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CONTACT: Matt Resch  
(517) 373-8982  
Bill Nowling  
(517) 373-5899

# Republicans Vow: “We Will Fight For Every Michigan Job”

## *Legislative Leaders Announce Jobs and Economic Stimulus Plan*

### Creating Manufacturing Jobs, Spurring Business Investment Top GOP Proposal

LANSING – Standing on the factory floor of a locally owned and operated tool and die facility, House and Senate Republicans today unveiled an unprecedented proposal to protect existing and create new manufacturing jobs in Michigan, spur new business investment, and provide incentives to expand and grow the state’s slow-moving economy.

The nine-point plan, announced today by House Speaker Rick Johnson and Senate Majority Leader Ken Sikkema, marks the first time both Republican majority caucuses have come together behind a common goal. Both leaders said the proposal would top their respective chambers’ fall legislative agenda.

“The only way we are going to solve Michigan’s economic woes and eliminate future deficits is to grow our economy, and this Republican proposal is designed to do that,” said Sikkema, R-Wyoming. “The deficit we face today is the direct result of the good-paying jobs Michigan families have lost since the recession hit. These initial nine steps in our plan will create the opportunities and jobs needed to lead Michigan to economic success.”

Speaker Johnson, R-LeRoy said Republicans have a strong track record on helping Michigan businesses create jobs and strengthen the state’s economic engine. Now, he said Republicans will use what they learned in the 1990s to help turn around Michigan’s economy.

“Michigan and its workers are losing jobs, and that is unacceptable,” Johnson said. “We are going to fight for every Michigan job to preserve our way of life, and we

won't stop until every person in Michigan who wants a jobs, has one."

Capping off the stimulus plan is a package of bills to revitalize the states floundering tool and die industry, which has been especially hard hit with job losses and overseas competition. The main component of this package is the creation of Tool & Die Recovery Zones that would provide the tax relief of a Renaissance Zone.

The other marquee of this proposal is a tax incentive for new startup businesses. Under this proposal, startup businesses would be exempt from most taxes in their first two years of operation, and then have their tax liabilities phased in over the following four years.

In addition to the Tool & Die and startup businesses incentives, the Republican stimulus proposal would:

- Reauthorize the Michigan Economic Growth Authority (MEGA), which expires on Dec. 31. MEGA is the state's main tax-incentive granting authority used to spur economic development;
- Create a Venture Capital investment incentive by offering income and Single Business Tax breaks to venture capital that lose money investing in Michigan startup businesses;
- Establish a Clean Michigan Initiative (CMI) revolving loan program to cleanup abandoned Brownfield sites. This program would transfer the remaining CMI funding for into a grant and loan program;
- Expedite the 2002 voter approved Sewer Bond Initiative to allow communities to start construction projects sooner;
- Call on the Michigan Economic Development Corporation to create small business and manufacturing czars whose jobs it would be to provide focus on small business start-ups and to spearhead efforts to retain and create manufacturing jobs in Michigan; and,
- Start a Healthy Forest Initiative that would adopt forest management changes to protect the environment and create new job opportunities by strengthening Michigan's timber industry.

Johnson and Sikkema said many of the proposals in the stimulus package came from the House and Senate Joint Committee on Business Competitiveness. That committee, chaired by Rep. Clark Bisbee, R-Jackson, and Sen. Alan Sanborn, R-Richmond, conducted hearings around the state to gather information and solicit public opinion on how to make Michigan more competitive for jobs and business investment in the 21<sup>st</sup> century.

The leaders also said this nine-point stimulus package represents only the first phase in Republican efforts to strengthen Michigan's economy. After lawmakers finish work on these proposals, they will turn their attention to new incentives and legislation aimed at keeping the state's economy on the move.

# **House Republicans: Fighting for Every Michigan Job**

*“We are fighting for every Michigan job. The time for summits and focus groups is long past. It is to get Michigan rolling again and preserve our quality of life.”*

## **Lower Taxes for New Job Providers**

- New companies face many obstacles; high taxes shouldn't be one of them. By exempting new businesses from most taxes in their first two years, we give them time to get on their feet grow and create jobs for people.

## **Strengthen Michigan's Manufacturing Foundation – The Tool and Die Industry**

- Michigan has been hard-hit by the loss of quality manufacturing jobs. Republicans will help the tool and die industry – a pillar of Michigan manufacturing – by providing the financial tools to help these businesses succeed.

## **Bring New Investment and New Jobs**

- We will also focus on finding new opportunities for workers. A new Michigan Capital Investment Authority will recruit investors, provide contingent tax credits for proven businesses and help draw more businesses to the state.

## **Clean Up Our Core Communities to Create More Jobs**

- The voter-approved Clean Michigan Initiative has made great strides in improving Michigan's environment. Our plan focuses CMI resources on redeveloping core urban areas where companies have left and job loss is high. Rebuilding Michigan's urban brownfields is good for workers, good for the environment and good for the economy.

## **Fast-Track Sewer Rebuilding to Jump-start Jobs**

- Through a voter-approved bond proposal, Michigan stands ready to invest millions in updating our sewers. We will put these infrastructure upgrades on the fast track, generating jobs and improving environmental protection.

**PHASE ONE**  
 Begin Immediately  
 Finish By Year End-Break

Idea	Description	Status of Idea/Bill	Political Value of Idea	Press Value
<p><b>Mega Reauthorization</b>                      (The Fighting for Every Michigan Job Act)</p>	<p>Extend sunset, re-name(?), include NextEnergy, agricultural processing, high tech and bio diesel language. Include legislative branch appointments to board.</p>	<p><b>1 - Ready</b>                      Draft bills in House                      Bills in Senate</p>	<p><b>1 - High Priority</b>                      Need to do before 12/31/03.                      Politically popular.</p>	<p><b>1 - High Value Message</b>                      -Michigan is losing more jobs each and everyday, now is not the time to unilaterally disarm. We must fight for every Michigan job and use every tool at our disposal to win the fight. The new Fighting for Every Michigan Job Act is a vital tool and we are going to make sure Michigan put it to use to keep people at work.</p>
<p><b>Venture Capital</b></p>	<p>This legislation creates a MI Capital Investment Authority. Its manager recruits investors for a fund of funds. It is guaranteed by the state through the issuance of contingent tax credits (after 5 years) should the investment lose money. Michigan ranks low nationally in terms of venture capital investment.</p>	<p><b>1 - Ready (almost)</b>                      Bills in Senate                      House double bluebacks on order</p>	<p><b>1 - High Priority</b>                      Governor should be on board, this is viewed as an area Michigan is lacking.</p>	<p><b>1 - High Value Message</b> - We can't only focus on keeping existing jobs, we must find new opportunities for workers as well. New jobs come from people willing to take a chance and invest - invest in Michigan and Michigan workers. This Venture Capitol Fund will draw new investment and bring new jobs.</p>