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# 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 as keeping the state's economy on the move.