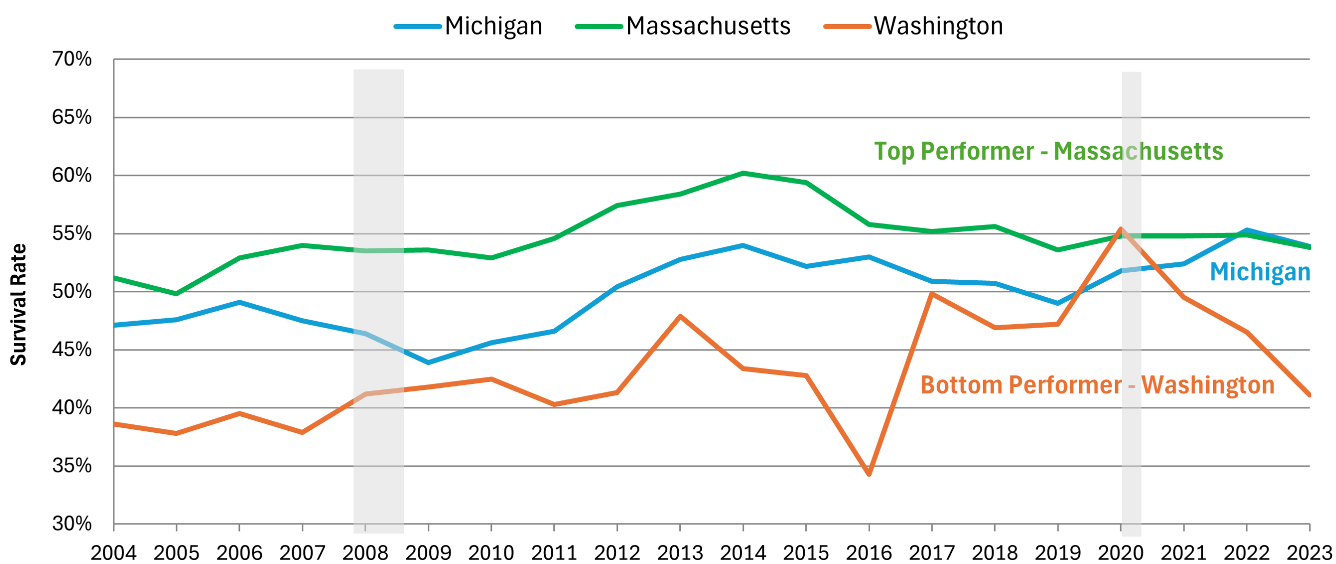
Source: Bureau of Labor Statistics, QCEW

Michigan is a Top Performing State in the 5-Year Establishment Survival Rate

The 5-year establishment survival rate declines through recessions and it is often a year beyond the end of a recession before it picks up.

Michigan ranked highly among states for 5-year survival rates in 2024.

5-YEAR ESTABLISHMENT SURVIVAL RATE, 2004-2024 (ALL MICHIGAN BUSINESSES, ALL SIZES)



Source: Bureau of Labor Statistics. Data as of March the following year.

Business Owner Profiles, Demographics and the 20 Year Change

MICHIGAN BUSINESSES

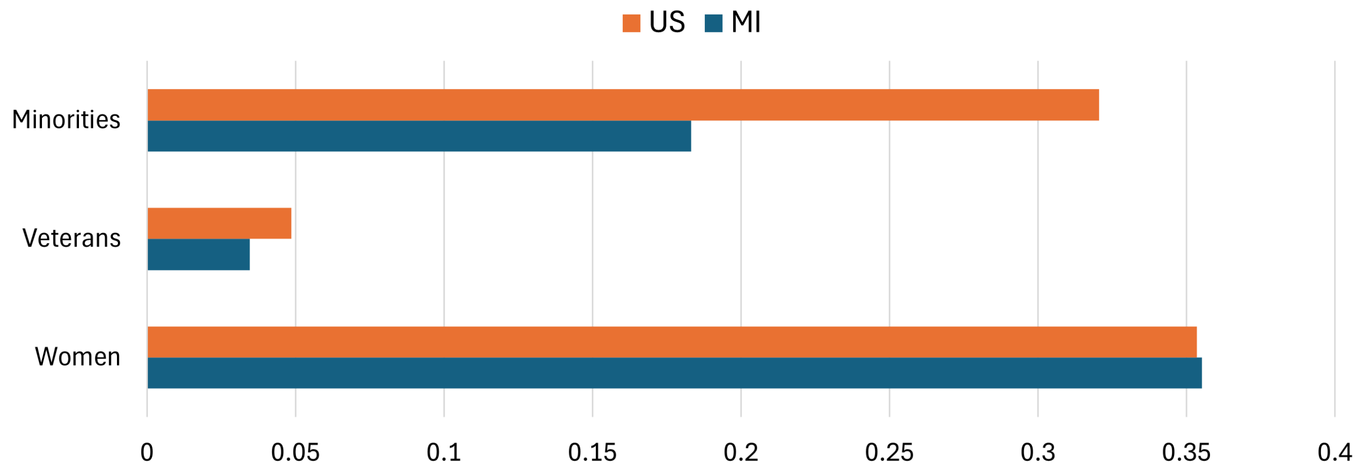
Total employment, 2021[1]	**3,768,321**
Total annual payroll, 2021 ($1,000) [1]	**216,772,518**
Total employment, percent change, 2020-2021 [1]	**-5.8%**
Total non-employer establishments, 2022 (self-employment)	**809,426**
All employer firms, Reference year 2022 [2]	**163,220**
Men-owned employer firms, 2022 [2]	**106,444**
Women-owned employer firms, 2022 [2]	**31,497**
Minority-owned employer firms, 2022 [2]	**16,643**
Nonminority-owned employer firms, 2022 [2]	**136,115**
Veteran-owned employer firms, 2022 [2]	**5,465**
Nonveteran-owned employer firms, 2022 [2]	**146,553**

Sources: (1) US Census Bureau, Statistics of US Businesses (2) US Census Bureau, Annual Business Survey

The Percentage of Women-Owned Businesses in Michigan exceeds the National Rate, but the Proportion of Minority Owned Businesses Lags Far Behind

For employer businesses in Michigan in 2022, there were 16,643 minority-owned businesses, 31,497, women-owned and 5,465 veteran-owned. The percent ownership data is for all businesses, regardless of size. Michigan women-ownership slightly exceeds the US percentage, but minority and veteran owned are far behind the national rate.

BUSINESS OWNERSHIP SHARE, INCLUDING SELF EMPLOYED, 2022



Source: US Census Bureau, Annual Business Survey; selfemployed data for 2021

But All Categories are Making Gains

The share of minority and women-owned businesses increased notably between 2002 and 2022 (latest data available). These data include self-employed, i.e. all businesses regardless of size.

MICHIGAN BUSINESSES

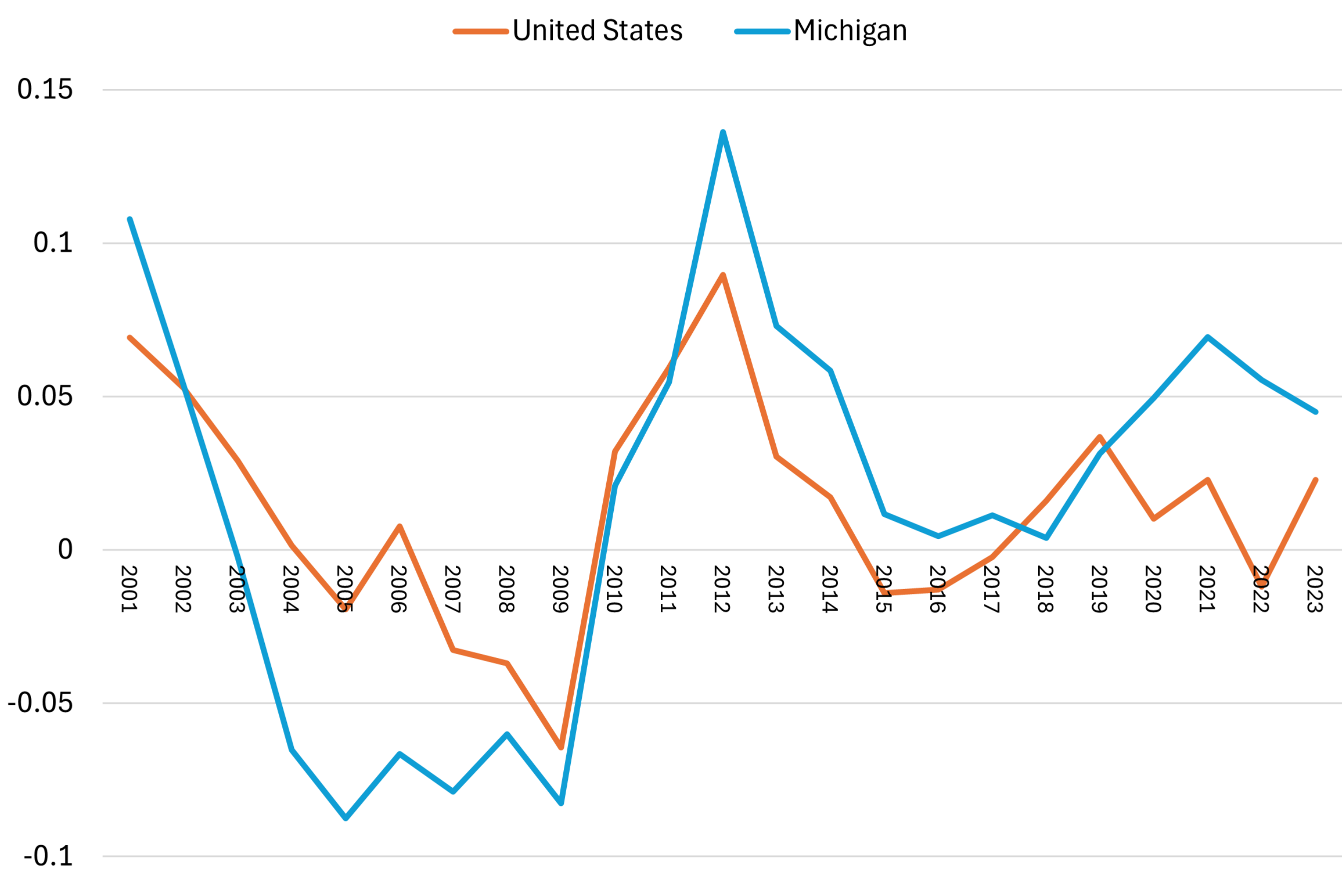
SHARE IN TOTAL FIRMS	2002	2022
Minority Businesses	**10.5%**	**18.3%**
Women-owned	**29.6%**	**35.5%**
Veteran-owned		
Employer Firms	**3.0%**	**3.3%**
Sole Proprietors	**3.1%**	**3.5%**

Source: US Census Bureau, Survey of Business Owners 2002, Annual Business Survey 2022, Nonemployer Statistics 2022

Sole Proprietorship Income in Michigan is Generally Stronger than the US

To conduct this analysis, the rate at which Sole Proprietor income grew or contracted annually is averaged over three years. Overall, Michigan underperformed the US average for roughly the first decade of this century. But we have mostly outperformed since 2011. This is a positive sign for the future of entrepreneurship in the state.

PERCENT CHANGE IN NON-FARM PROPRIETOR'S INCOME PER PROPRIETOR



Source: US Bureau of Economic Analysis; 3-year average of annual growth

Profile of Michigan's Small Business Owners by Industry (Not Including Sole Proprietors)

Growth in the number of Stage 1 businesses is noteworthy across many industries compared to Stages 2 and 3. And while NAICS data by state lags a few years, it is concerning that Stage 2 businesses in many industries have been lagging compared with the 'all firms' respective industry trends.

CHANGE IN FIRMS BY INDUSTRY 2003-2021

NAICS	1-9	10-99	100-499	All Firms
Retail Trade	**0.0%**	**-29.6%**	**-22.2%**	**-14.9%**
Health Care and Social Assistance	**6.7%**	**4.6%**	**-7.3%**	**11.6%**
Other Services (except Public Administration)	**6.9%**	**-22.6%**	**-19.4%**	**-8.0%**
Professional, Scientific, and Technnical Services	**18.7%**	**-6.5%**	**-10.6%**	**-1.8%**
Accommodation and Food Services	**40.1%**	**14.1%**	**16.6%**	**8.8%**
Construction	**1.3%**	**-18.6%**	**43.7%**	**-22.4%**
Administrative and Support and Waste Management and Remediation Services	**53.2%**	**-13.4%**	**-41.2%**	**15.7%**
Finance and Insurance	**9.9%**	**-24.2%**	**18.4%**	**-9.0%**
Manufacturing	**-8.7%**	**-22.0%**	**-6.6%**	**-18.2%**
Wholesale Trade	**-18.1%**	**-22.6%**	**4.8%**	**-18.2%**
Real Estate and Rental and Leasing	**18.2%**	**-23.8%**	**55.5%**	**1.8%**
Transportation and Warehousing	**98.6%**	**23.1%**	**5.7%**	**42.3%**

Source: US Census Bureau, Statistics of US Businesses

CHAPTER FIVE
WORKFORCE

Michigan is a microcosm of a mounting US economic ailment – not enough appropriately skilled workers for the tasks at hand to fully take advantage of economic growth opportunities. This Chapter draws heavily from Lightcast's "Rising Storm" report.

The key storylines of the Rising Storm report are:

1. Labor demand is outstripping supply.
2. Early retirement, lower birth rates and low male labor force participation rates are key culprits.
3. Female labor force participation and immigration have helped stem the severity of the problem but are not enough.

Like most other states, Michigan is experiencing a workforce crunch in labor availability. Since the last Score Card report Michigan's situation has become somewhat less acute, dropping in rank from 44th in labor force participation as compared to other states to 33rd but the situation remains dire, especially for small businesses.

The situation is very volatile and varied across the states. Much depends on retaining well educated/well trained workers in Michigan and attracting migration from other states and overseas.

This chapter is about a foundational engine of economic growth: an adequate labor supply with the skills and motivation to meet demand. **Growth in economic output calls for two key ingredients: Workers and Productivity.** Productivity is a combination of business acumen and innovative ways to organize work supported by a workforce routinely adding new knowledge and skills.

Michigan Worker Supply is Barely Meeting Demand

To date, Michigan has been able to cope with potential mismatches between labor supply and demand, albeit narrowly. While jobs were rapidly lost in the recessions of 2008-9 and 2020, a returning unemployed workforce was quickly rehired as the market stabilized. This is a sign of an efficient labor market with labor supply and demand rebalancing.

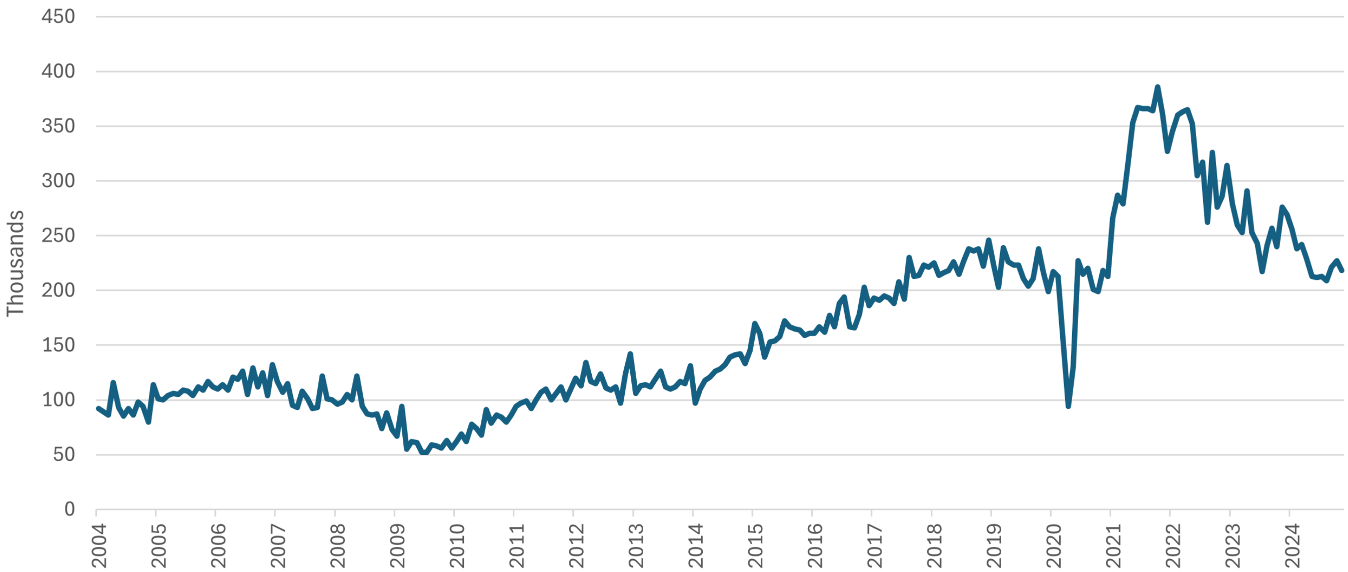
MICHIGAN UNEMPLOYED PERSONS PER JOB OPENING, 2004-NOV. 2024

Source: Bureau of Labor Statistics, JOLTS, seas. adj.

However, job postings have decreased since pre COVID. According to Track the Economy, in Michigan, as of December 2024, total job postings decreased by 26.1% compared to January 2020. For jobs requiring 'extensive' education, Michigan job postings were up 7.3%, January 2020 to December 13th, 2024 (11.7% for the US). This is the only education category that has seen an increase in job postings since 2020. (tracktherecovery.org)

This sharp drop in monthly job postings is congruent with data from the Bureau of Labor Statistics, showing job openings for Michigan falling from a high of 386,000 in October 2021 to 218,000 in November 2024.

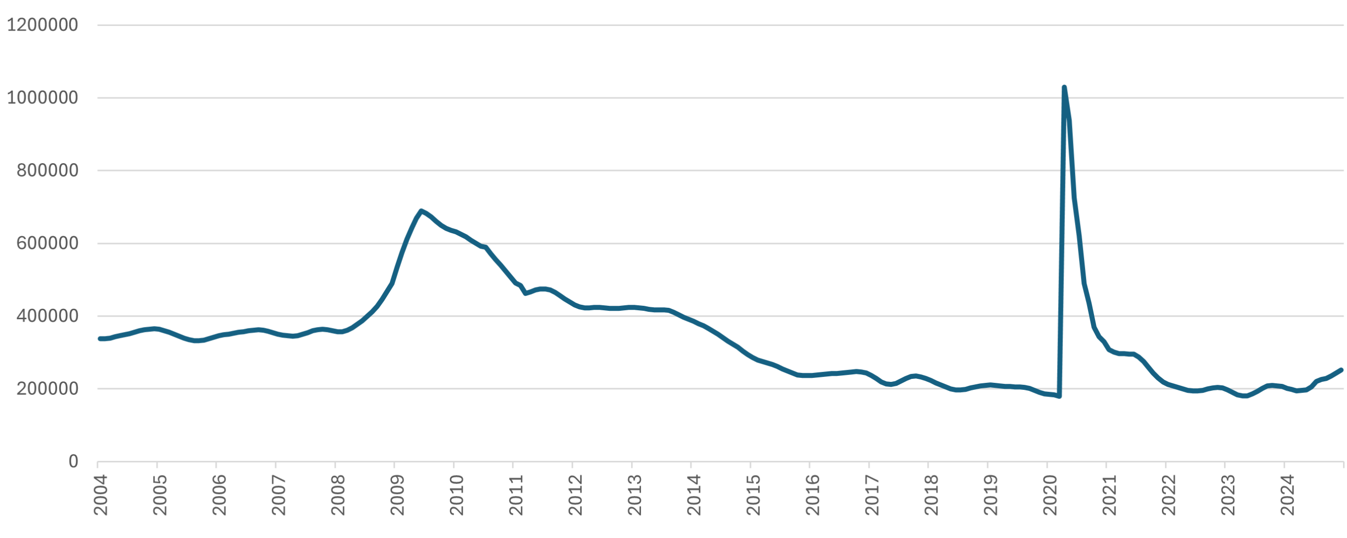
MICHIGAN JOB OPENINGS, 2004-NOV. 2024



Source: Bureau of Labor Statistics, JOLTS, seas. adj.

During this same period, 2021-2024, unemployment remained low, rising marginally.

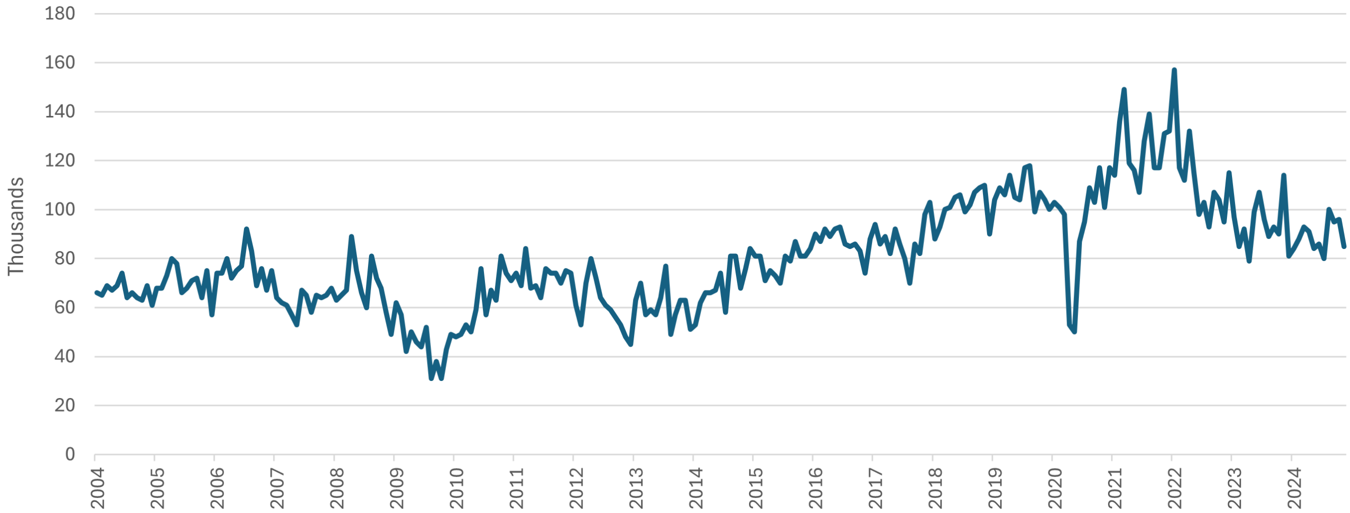
MICHIGAN UNEMPLOYMENT, 2004-NOV. 2024



Source: Bureau of Labor Statistics, LAUS, seas. adj.

Labor mobility has slowed as shown by a fall in quits.

MICHIGAN QUITS, 2004-NOV. 2024



Source: Bureau of Labor Statistics, JOLTS, seas. adj.

So for the 2010s, job openings (labor demand) were up and unemployment went down while quit rates were moving up – all signs of a dynamic labor market. Then after 2020 unemployment returned to its low pre-COVID level, rising somewhat recently. Concurrently, openings have been falling, as have quits. It appears more people are holding on to their jobs while labor demand is softening considerably (note: these are absolute numbers, not per capita).

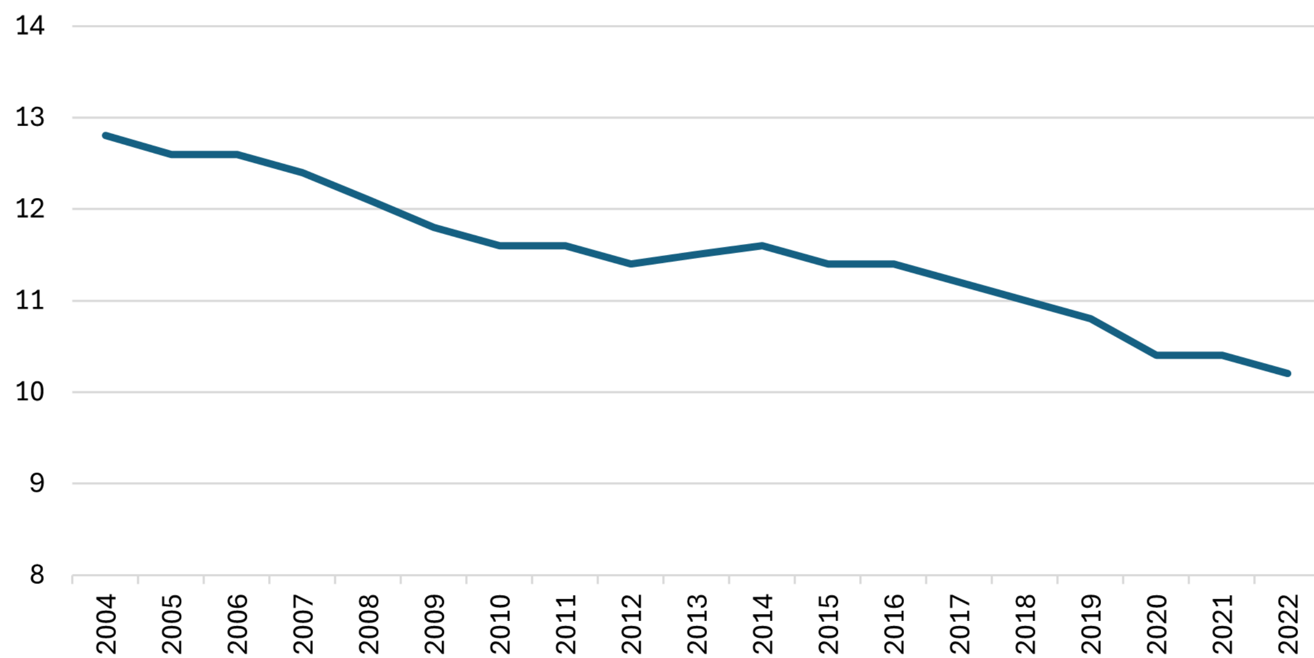
As of late 2024 the labor market had resumed to a 'steady state' low unemployed per job opening of 1.1 (prelim. Nov. 2024). While serious, Michigan's labor market was not as tight as in most states. Michigan had the eighth highest ratio among states and was notably higher than the national ratio (0.90) in October where it was 1.08.

Michigan's Marginal Population Growth and a Shrinking Labor Pool

Michigan's primary problem going forward is a perfect storm of challenges with demographics and modest economic growth over the past 10 years. These factors are, in part, attributable to small numerical gains in its workforce. The following factors tell the story:

- **Birth rates are declining and are not exceeding death rates.** Since 2020 annual deaths have exceeded births.

MICHIGAN BIRTH RATES (RATES ARE LIVE BIRTHS PER 1,000 POPULATION)



Source: Michigan Department of Health and Human Services

The Size of Michigan's Labor Force Was Stable Between 2023 and 2024 But Has Declined Since 2004; Total Employment Is Declining

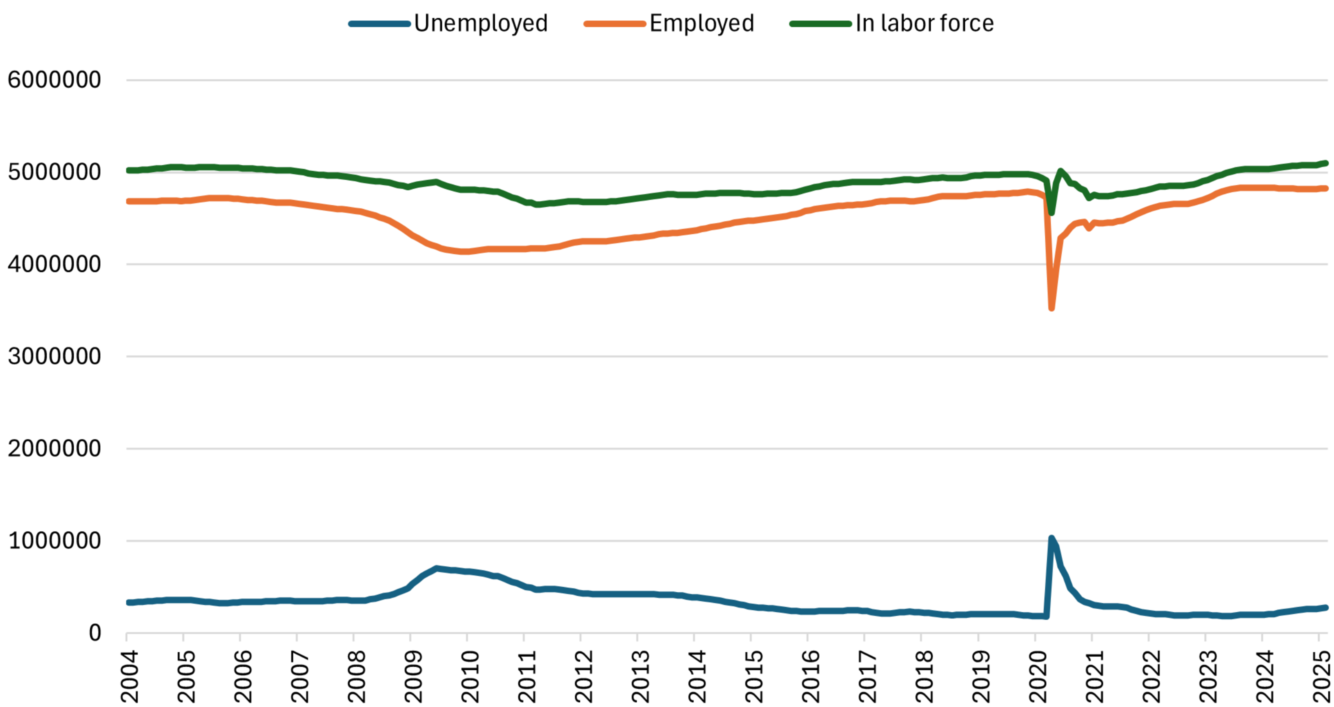
As of December **2024**, total employment in Michigan was 4,626,000 with a labor force of 4,869,000 meaning 5.0% were unemployed.

Total Michigan employment has been gaining very gradually:

As of December **2023**, total employment in Michigan was 4,663,000 with a labor force of 4,862,000 with 4.1% unemployed.

As of December **2004**, total employment in Michigan was 4,670,000 with a labor force of 5,013,000 with 6.8% unemployed.

MIGHICAN LABOR FORCE, 2004-NOV. 2024



Source: Bureau of Labor Statistics, LAUS

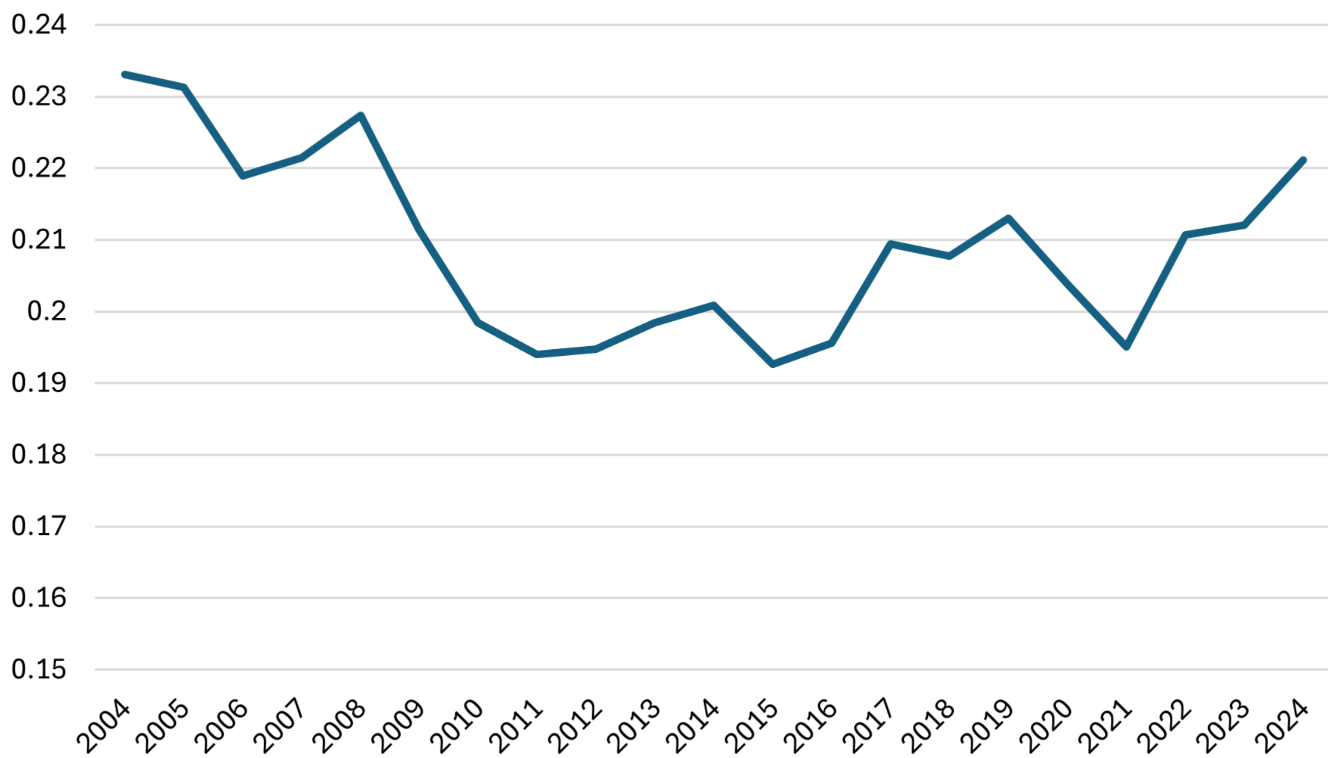
The Percent Employed Has Been Falling

Michigan's Employment Rate (% employed) has dropped 3% between Jan. 2004 and Nov. 2024 (prelim., seas. adj.). The employment rate continues to fall, post COVID. As of Nov. 2024, employment rates decreased by 0.2% compared to January 2020 (seas. adj.). (Bureau of Labor Statistics)

Percent of Prime Age Labor Force Recovering, But Not Enough

Over 2004-2015 Michigan businesses faced the challenge that the labor force of prime working age (ages 25-44 as percent of the population) was in rapid decline. Since then, except for the COVID recession slump, it has been on the mends, but given demographic trends, it may not reach 2004 levels without more inbound domestic migration or international immigration.

MIGHICAN 25-44 YEAR LABOR FORCE AS % OF POPULATION



Source: US Census Bureau, Current Population Survey

Loss of High Skill Workers Due to Retirement

The Rising Storm report notes that attrition due to retiring older workers exacerbates a **loss of skilled/educated workers.** For example, the percent of Michigan population 25y+ that has a bachelors' degree or higher and is NOT in the labor force increased from 6.2% in 2010 to 8.9% in 2023 (US Census Bureau, American Community Survey).

Changing Labor Force Demographics of the Replacement Workforce

Small business owners are increasingly aware that workers from different and varied demographics must be recruited and retained. These include older and younger workers, women returning to the workforce after the COVID years, higher minority participation, and immigrants, both domestic and foreign.

Michigan Labor Force Participation Rates

Labor force participation of workers younger than 25 years has declined noticeably, 2004-24. For adults over 25 years of age labor force participation has improved and quite dramatically for those over 65 years old. Younger Michiganders are going to work later in life and older workers are staying at work later in life.

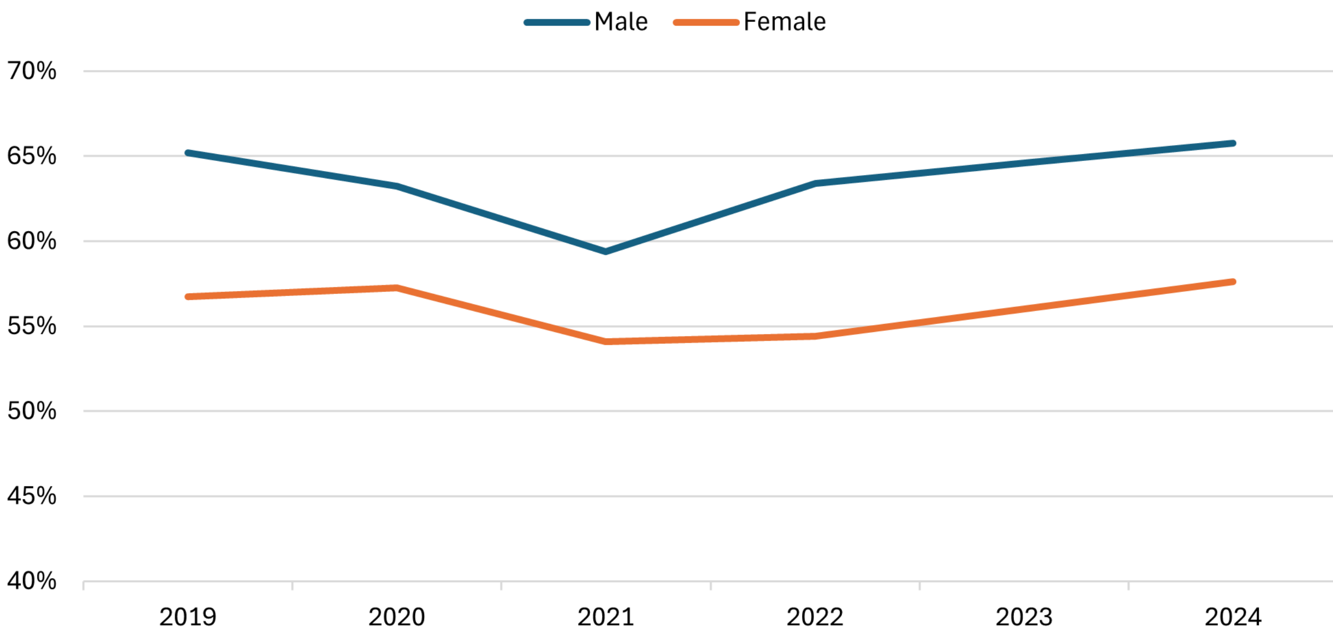
	2004	2024
Male	71%	66%
Female	59%	58%
Nonwhite (75% non-Caucasians)	62%	60%
Prime Age	82%	86%
16-19	43%	39%
20-24	75%	70%
25-34	81%	86%
35-44	83%	87%
45-54	82%	82%
55-64	58%	60%
65+	13%	20%

Source: US Census Bureau, Current Population Survey

Modest Female Labor Force Participation After the Last Recession

Female labor force participation changed very little from 2004-2024. It dropped due to the COVID-19 Pandemic recession. It has since returned to pre-COVID levels but, as per the national trend reported in the Rising Storm, it does not appear that female labor force participation is making up for the significant drop in male labor force participation from 71% in 2004 to 66% in 2024.

WOMEN LABOR FORCE PARTICIPATION RATE



Source: US Census Bureau, Current Population Survey

Overlooking Michigan's 'Not-So Secret Weapon' – Skilled Immigration

Michigan has been and continues to be a home base for many immigrants. Since the Score Card was first prepared in 2004 the percent foreign born with a bachelor's degree, or above, has more than doubled in Michigan.

Foreign born with BA+ as percent of total population:

2024: 2.4%

2004: 0.8%

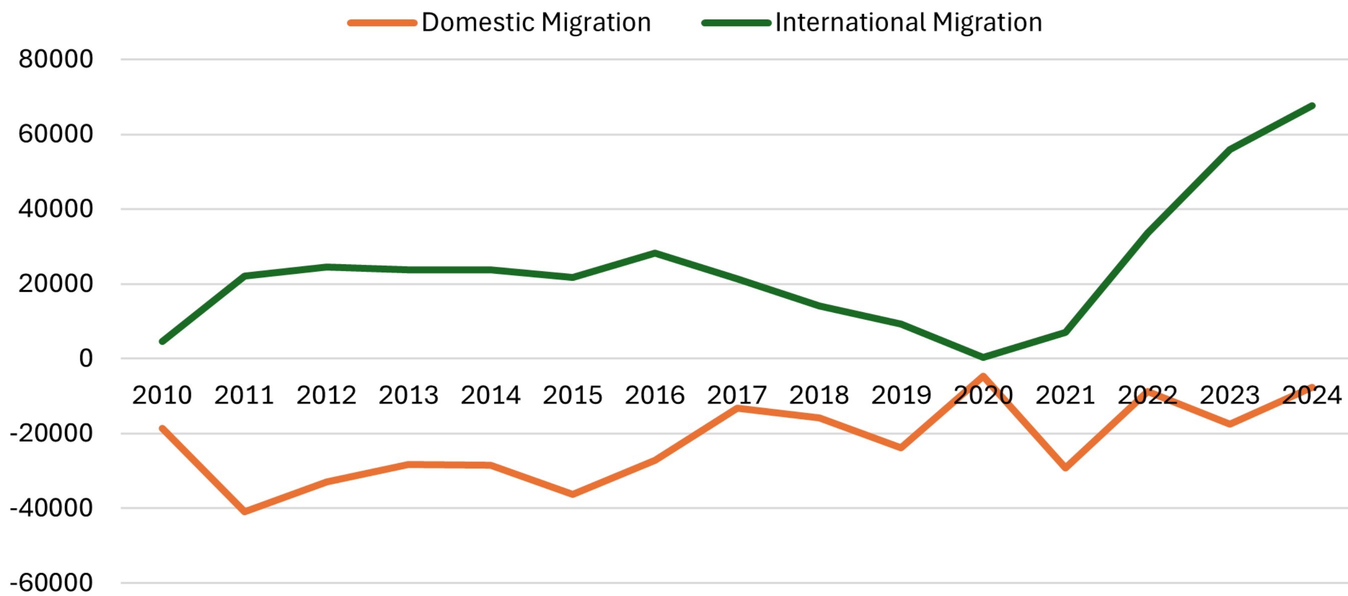
Percent of those with BA+ that were foreign born:

2024: 9.2%

2004: 4.6%

With slow population growth, immigration can be one lever to boost output and productivity. The state's 'brain/skill drain' has lessened noticeably, beginning 2021. Gains from international immigration have been positive over the last decade, increasing in recent years. However, Michigan does continue to experience domestic loss to other states, though the annual amount has been decreasing.

ANNUAL INTERNATIONAL AND DOMESTIC MIGRATION FOR MICHIGAN, 2010-2024

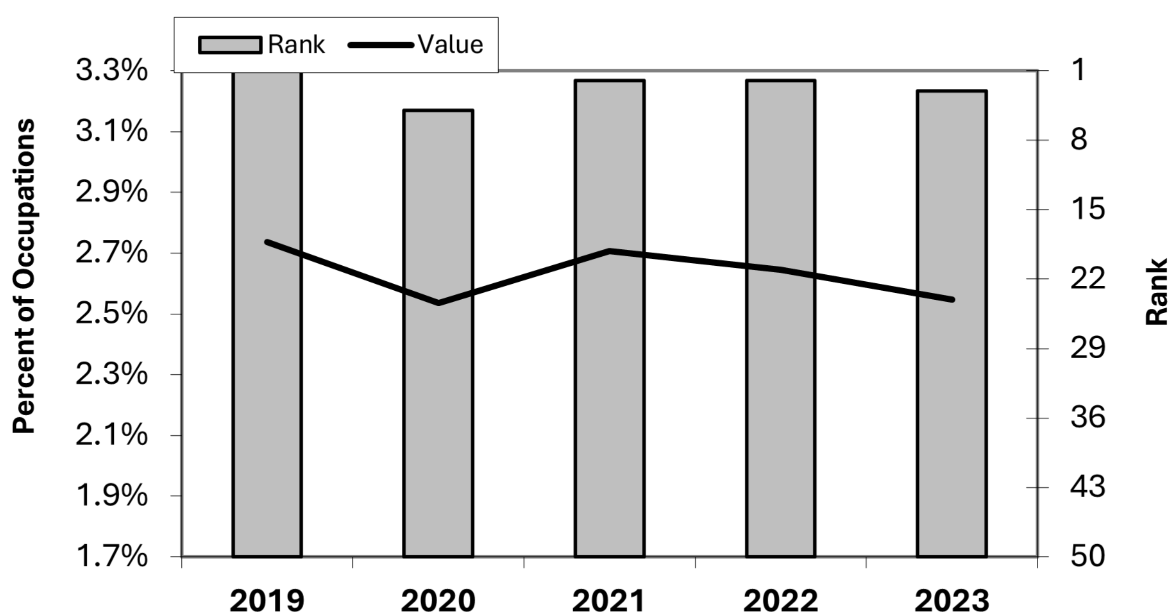


Source: US Census Bureau, Population Estimates

The Technology Workforce in Transition

Information, knowledge, and ideas are critical assets for success in the innovation economy. Having a strong technology-oriented human capital base will be a necessity in the modern economy. Michigan can capitalize on respective strong human capital assets as means to economic progress relative to other states.

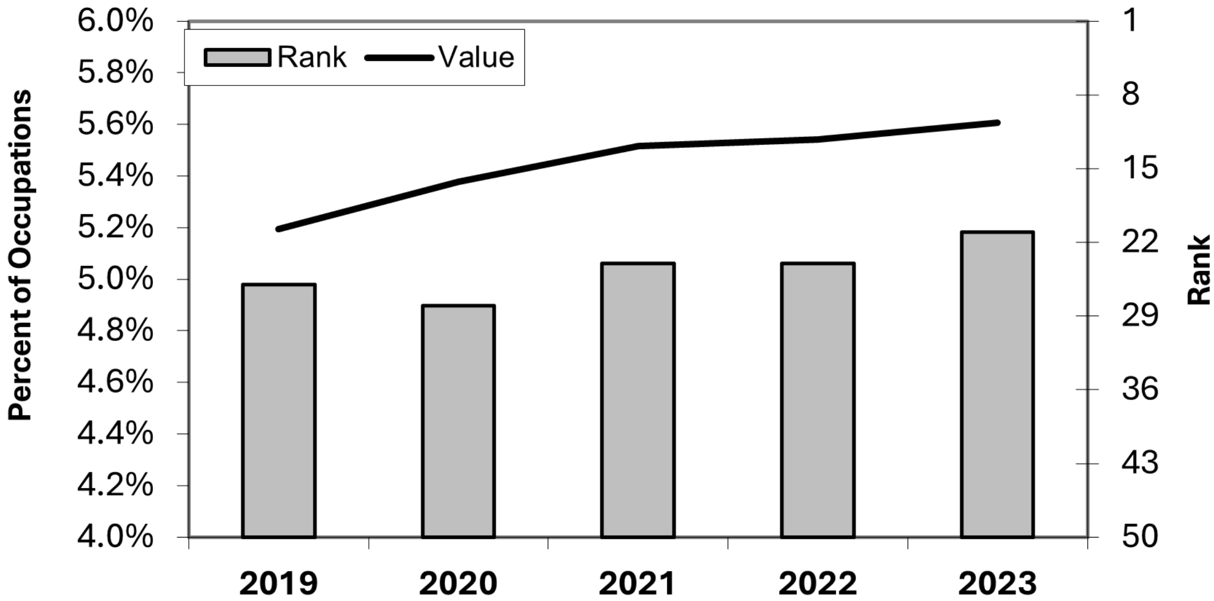
PHYSICAL S&E WORKERS MICHIGAN, 2019-2023



Source: Bureau of Labor Statistics

Over the last 10 years, Michigan's Physical Science and Engineering workers as a percent of all workers has ranked in the top 3 with the exception of 2020 at rank 5. However, the share of workers has seen a slight downward trend over the past 5 years.

TECHNOLOGY & TECHNICIAN WORKERS MICHIGAN, 2019-2023



Source: Bureau of Labor Statistics

Mid-level Skilled Technology. To focus exclusively on bachelors' degree attainment as a measure of a state's human capital quality is mistaken. In fact, some of the most critical occupations for the success of various industries lie often in fast-growing mid-level categories like skilled trades, technicians, and technologists. Over the past five years, the share of this occupation group in Michigan has seen a small rise as well as an improvement to rank 21, the highest since 10 years ago.

Further strengthening of this talent pool can mitigate talent supply risks for Michigan's many future tech and non-tech growth companies.

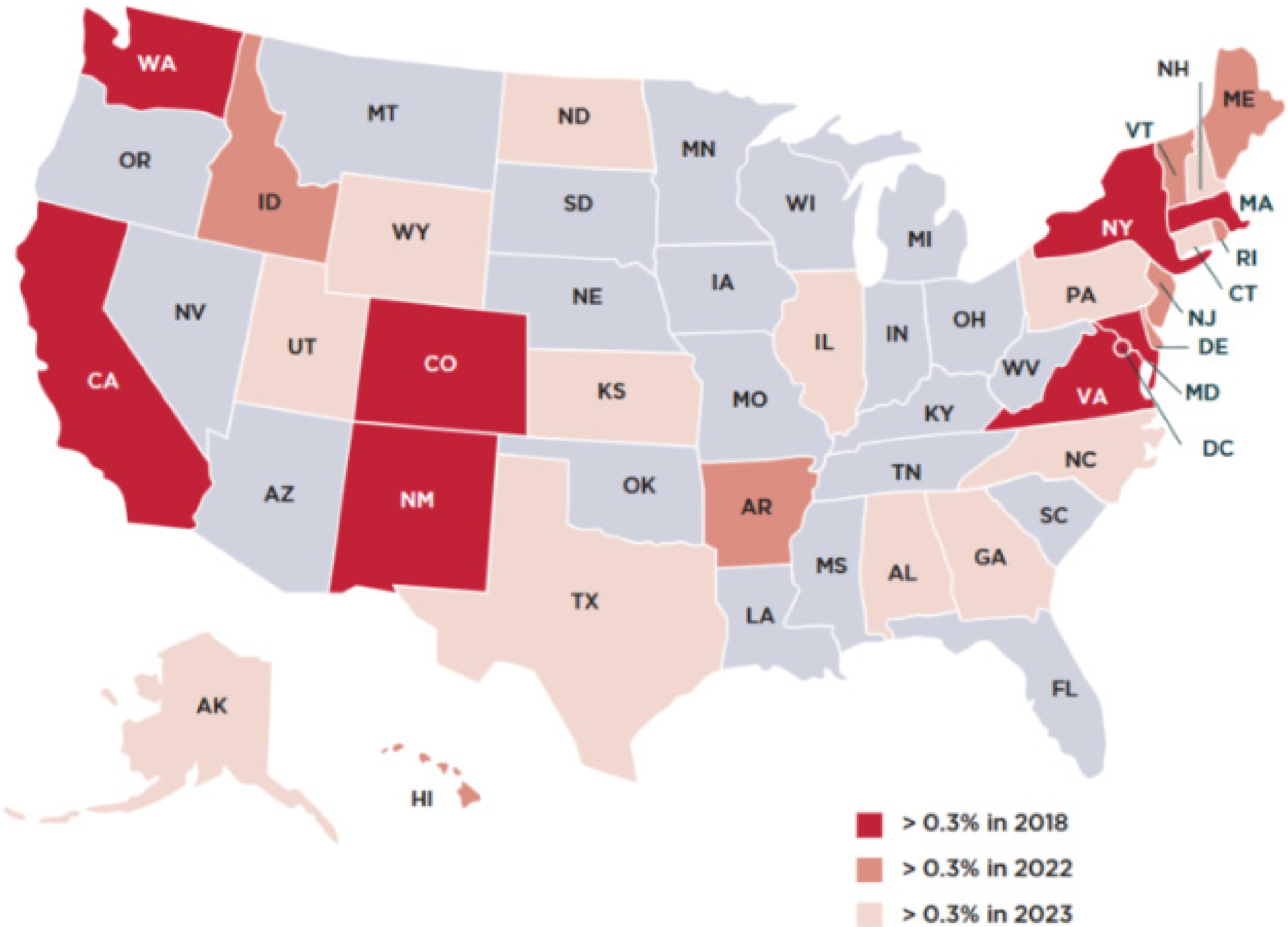
Automation, Robotics and Artificial Intelligence

Automation, Robotics and Artificial Intelligence are being touted as offering major breakthroughs in virtually all industries/all walks of life. These technologies are of particular promise to a state like Michigan with a slow growing workforce. A rule of thumb has been that economic output is primarily a function of number of workers plus their labor productivity. Now these frontier technologies offer promise of vastly improve labor productivity, reducing demand for as many traditional workers.

Michigan has a long experience with automation in manufacturing, agriculture, logistics and warehousing etc. The 2022 chart below, prepared by Lightcast, a labor market analytics firm, shows Michigan as one of the gray states, indicating it has yet to catch up with a 2018 California threshold in terms of the share of job postings mentioning AI skills as a share of all postings. Nevertheless, Michigan ranks in the top ten in 2022 in terms of total AI related job postings, i.e. in absolute terms. It shows a strong focus on AI-related jobs relative to other states, but the relative focus of the economy compared to other job postings is still lagging behind.

Figure 3. Diffusion of AI Skills Across US States from 2018 to 2023

Measured by the year in which each state surpassed California's 2018 share of postings with AI skills



Source: Burning Glass Institute analysis of Lightcast job postings data

Observation: State Policy/Strategy Options

This chapter does not do justice to the extent of Michigan's workforce challenges. The chapter is exploratory to the point of raising awareness that a deeper dive is warranted especially if tighter immigration controls constrain Michigan's sourcing from foreign immigration.