

Michigan's 2012 Jobs Plan

From the Motor City to the Upper Peninsula, Michigan hands have made the things that have moved people and moved the world. Michigan built the American middle class by paying workers enough to buy the things we make. Michigan succeeded because we chose to think big.

Now is not the time to stop investing in our future. We must support the infrastructure, public services, people and places that made it possible for us to be great and grow a vibrant middle class. Our schools, roads, and clean water systems are the foundation on which to create opportunities, drive innovation and make Michigan great again.

Michigan continues to be challenged by one of the most severe economic downturns it has ever experienced. Global financial problems that brought world economies to the brink of disaster nearly destroyed Michigan's economy and the effects remain across the shores of Michigan. Workers are suffering from high unemployment and families are bearing the brunt of unemployment insurance and family assistance programs that are strained beyond capacity while being drained of resources by Lansing politicians. Fewer jobs means shrinking economic activity and tax revenues, but even now—when state government is projecting revenue surpluses—our elected leaders resist supporting transportation, education, and other building blocks of a thriving society. We need public investments in our roads, schools, hospitals, arts and recreation to create opportunities and drive innovation. We need to invest in health care and retirement security for our workers—the people who paid into and built our beloved state.

Challenging times and our inadequate response to them have tarnished Michigan's luster. Our ability to innovate, create and rebuild our communities must be restored. We can do this by investing in Michigan's future.

Good Jobs for Michigan Families

- Michigan needs good jobs now and we shouldn't reward tax-supported companies that outsource jobs. Instead of wasting time and money on partisan political agendas like so-called "Right to Work" legislation, our elected officials should adopt a **Keep Jobs in Michigan Act** that helps keep Michigan tax dollars working in Michigan. This bill will ensure Michigan tax dollars are used to create Michigan jobs by making sure that companies that hold state contracts or receive state assistance don't ship jobs out of state; Those that do would lose taxpayer support for five years. We also propose a **Buy Michigan, Buy American Act**. This will ensure state tax dollars are used to procure goods made in Michigan or in the United States.
- Another step in having good jobs is to stop destroying the good jobs that are already here. In the past year, Michigan legislators have introduced and passed legislation that lowers wages and reduces health care and pension benefits of many workers. Employment must be fulfilling, provide fair wages and benefits, and have a level of security that offers a maximum level of stability. That security comes from access to decent wages, good health care and secure pensions. Workers need legislation to protect their health care and pensions from political interference. Michigan should pass legislation that protects collective bargaining for all workers. Legislators must stop politicizing the wages and benefits of workers who provide public safety, education, health care and other needs that serve Michigan every day.
- Michigan also needs reform legislation to hold corporations accountable by preventing wasteful and reckless private contracting of our public services. A **Contract Services Budget Act** is needed to provide more transparency, accountability and efficiency to privatization. It would provide detailed information to public officials and the public about how much and to whom taxpayer dollars are spent on service contracts.
- Many times private contracts for public services are handed out without knowing the full impact the change will have on costs or quality of service. A **Responsible Contracting Act** would require a full economic impact study be performed before privatizing public services.
- Michigan began efforts toward the development of clean-tech 21st century jobs, but more is needed to capture the real potential for job growth this economic sector can have on our state. Estimates show that 500,000 jobs could be created in the coming years. Michigan should be positioned to benefit from this growth. **Green to Gold Revolving Loan Fund** legislation would provide businesses the capital they need by establishing a revolving, low-interest loan fund. This would help with retooling manufacturing facilities that could be used for clean-tech start-ups.
- The Michigan Legislature cut corporate taxes by \$1.8 billion and slashed funding for schools, police and firefighters, yet it continues to hand out subsidies and contracts to corporations without holding them accountable. Private contracts and tax incentives should be strongly linked to job creation in Michigan. Michigan needs **Economic Development and Fiscal Accountability** legislation to hold corporations accountable for the tax dollars they receive from the state.

Investing in Michigan's Families and Future

- Michigan's employers and workers are its greatest assets. We excel at working together in cooperation to improve quality, lower costs, and solve problems. This cooperative and creative labor-management arrangement can be used to promote Michigan as an innovative place to establish a business.

- Michigan needs to immediately invest in repairing and modernizing transportation and other infrastructure elements that are critical to rebuilding our economy. Our roads and bridges, water, and sewer systems are crumbling under the weight of decades of neglect. We need upgraded regional bus routes and modern high-speed rail to move workers to jobs, and consumers to businesses. The proposed North American International Trade Crossing must move forward. While President Obama's **American Jobs Act** would provide funds to rebuild roads, bridges, water and sewer systems and schools, Michigan can't afford to just wait for Congress to act. We must also urgently take legislative and other actions at the state level that will keep our infrastructure safe, secure and up-to-date.
- Many job markets of the 21st century will flow to communities that are the best equipped to navigate the information technology revolution. Michigan communities must have the fastest broadband technologies to compete. The Michigan Legislature must expand digital communications networks across the state.
- Education is economic development. It's our future. Our schools are experiencing the strain of a bad economy and poor public policy that drains resources and talent away from public education. Good schools are the most important components in building a diverse and sustaining economy in Michigan, yet many school districts are faced with outdated and crumbling school buildings and too-large class sizes. We need to give teachers the tools and materials needed to provide students the best education possible. Universities and colleges produce well-educated people and the research that provides the engine to move our economy along in an ever-changing world; community colleges work in partnership with employers to provide specific training needs. Legislation must include a commitment to Michigan's public pre K-16 education.
- We need to re-make our cities into attractive, safe and healthy places for business and for people to work, live and visit to enjoy cultural experiences. We need legislation to support our core cities' rebirth that attracts business development and tourism.
- Michigan is surrounded by the Great Lakes, which provide beauty, recreation and a bounty of clean water. We need to protect our waterways from pollution and support our world-class public parks while encouraging private investment to expand tourism that attracts worldwide visitors.

Repairing Michigan's Shredded Safety Net

- Michigan families who work hard and play by the rules shouldn't be abandoned or forced to leave the state when they are temporarily laid off. Michigan now has the lowest base unemployment benefits in the nation and new restrictions make it tougher for jobless workers to qualify for help. To keep families from falling through the cracks of a broken economy and stop the "brain drain" exodus from the state, Michigan lawmakers should restore unemployment benefits they cut in 2011.
- Innovative partnerships between workers, employers and the state unemployment insurance agency can keep people on the job longer while Michigan recovers from the current economic crisis. **Work Share Programs** should be enacted, allowing employees and employers to agree to scale back hours instead of forcing businesses to lay off workers.
- In February 2009, the American Recovery and Reinvestment Act (ARRA) made \$7 billion available to states to modernize their unemployment insurance programs. Michigan failed to pass **Unemployment Insurance Modernization** legislation in 2011 that would have expanded unemployment insurance coverage to workers forced into part-time work and workers who were attending approved worker-retraining programs. Michigan

needs this legislation to assist workers in getting the skills they need for new jobs. This would qualify Michigan to receive its share of the remaining \$2.8 billion in federal stimulus funds.

- Safety is critical to keeping workers on the job. Last year the legislature passed Public Act 266, which diminished workers compensation benefits and Public Act 10, which prohibits MIOASHA from promulgating ergonomic regulations. Michigan must restore these critical components to workers' safety.

Ending Workplace Fraud and Employment Discrimination

- **Worker Misclassification Fraud** hurts both workers and business owners. A growing number of employers are misclassifying workers as independent contractors in an effort to avoid paying taxes, providing workers' compensation insurance, paying minimum and overtime wages, or allowing workers to collectively bargain. This growing phenomenon is costing states millions of dollars in lost payroll and related tax revenue, and denying workers key safety net benefits and rights. Michigan must take corrective action to halt the misclassification of workers. Enacting laws that clearly state the definition of employee and employer, target specific sectors with rampant misclassification, change workers' compensation and unemployment statutes to target abuse, and ensure state agencies are collaborating and sharing data.
- You shouldn't have to have a job to get a job, yet some employers, staffing agencies and online job posting firms are using recruitment and hiring practices that deny employment to the unemployed—simply because they are not working. The Fair Chance for Employment Act would make it illegal to post job announcements that discriminate against the unemployed and make it illegal to refuse to consider hiring the unemployed. The **Fair Chance for Employment Act** would allow states to rescind state contracts from companies who practice hiring discrimination against the unemployed and bar them from future contracts. The Fair Chance for Employment Act would help eliminate the barriers and uphill battles workers face in trying to reenter the workforce.

Conclusion

To move our state forward, we must invest in the people, places and public infrastructure that make Michigan a great place to live, work and raise a family. These are just some of the steps that should be taken now to create opportunities, drive innovation, and get Michigan back on track.

We can't afford to waste time on divisive policies that do nothing to create jobs. It's time for all of us to start working together to put Michigan back to work and build an economy that works for everyone.

The supporters of the Michigan 2012 Jobs Plan are ready to work with anyone and everyone to help make this vision a reality for the people of Michigan.