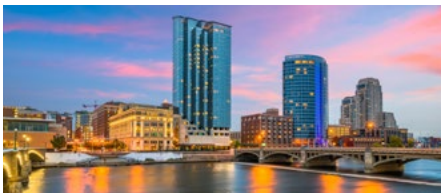
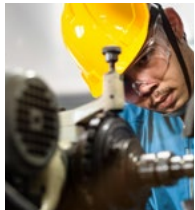
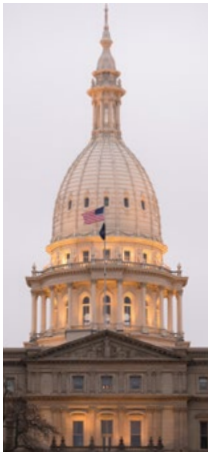


Compete to Win Michigan's Path to Top 10



Compete to Win: Michigan's Path to Top 10

Michigan is at a crossroads. We have reason to celebrate the state's significant progress since the Great Recession to compete nationally and globally for people, jobs and economic growth. Through significant improvements in Michigan's business tax climate, financial stability and infrastructure investments, our state has become a better partner to existing businesses and more welcoming to new investment. Business Leaders for Michigan is proud of the part we have played, along with many people and organizations who all share a passion for Michigan, in shaping those changes and building consensus for them.

The past two years have served as a stark reminder that the headwinds of change are constant. We are facing massive disruptors:

- **Post COVID-19:** The pandemic upended the global economy, disrupted lives and worsened the already urgent challenges we are facing in Michigan's K-12 and post-secondary education systems.
- **A shifting economy and future of work:** The transition to autonomous and electric vehicles, the rapidly changing needs of the automotive and manufacturing industry, and labor force constraints.
- **Prosperity not widely shared:** There's a heightened imperative to combat systemic racism, including by advancing solutions to create economic equity and expanding diversity, equity and inclusion.

Our people are the lifeblood of our businesses – the students who become our employees, the families who use our services and products, and the innovators who keep our economy competitive on the global stage. That is why Business Leaders for Michigan is using our data-driven approach to reassess and reevaluate the steps Michigan must take to be more competitive.

The world isn't waiting for Michigan to evolve. If we want our people, businesses and communities to compete and win, it's up to us to make bold changes now.

WHY IT MATTERS

Being a Top 10 state for growth helps all Michiganders.

It means companies with good-paying jobs are moving here and expanding here.

It means we have a talented and skilled labor force to fill those jobs. It means a strong education and training system from pre-kindergarten through adulthood, which in turn will lead to a well-prepared labor force, fewer people in poverty and higher household income.

It means more opportunities for people to grow in their careers.

The results of our research and collaboration with our members, policymakers and thought leaders is a plan focused on ensuring Michigan becomes a Top 10 state for jobs, education, widely shared prosperity and a healthy economy.

The research shows leading states today have fundamental strengths in two areas: education/talent and economic growth. This roadmap is focused on laying out Michigan's path towards joining those thriving states. We must be clear-eyed about the challenges ahead. We need long-term planning and investments to improve systems and help people, businesses and communities compete to win.

The following report provides a path forward for Michigan's leaders and explains how Michigan will become a better state for all its citizens. We hope you join us in helping our state reach its full potential.



Jeff Donofrio

A handwritten signature in black ink, appearing to read 'Jeff Donofrio'.

Jeff Donofrio

*President and CEO,
Business Leaders for Michigan*

A handwritten signature in black ink, appearing to read 'Howard Ungerleider'.

Howard Ungerleider

*Dow President and Chief Financial
Officer
Business Leaders for Michigan Board
Chair*



Howard Ungerleider

Executive Summary

Our Vision

Ensure Michigan becomes a Top 10 state for jobs, education, widely shared prosperity and a healthy economy

Our priorities

Do better by our kids

- **Enact near-term changes** to accelerate improvements to the K-12 system
- **Transform our K-12 system** so that we leave no student behind and a high school diploma represents a universal high standard

Our Mission

Benchmark, educate, convene and advocate to improve economic development, talent and equity, resulting in a place where business wants to invest and people want to live and work

Invest in people

- **Remove barriers to economic success** for Michiganders to enter the workforce and progress in their career
- **Improve connections between learning and careers** to ensure individuals have quality jobs and employers have access to talent
- **Increase number of workers with high-demand credentials, degrees and skills** to improve income and quality of life of Michiganders
- **Attract and retain workers to Michigan** to grow our population and talent base



Accelerate our economy

- **Drive a consistent and competitive state economic development strategy** across political terms
- **Become a leading state for business attraction and retention**

Get the fundamentals right

- **Ensure a competitive cost of doing business and good governance**, which will continue to make us an attractive place to do business
- **Invest in infrastructure**
- **Make Michigan a destination** for people and employers

From 2009 to today

Business Leaders for Michigan, the state's business roundtable, was founded in 2009 around a common mission to make Michigan a Top 10 state. Our organization provides a platform for the state's top business and education leaders to collaborate on developing and helping to implement impactful plans to make Michigan more competitive. In the past dozen years, the state has made significant progress, moving up from 49th nationally to 29th.

This report uses Business Leaders for Michigan's updated benchmarks, which provide a more holistic view of how well all Michiganders are succeeding. **Our state-by-state analysis helps business leaders and policymakers focus on where Michigan struggles to surpass other states, and develop specific, data-driven solutions that will help Michigan's people, businesses and communities compete and win jobs, additional income and economic growth.**

Our mission today: **ensuring Michigan becomes a Top 10 state for jobs, education, widely shared prosperity and a healthy economy.**

The benchmarking data includes traditional economic health metrics such as Gross Domestic Product (GDP), median household income and business climate perception. We've also added indicators such as education, labor force participation, net talent migration, poverty, and business creation to provide a better gauge of shared prosperity and future growth.

Why Poverty Matters

By including poverty as one of our benchmarks, we're making it clear that those living in poverty matter, that we have a moral and business imperative not to leave them behind, and that Michigan can't prosper as a whole unless all its citizens flourish.

Michigan's national ranking

2009	2021
49th	29th

While Michigan has made significant gains, it still struggles to outpace other states' growth.

Where Michigan stands

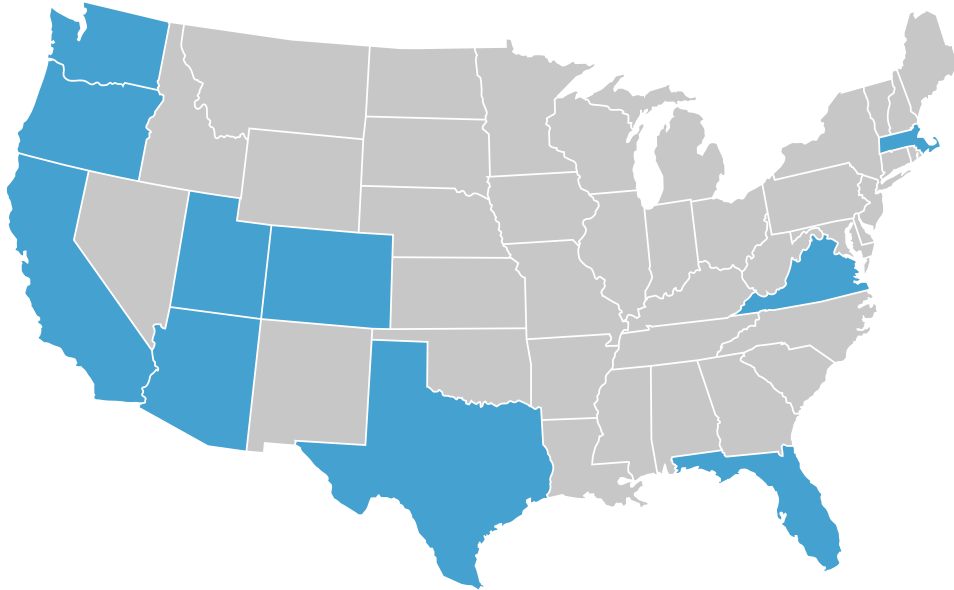
Metric	Current Rank	Growth rate
Labor force participation	41	44
Educational attainment	35	20
Net talent migration*	19	19
Net business creation*	20	20
Business climate perception	15	2
Poverty	34	8
GDP per capita	36	37
Median household income	35	40

*Same metric used for current rank and growth rank due to high year-to-year volatility

Defining Top 10 States

Our benchmarking shows that Top 10 states have fundamental strengths in two areas: **education/talent and economic growth.**

Top 10 States



1. Utah
2. Washington
3. Colorado
4. Texas
5. Massachusetts
6. Virginia
7. California
8. Oregon
9. Florida
10. Arizona

Michigan's Path to Top 10

Becoming a leading state for growth will not happen overnight. It will take consistent, long-term strategies, coupled with shorter-term tactics, to move the needle. Michigan must stay focused on decades-long growth that transcends politics and each election cycle if it is to make significant progress.

If Michigan was a Top 10 state today it would mean:

\$11,631 more annual income per household

4,280 more companies being created annually

350k more workers in the workforce, which is the equivalent of all the full-time U.S. employees of Google, Apple and Facebook moving to our state

320k more college degrees/credentials – about the populations of Grand Rapids and Ann Arbor combined

60k more people moving to Michigan annually, adding a city the size of Royal Oak each year

Lifting 200k people out of poverty in Michigan

Do better by our kids

Education is foundational to Michigan's success. We must have best-in-class K-12 and post-secondary education and training systems to prepare Michiganders for the jobs of the future, to close the talent gap with leading states and to be competitive for new jobs and business investments.

Michigan's population is aging, with more than 100,000 individuals expected to age out of the workforce in the next eight years. With fewer workers, not enough people moving to the state, and low labor force participation, we cannot afford to leave anyone behind. Our economy will suffer without sufficient numbers of highly skilled individuals to fill jobs. In order to attain widely shared prosperity, we have to make significant improvements to our education system and remove roadblocks to success.

An outdated model

Michigan has struggled for a number of years to improve K-12 educational outcomes. Other states and many other countries are far ahead of us. Although Michigan has skilled and dedicated teachers and administrators, student test scores are among the lowest in the country. The system was built first for an agricultural economy and then transitioned to move students from the classroom to the assembly line. It has not kept up with the shifting needs of the 21st century economy.

COVID has made matters worse. Test scores have declined an average of 10% and teacher shortages have become dire. In addition, COVID has yet another light on the disparities in education in historically disadvantaged communities, including the lack of support, resources and access to learning opportunities.

We must act now

We have to act with urgency to assure every child gets the support needed to be successful in and out of the classroom. After high school, every individual must have a viable pathway to college, career training or an apprenticeship.

KEY NATIONAL METRICS:

39th in 4th grade reading

33rd in 8th grade math scores

41st in high school graduation

10.6% gap between average high school graduation rate and those in poverty



WHY IT MATTERS

States with the highest rates of education attainment have the highest quality of life and the largest incomes

Do better by our kids Recommendations

Enact near-term changes to accelerate improvement to K-12 system

- **Support teacher retention and growth:** Establish future educator fellowships and support teachers through retention programs
- **Maximize dollars to classrooms:** Create operational consolidation and efficiencies, drive additional service sharing, and restructure pensions
- **Invest in support programs:** Provide consistent additional before/after school support and summer learning programs to help with recovery from COVID learning loss and accelerate learning
- **Track and report student outcomes:** Improve our data systems to track information from early childhood to college and training enrollment and beyond to identify investments and interventions that work
- **Standardize IT systems:** Link disconnected systems to gain financial and operational efficiencies and drive more dollars into the classroom



Transform our K-12 system so that we leave no student behind and a high school diploma represents a universal high standard

- Enact a world class college/career-ready performance standard:** Ensure all students can graduate high school fully prepared for post-secondary education or certificate programs

 - Ensure multiple checkpoints in a student's educational journey (e.g., 3rd grade literacy, high school and post-secondary readiness)
- Increase education funding:** Increase per pupil funding to be competitive with top performing states

 - Prioritize equity: Direct revenue increases and growth toward students in poverty, those with special needs, and English language learners, aimed at closing achievement gaps
- Establish meaningful consistent accountability and transparency:** Establish a common set of educational goals

 - Create one easy-to-understand school rating system
 - Use standards-aligned assessments
 - Have the Department of Education report to the governor, and have the governor appoint the state superintendent
 - Modernize student and educator experience: Grow innovative education models
 - Implement competency-based learning that moves away from traditional thinking around time/age as the primary driver of content mastery
 - Expand the ability of all high school students to obtain college credit and certificates
- Improve career and technical education (CTE) pathways:**

 - Strengthen connection to employers and post-secondary credentials: Ensure CTE programs have a direct connection to employers, trades and apprenticeship programs and a path to post-secondary learning and credentials
 - Increase funding and access: Guarantee universal access and funding for students wishing to pursue quality career and technical education

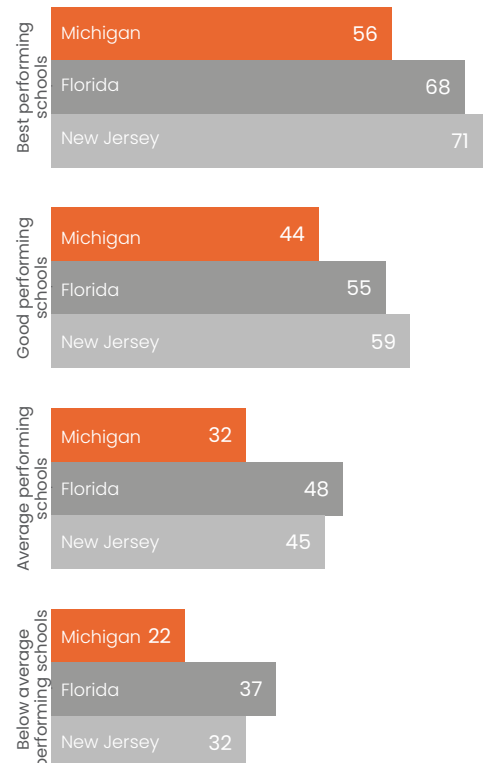
MYTH

Michigan voters believe Michigan schools are average and that their own districts are above-average or excellent

REALITY

Michigan under-performs leading states at every level

In Michigan, the percentage of students proficient in 7th grade math is far below comparable districts in top-performing states





How Maryland is rewriting its K-12 blueprint

Maryland's K-12 system has faced many of the same challenges Michigan faces today: student performance in the bottom half of the country, a regressive funding model, large achievement gaps based on race and income, and only about 40% of Maryland public high school graduates meeting the state's college and career readiness standards.

In 2016, the Maryland Legislature created a new Commission on Innovation and Excellence in Education comprised of 25 major stakeholder groups, including those from labor, business, education and public sector. The commission was asked to study top-performing education systems in the world, and to propose K-12 systems changes to policymakers that would make Maryland a leader in performance.

The 25-member Commission's work resulted in a recently passed 10-year plan that will completely overhaul Maryland's Public education system. "The Blueprint for Maryland's Future" includes more than \$3 billion annually of additional revenue along with a myriad of changes. Reforms to Maryland's K-12 system are based on the National Center for Education and the Economy's Blueprint for a High-Performing Education System. Components of Maryland's plan include:

Support for educators, including increased salaries and career opportunities

Creation & expansion of career and technical education programs

Investment in equity, including for students who receive special education services, English language learners, and schools in high-poverty communities

Conversion to community schools, where a school-based coordinator will help determine a school's specific needs

Early childhood education equity-focused funding

Accountability structure to ensure the Blueprint implementation goes as planned and resources reach classrooms and students

Bottom line: Maryland's leaders have come together to create a best-in-class K-12 system that prioritizes equity, investments and interventions to support future talent needs.

Invest in people

Businesses go where the talent is based. Michigan is in a race with other states for talented people to fill jobs. The availability of highly skilled and educated workers will make the difference between states that excel and those that fall behind in the decades ahead. The state has made progress in recent years, including adoption of a goal to get 60% of working-age Michiganders to have a credential or a college degree by 2030. Talent development programs, such as [Michigan Reconnect](#) and local Promise programs, are achieving positive results. But with the state lagging in labor force participation, degree/certificate attainment and net talent migration, now is the time to develop additional opportunities for adult learners to get degrees or certificates to better position them for the jobs of the future.

Creating inclusive pathways to high-wage, high-demand careers

Michigan Reconnect: Michiganders ages 25+ without a college degree may attend in-district community college tuition-free or receive a discount to attend out-of-district community college

Promise Scholarships: Tuition-free path in some local school districts for trade, two-year and four-year credentials at Michigan colleges

Michigan is expected to lose over 100K working age individuals in the next 10 years

	2020	2025	2030	Change '20-'30
Working age (20-64)	5,799,652	5,714,699	5,698,082	-101,571
Total population	10,023,423	10,202,350	10,424,510	40,1087

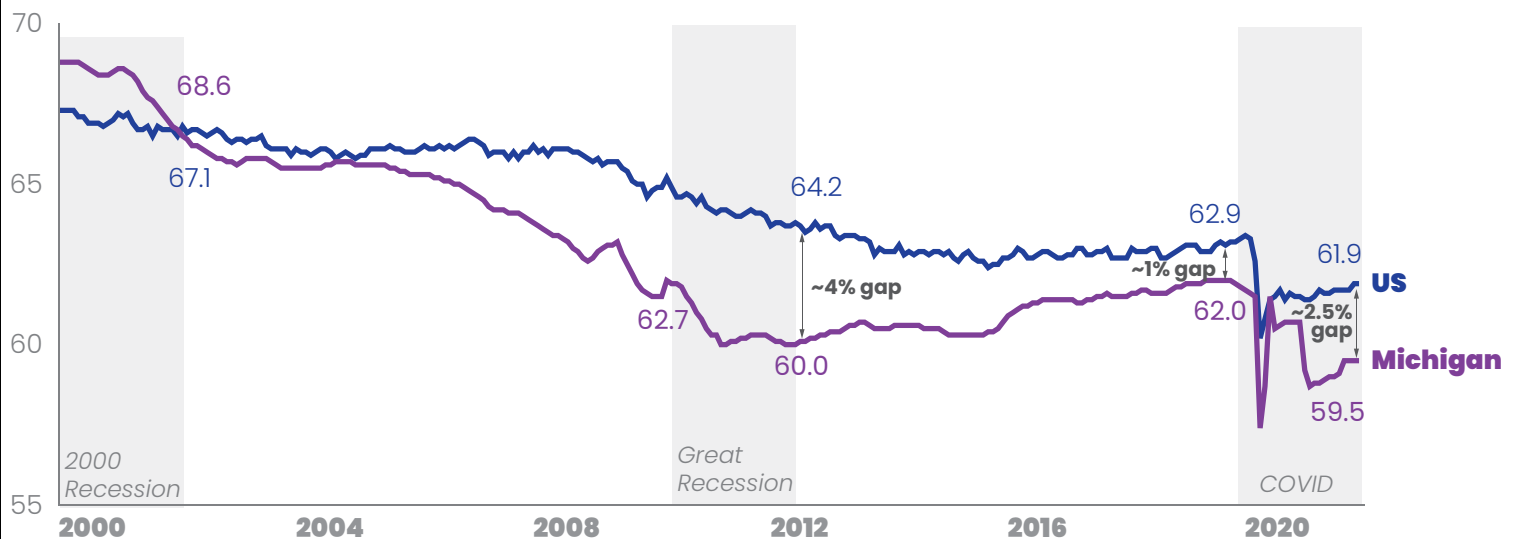
KEY NATIONAL METRICS

19th in net talent migration

35th in degree/certificate attainment

41st in labor force participation

Labor Force Participation rate





WHY IT MATTERS

Invest in people Recommendations

Remove barriers to economic success for Michiganders to enter the workforce and progress in their career

- **Promote skills-based hiring:** Advance skills-based hiring as a tool for employers to fill talent gaps and re-engage those out of the workforce
 - Standardize competencies across industries
- **Expand pathways to employment:** Increase pathways for those with disabilities, veterans, returning citizens and other non-traditional groups
- **Improve access to transportation:** Expand access to affordable and reliable transportation systems (including mass transit) and reduce costs to motorists through infrastructure investments
- **Support driver’s license reform:** Decouple driver’s license suspension from non-safety related fees and penalties
- **Improve childcare options:** Remove childcare as barrier to workforce engagement and career progression
- **Create more affordable and middle-market housing:** Expand affordable and accessible housing options
- **Enact professional licensing reform:** Enact common sense licensing reform (e.g., interstate licensing reciprocity, licensing to restrict entry, etc.)
- **Support criminal justice reform:** Adopt evidence-based practices that eliminate penalties linked to poverty and socio-economic status and reduce recidivism through vocational training and supports in and out of correctional facilities

Attracting and training workers for knowledge-based and highly skilled technical jobs of the future is imperative for Michigan to compete and grow

Talent impacts economic competitiveness

Site Selector Magazine survey ranking “Most important reason businesses choose a location:”

- 1. Workforce availability & quality**

- 2. Transportation infrastructure**

- 3. Workforce pipeline**

Improve connections between learnings and careers to ensure individuals have quality jobs and employers have access to talent

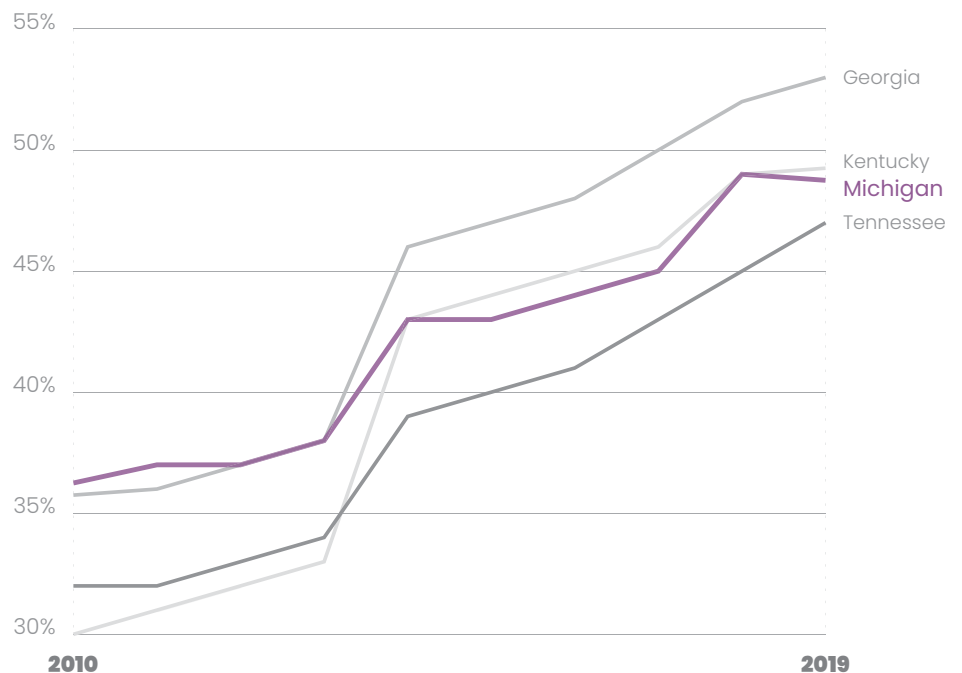
- **Expand career and work exposure:** Increase opportunities for high school and college students to participate in school-to-work transition experiences
- **Drive additional career navigation support:** Provide access to quality advising and coaching support for individuals to make informed career decisions
- **Track results of training providers:** Require training providers, community colleges and universities to track graduate placement results, job provider satisfaction and non-degree outcomes
- **Streamline and sustain employer engagement:** Increase ability to easily coordinate with employers at every level of the talent pipeline to ensure programs meet employer needs and minimize redundancy
- **Improve community college and training systems:** Implement flexible post-secondary systems that are nimble and responsive to evolving economic needs of employers and on demand systems to address talent gaps

Southern states leapfrog Michigan

Michigan has been passed by Georgia and Kentucky in the past 10 years in terms of educational attainment, and Tennessee is catching up

Educational attainment rate

(% of adults with degree or certificate)



Increase number of workers with high-demand credentials, degrees and skills to improve income and quality of life for Michiganders

- **Increase post-secondary degree attainment:** Additional funding for adult college tuition programs (e.g., Michigan Reconnect, local Promise programs, etc.)
 - Re-engage the 1 million Michiganders with some college/no degree to increase two- and four-year completion
 - Engage those who have not gone to college
- **Expand GoingPro:** Support additional employer-driven upskilling programs for individuals tied to progression in their careers
- **Drive high-value skills:** Broaden availability of pre-apprenticeship programs, apprenticeships and high-value certificates and micro-credentials
- **Improve college completion:** Provide additional student success/coaching programs and wraparound services



Attract and retain workers to Michigan to grow our population and talent base

- **Advertise quality of life:** Broaden the Pure Michigan campaign to include talent attraction and business attraction
- **Provide best-in-class attraction activities:** Enhance regional talent recruitment and retention activities such as training partner programs, ambassador programs, etc.
- **Increase legal immigration:** Advocate for pro-immigration state and federal policies, particularly for highly skilled workers, that remove barriers to work for immigrants and make Michigan and its regions attractive and welcoming
- **Keep more graduates in Michigan:** Identify and support programs to retain our college and university graduates
- **Provide more internships:** Use experiential internships to attract and retain young talent



Louisville, Kentucky sets ambitious goal to increase number of degrees

In the early 2000s, structural shifts in Louisville, Kentucky's regional economy from manufacturing to services elevated the need for education and a skilled workforce to remain competitive. To help transform the education system to meet the needs of the local economy, Louisville's "55K Degrees" initiative was formed to target higher education attainment, with the goal of increasing the number of residents holding degrees by 55,000 between 2010–2020. While Louisville faced a number of challenges, they took action to move the needle.

Coalesced community around a common goal:

Convened public sector, business, education and philanthropy to increase degree attainment in the region

Created two years of tuition-free postsecondary education programs:

Every Jefferson County Public Schools graduate, regardless of income status, could afford to get the skills and education needed to earn a living wage

Brokered partnership between workforce development agencies and businesses to upskill or reskill youth and adults and attain degrees tied to careers

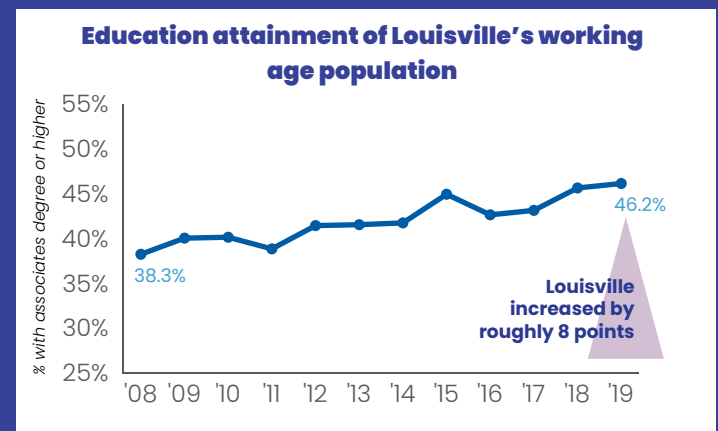
Recognized issues of racial equity and created a specific program dedicated to Black degree attainment: Examined the root causes for gaping inequities and structural barriers to racial equity in education

Lessons learned include:

Adult learners aren't low-hanging fruit: They often require individualized support managing childcare and employment

Initiatives must address underlying inequities (i.e. poverty): Large community issues including evictions limited attainment goals

Cradle-to-career services are necessary: Talent goals won't be achieved with an underperforming K-12 system, and additional wrap-around services (integration of education, workforce, social service and health interventions) are needed



Bottom line: Louisville's leaders increased post-high school educational attainment by 8 points even in a challenging climate

Accelerate our economy

Michigan has flipped the script on business growth over the past decade. In 2011, the state lost 12,000 net businesses; in 2019, Michigan created 2,000 net businesses. Also, prior to the pandemic, Michigan outperformed its Midwest peers in 10-year, five-year and three-year job growth metrics. We also added roughly 15,000 more automotive jobs.

We have a strong foundation to continue growing through through improved business climate rankings, investments in research and development and reductions in poverty. As 2021 came to a close, the state made significant progress with an economic development package that has attracted new investment.

Even as we have made such strides, our growth is being outpaced by the U.S. average. We are losing ground to other states that have been working for decades to strengthen and diversify their economic competitiveness and create unique tools to win jobs.

Living through the age of disruption

Michigan must grow incumbent industries and diversify our economy. As the auto industry rapidly transitions to autonomous and electric vehicles, the state needs to meet the shifting needs of automakers while also attracting and growing emerging industries such as life sciences, IT, professional and business services, and food processing.

Additional measures are required to strengthen Michigan's competitiveness, including in workforce and talent development and customer service.

170k Michigan jobs at risk due to the EV transition - equal to the number of jobs in Lansing and Grand Rapids



KEY NATIONAL METRICS

35th in Median Household Income

20th in New Business Creation

34th in Poverty Rate

WHY IT MATTERS

Economic disruptions in Michigan and across the globe mean it's even more critical that we focus on investments and actions that drive growth



Accelerate our economy Recommendations

Drive a consistent and competitive state economic development strategy across political terms

- **Grow incumbent industries:** Help Michigan companies overcome disruption and grow in the midst of economic uncertainty
 - Win the EV transition
- **Diversify the economy:** Cultivate emerging industries in sectors such as life sciences, IT, research and food processing
- **Become a start-up and scale-up state:** Ensure entrepreneurs can start and grow in our state
 - Leverage our universities and corporate research and development capabilities to drive high growth entrepreneurship/innovation hubs and opportunities
 - Ensure equitable access to venture capital, incubators and accelerators to improve scale-up activities
- **Grow and strengthen Michigan's R&D sector:** Secure Michigan's position as a destination for research and development investment in existing and emerging sectors
- **Organize for regional success:** Support competitiveness of our regions through collaboration and funding for economic, education, and workforce development ecosystems
- **Ensure sustainable funding:** Prioritize consistent funding for economic development at a statewide level
- **Drive regulatory reform:** Expedite permit approvals to improve economic development

Why Intel chose Ohio to invest \$20B

In January 2022, Intel announced a transformative \$20 billion plan to build two semiconductor factories just outside of Columbus, Ohio, employing up to 7,000 people during construction and creating 3,000 Intel jobs – many of them highly skilled. The move is expected to help create a new technology hub in central Ohio as related businesses open new facilities and bring expertise to the region.

The investment offers important lessons for what Michigan must do to compete for knowledge jobs. Ohio beat out 40 other states for the project. State leaders pledged to work with the company to provide skilled workers and gave Intel \$2 billion in incentives. A combination of factors influenced the decision:

- Large shovel-ready site with easy access to energy supplies and water
- Strong coordinated government support at the local, regional and state level
- Competitive labor costs
- Talent availability and quality

Intel CEO Patrick Gelsinger cited the proximity of Midwest universities to the site as a major factor in the decision and said his company plans to transform the Columbus region into the "Silicon Heartland."

Become a leading state for business attraction and retention

- **Provide best-in-class customer service**, including quicker response times with a full suite of options to companies considering expansion
- **Prepare prioritized sites for future opportunities:** Develop a statewide industrial and commercial site development program
- **Provide competitive incentives:** Stay ahead of the competition with innovative, predictable, easy to navigate incentive packages for business retention and attraction
- **Increase access to talent:** Develop a statewide program to provide fast, flexible, customized training for companies moving to or expanding in the state



How Detroit is solving talent gaps through inclusive economic development

In 2019, Stellantis (then Fiat Chrysler Automotive) announced plans to build the first new automotive assembly plant in Detroit in nearly 30 years, bringing 4,950 new jobs and \$2.5 billion of investment.

One of the largest concerns in opening a new manufacturing plant was how to find qualified talent. Other states, like Georgia and Louisiana, were pitching their statewide partnerships to Fiat Chrysler that are dedicated to ensuring new companies have access to talent and provide residents pathways to widely shared prosperity. In order to win the project and make sure Detroiters felt the benefit, the city partnered with Stellantis to fill talent needs.

Detroit's workforce team, Detroit at Work, worked hand-in-hand with the automaker and put in place a unique model that both helped Detroiters connect with good-paying jobs while providing high quality talent to meet the needs of a global employer. As part of the process, no guarantees were made for hiring Detroiters or anyone who did not meet the company's requirements, only that

the company would partner with Detroit At Work and give their applicants the first interviews for open positions.

Similar to what other states offer, Detroit at Work identified/prepared individuals through:

Marketing/outreach: Detroit at Work held marketing events at hundreds of local community centers and churches, preparing individuals for the process to apply for these jobs

Skills prep: Where there was a basic skills gap, Detroit at Work provided training to prepare for the rigorous application exam

Removing barriers: Detroit at Work provided transportation and other support as well as practice interviews, preparing candidates for success

As of December 2021, 5,100 Detroiters were offered a job with Stellantis through the Detroit at Work Program and a dozen more companies have signed up to participate in Detroit at Work's talent program. These types of programs are a benefit for both economic development and the community.

Get the fundamentals right

Since 2009, Michigan has made improvements in tax and business climate, fiscal conditions, and business regulation, which has led to a more positive perception of the state. However, **business competitiveness has changed over time, and Michigan needs to be nimble in order to compete against other states.** Talent drives competitiveness now more than ever, and Michigan must do more to make the state attractive to younger generations, including being a welcoming, inclusive place for immigrants and LGBTQ+ and other diverse communities. In addition, the state must sustain its focus on improving infrastructure – everything from water and sewer lines to broadband and EV charging stations – as well as support the cultural gems, recreational opportunities and natural resources that make Michigan a uniquely attractive place to live and work.

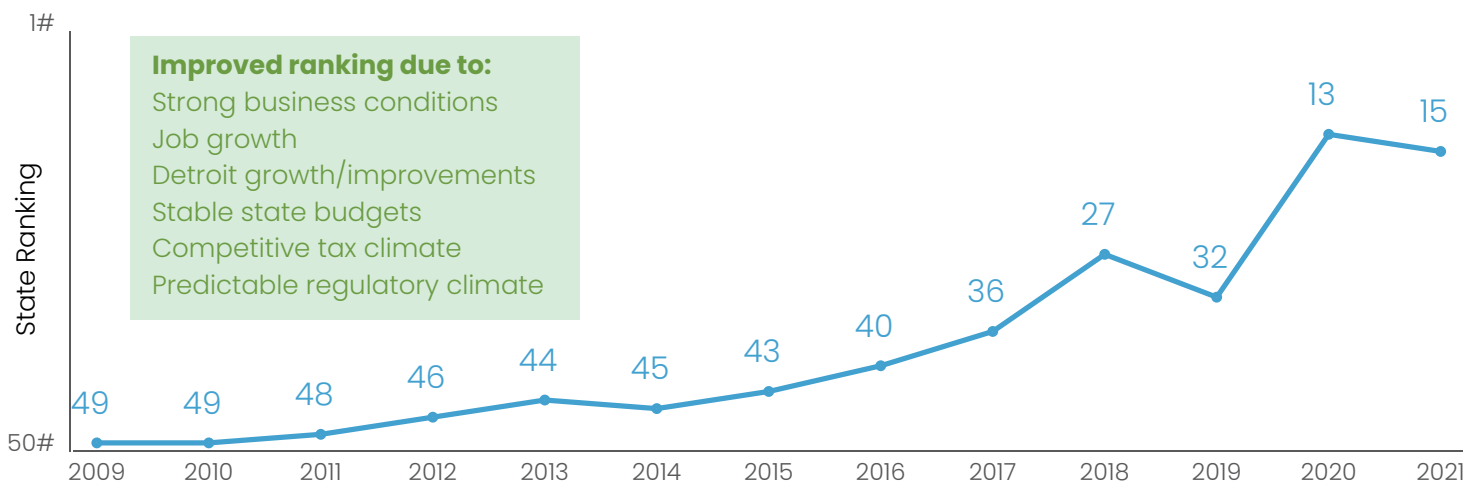
KEY NATIONAL METRICS

36th in GDP per Capita

15th in CEO Business Climate



Chief Executive Magazine Michigan Ranking





Get the fundamentals right Recommendations

Ensure a competitive cost of doing business and good governance, which will continue to make us an attractive place to do business

- **Invest one-time funding in our future:** Accelerate our path toward Top 10 by investing in education, training, sites, economic development and infrastructure
 - Avoid fiscal cliffs
- **Maintain competitive tax system:** Assure a competitive state tax climate that reflects the changing economy
 - Adopt broad, fair and flat tax policy wherever practical
 - Support tax policy that increases workforce participation (i.e. the Earned Income Tax Credit)
- **Maintain competitive energy costs and reliability:** Invest in improvements to electric grid reliability
- **Pay down unfunded liabilities**

WHY IT MATTERS

When companies are looking to expand or locate in a state, they look at the cost of doing business, the reliability of infrastructure and the quality of life

Invest in infrastructure

- **Prioritize infrastructure investments:** Give highest priority to transportation and water system projects based on economic, health, cybersecurity, and safety risks
- **Modernize our transportation system:** Build infrastructure that keeps pace with the transition to electric vehicles, automation and other emerging technologies
- **Modernize transportation infrastructure funding:** Identify new transportation infrastructure funding streams as traditional sources such as the gas tax continue to decline
- **Expand broadband access:** Increase availability of broadband to underserved rural and urban areas
- **Harden infrastructure:** Ensure infrastructure can withstand extreme weather events



Make Michigan a destination for people and employers

- **Improve functionality of state government:** Champion efforts to increase accountability, transparency, efficiency and civility in state and local government
 - Improve term limits
- **Prohibit discrimination based on sexual orientation and gender identity:** Amend the Elliott–Larsen Civil Rights Act to include LGBTQ+ rights and prohibit discrimination based on sexual orientation and gender identity (race, color, religion, sex, national origin, age, height, weight, familial status, marital status, or disability are protected under current law)
- **Create attractive communities:** Improve strategic placemaking projects to attract and retain people and jobs
 - Tap into the state's natural beauty and waterways
 - Support downtown and Main Street development strategies



Austin, Texas a magnet for people and businesses

Austin, Texas is a model for how a local economy can evolve to attract business and people. The groundwork was set half a century ago with strong business attraction. The city boasts relatively low cost of living, no state income tax, lower corporate income tax, low/consistent government regulation and a strong cultural component.

The popular South By Southwest (SXSW) festival, a music, film and tech conference that draws visitors from across the globe, has helped put Austin on the map, exposing it to a global audience, and accelerated its growth.

In the 1960s, university partnerships helped Austin attract IBM, Texas Instruments and Tracor, the first three major tech companies to move to Austin, which built the base for future growth

1970s–80s brought about significant investments in culture and housing, including kicking off the SXSW festival, expansion and beautification of the lake running through town, and low housing prices due to significant speculative development

1990s to today, the city has focused on what attracts talent, improves the culture and supports growth. The city's informal slogan "Keep Austin Weird" was coined in 2002 and is synonymous with being a fun, unique, and welcoming community

Moving Forward

Michigan is well-positioned for the journey ahead. Becoming a leading state will take continued collaboration, bipartisanship, public/private partnerships and innovation.

We should be proud of how far Michigan has come in the past dozen years. Now is the time to keep the momentum going.

We will realize our potential only by pursuing a sustainable, long-term approach while remaining nimble enough to adapt to changing conditions. We must keep our eye on the future, rise above ever-shifting economic and political winds, and move at the speed required to compete for the best and brightest workers and the most innovative and cutting-edge businesses.

Please share this information and talk to your friends, neighbors and elected officials about these issues that are so important for all Michiganders.

Follow us on social media and at www.businessleadersformichigan.com as we work to put these policies into action.

Together, we can ensure Michigan becomes a Top 10 state for jobs, education, widely shared prosperity and a healthy economy.



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Business Leaders for Michigan, the state's business roundtable, is dedicated to making Michigan a Top 10 state for jobs, education, widely shared prosperity and a healthy economy. The organization is composed exclusively of the chairpersons and the executive leaders of Michigan's largest companies and universities. Our members drive nearly 40% of the state's economy, generate over \$1 trillion in annual revenue and serve nearly half of all Michigan public university students. Find out more at www.businessleadersformichigan.com.