

GOVERNOR JENNIFER M. GRANHOLM

Friday, March 2, 2007

Hello, this is Governor Jennifer Granholm.

In next several days, I'm holding a series of televised town hall meetings across the state to discuss Michigan's future. These town halls will allow us to develop a more complete understanding of the challenges we face – what it will take to make Michigan competitive in the fight for jobs and economic growth in this 21st century.

Just this past week, a study – the State New Economy Index – showed that Michigan has made huge strides in embracing the new knowledge-based economy of the future. In fact, we have strengthened our position more than any other state in the nation since 1999. We're moving Michigan forward by putting college or technical training within reach of every child, by investing in retraining our workforce, by diversifying our economy and by ensuring that everyone in Michigan has access to affordable health care.

And now – right now – we face the choice keep moving our plan forward, or to fall backwards. The state's budget crisis is a real threat to our ability to make the kinds of changes we need so that our people can compete and win in the future. To move forward, we have to solve our state's fiscal crisis.

After four straight years of budget cuts, we face an unprecedented \$3 billion hole. Even as we're making progress in the new economy, our manufacturing base is battered as never before. That means our state revenues are down – way down – at the same time that Michigan citizens need education, job training and health care more than ever.

So, let me be very clear: My priority is to overcome the enormous economic challenges facing our people and our state.

A few weeks ago, I introduced budget that's a blueprint to keep us moving forward toward revitalization. My proposals include a combination of

- hundreds of millions of dollars in spending cuts;
- cost-saving reforms to our prisons and to the ways local governments and school districts do business; and,
- a new tax structure that is competitive for our businesses, and puts us on stable fiscal ground, and allows us to make crucial investments in our future.

I don't care about ideology, I don't care about interest groups. We need to take this hard and stubborn economy head-on and push forward with confidence and with courage, and we need to do it together.

Over the past four years, our cuts and reforms and investments have laid the foundation. Now, we need to build the walls and raise the roof. But the building will not be easy. It requires strong hands and strong heads. For the sake of our state – this magical state we love and won't give up on – I hope you will be strong with me. I'm looking forward to talking with you and hearing your ideas this week – please check the www.michigan.gov/gov website for times and channels of the town halls.

Thank you for listening.