



THE ECONOMY

Sustain and Create Business Investment and Jobs in Michigan

Michigan's economic engine is fueled by strong business and entrepreneurial investment, the existence of a ready, skilled and dedicated workforce, and effective infrastructure and mobility systems that support and promote commerce. Governor Granholm is targeting resources to each of these areas to sustain and create business investment and jobs in Michigan now and in the future. The Governor's Jobs Today and Jobs Tomorrow economic plan focuses on short-term stimulus and long-term diversification, growth and revitalization strategies to lead Michigan forward in the 21st century.

The economy work group developed six strategies dedicated to the goal of sustaining and creating business investment and jobs in Michigan, and ranked activities in a manner consistent with the Governor's Jobs Today and Jobs Tomorrow plan and overall economic development priorities. Programs integral to this goal encompass 97 activities in nine agencies. The Governor's Executive Budget Recommendation for economy programs totals \$5.02 billion gross, \$89.8 million general fund, representing 12.2 percent of the total recommended budget for fiscal year 2006.

Strategies to Achieve Goal

- Retain and strengthen Michigan's existing manufacturing, agriculture and tourism base by creating new jobs.
- Increase the number of non-auto related jobs in Michigan.
- Provide more job training to Michigan workers focused on career opportunities of the future.
- Continue to grow Michigan's core communities as diverse, safe and healthy talent centers.
- Use the power of technology to link every community to economic opportunity by making high-speed Internet available to all Michigan households and businesses.
- Keep Michigan's people and commerce moving by improving our roads and bridges and by increasing highway safety

Indicators of Success

- More jobs created and retained in Michigan
- More business start-ups and new capital investment in Michigan
- Increased personal income levels for Michigan citizens
- Increased numbers of highly trained and skilled workers
- Increased tourism in Michigan
- Better roads and highways





Commitments which will Grow Michigan's Economy

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Jobs for Michigan Fund

Jobs for Michigan Fund, is a \$2 billion bond proposal that will create 72,000 jobs, as a key component of my comprehensive plan to restart and reshape Michigan's economy. This proposal calls for an unprecedented investment in Michigan's economic future. The state must propel forward as the nation's epicenter of alternative energy research, a leader in the biotech industry and a hotbed for homeland security innovation, while maintaining our leading role in advanced manufacturing.

Michigan Opportunity Partnership – Job Training Rapid Response

The focus of the MiOpportunity Partnership is to rapidly place 30,000 unemployed Michigan residents in jobs.

This commitment will: place 30,000 unemployed people into jobs by the end of the year, contact 35,000 employers to identify job openings, and will accelerate training for jobs in healthcare and skilled trades.

MI-Opportunity Partnership

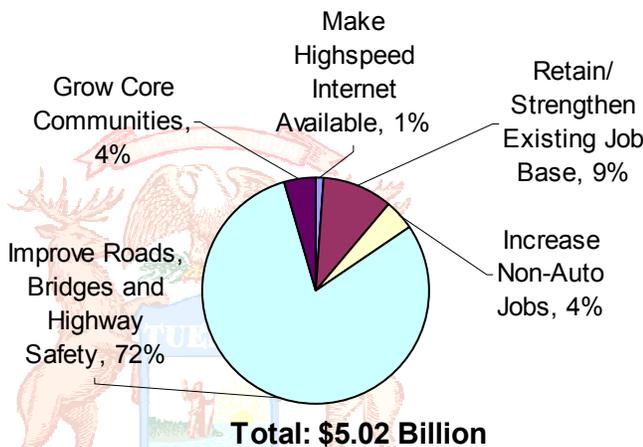
In an effort to conduct immediate, rapid-response training to quickly and comprehensively train and place out-of-work citizens, the Governor is implementing the MI-Opportunity Partnership. This is a collaborative and extremely focused effort with three main priorities:

1. Connect 30,000 unemployed Michigan workers to existing job opportunities by the end of 2005;
2. Connect 35,000 Michigan employers this year to identify immediate job openings and;
3. Provide targeted health care training for health care job vacancies.

Jobs Today Initiative

The Jobs Today Initiative makes an unprecedented investment in Michigan's economic future. It is designed to put tens of thousands of Michigan residents to work. The infusion of public and private investment in Michigan over the next three years will jumpstart the state's economy and have dust flying at construction sites all across the state. This initiative will specifically work at creating jobs in several key areas: renovating higher education and state facilities, accelerating road and bridge repairs, cleaning up polluted sites, building additional affordable housing projects in communities, and renovating aging long-term care facilities.

Economy Spending



Michigan Jobs and Investment Act

The Michigan Jobs and Investment Act is a bold proposal to make Michigan's business tax structure more attractive for job providers. This is the most significant business tax restructuring since the enactment of the SBT 30 years ago. This act will encourage existing major employers to keep and grow jobs in Michigan, cuts small business taxes and helps them grow, helps the state attract the technology and research jobs that will grow Michigan's economy in the future, and provides incentives to businesses to invest and expand in facilities and equipment in Michigan.

Cool Cities

The Cool Cities initiative is designed to help foster the development of vibrant, attractive cities and urban centers. In 2004, 19 cities were awarded a catalyst grant up to \$100,000 and other development tools. In 2005, more Michigan cities than ever will be active participants in this effort to revitalize Michigan urban neighborhoods by making them more attractive places for people – especially knowledge workers and younger people -- to live, work and play. It is expected that 30 additional Cool Cities will be award designations this year.

Michigan Food Policy Council (MFPC)

The MFPC was created to foster a safe, healthy and available food supply to all of Michigan's residents while expanding on the state's agricultural diversity to foster vibrant economic development.

