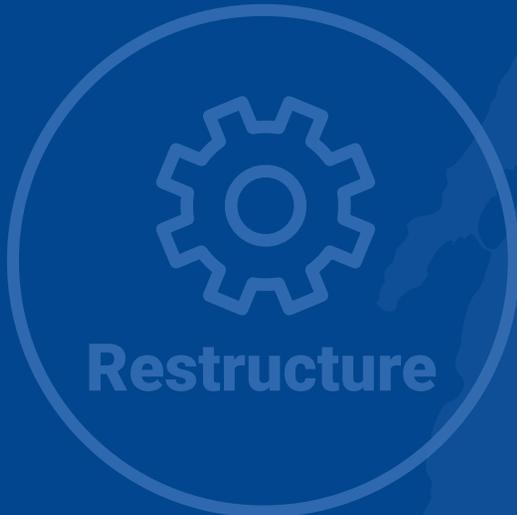


Restart



Restructure



Reignite



**BUSINESS LEADERS FOR
MICHIGAN**

10 YEARS LEADING MICHIGAN TO THE TOP TEN

COVID-19 Economic Recovery Plan

June 1, 2020



10 YEARS LEADING MICHIGAN TO THE TOP TEN

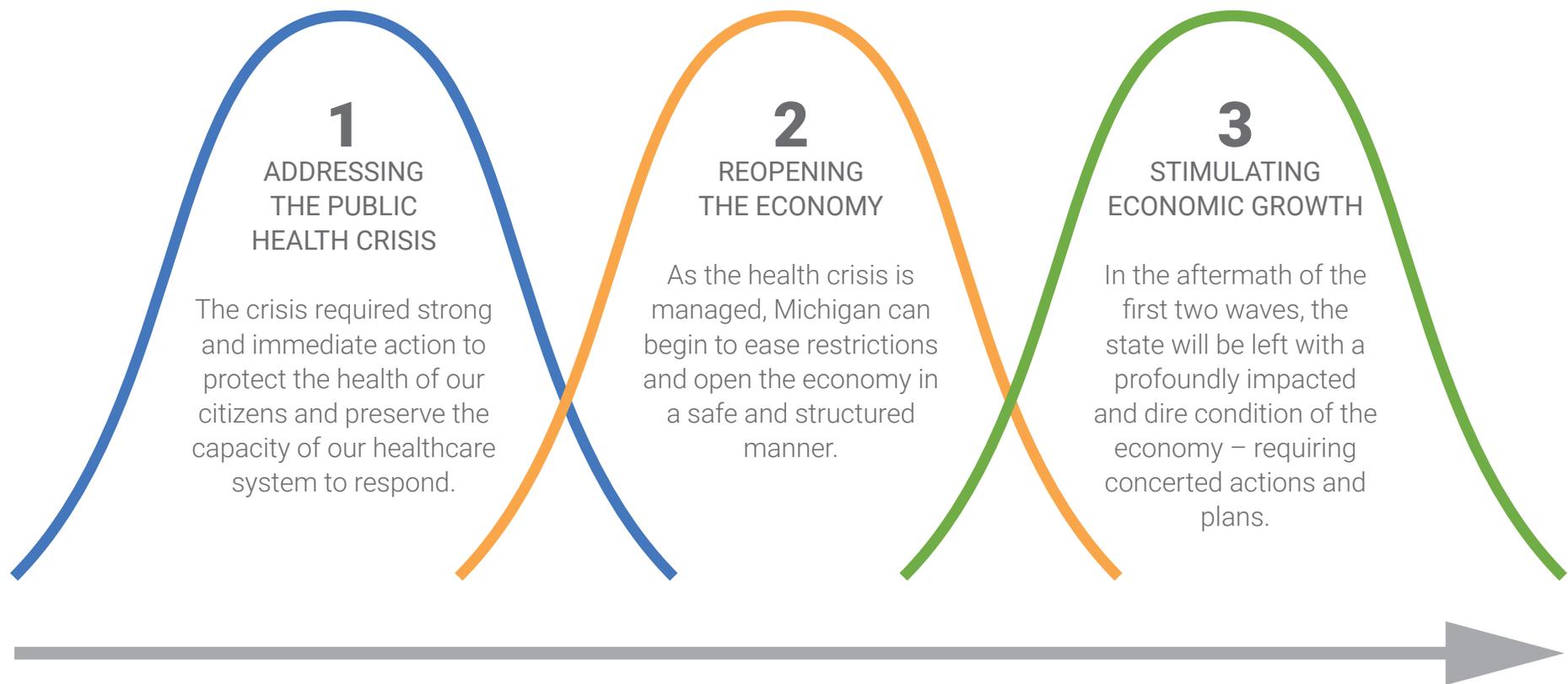
The COVID-19 crisis has had a profound impact on our society. The human toll of this public health crisis will have long-lasting effects. We cannot change the damage wrought by this virus on our people and our health care systems. What we can do now is work to change the trajectory of our state's economy.

Executing an economic growth plan is essential at this juncture. There is no playbook for resuscitating an economy devastated by a global pandemic. So we created one.

We're focused on repurposing existing state and federal government funding to upskill workers who have been displaced, match current employer demands with certifications, ensure our health system has adequate PPE resources for the future, and ask state government to review tax policies, now that the 'who, what, where' of the workplace has changed dramatically.

With your help, we will Restart, Restructure and Reignite Michigan.

Addressing economic growth is the next wave of the COVID-19 response



There are three central priorities for driving economic growth

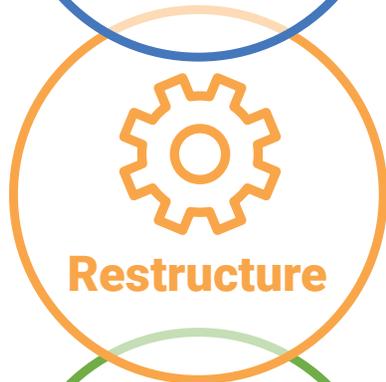
Business Leaders for Michigan proposes the state utilize the three-pillar strategy outlined below to restart, restructure and reignite the economy during the 12-24 month recovery period and follow the principles identified for each.



RESTART: Reengage the Michigan economy safely and responsibly

Principles:

- Limit the chances of another shutdown or prolonged economic downturn by reengaging Michigan's economy methodically with a focus on public health and safety.
- Stabilize the business climate.



RESTRUCTURE: Adapt to new conditions

Principles:

- Leverage federal stimulus and limited state revenues to reflect emerging needs.
- Encourage tax changes that reflect shifts in the economy.
- Facilitate the ability to work, learn, and live in more flexible ways.
- Focus limited resources in the short-term on redeploying displaced workers followed later by more intense reskilling.



REIGNITE: Facilitate economic activity and conditions for growth

Principles:

- Shift economic development priorities during the state's recovery to focus on retaining and growing Michigan companies and attracting their supply chains.



Pillar 1: Restart: Reengage the Michigan economy safely and responsibly

PRINCIPLE

Limit the chances of another shutdown or prolonged economic downturn by reengaging Michigan's economy methodically with a focus on public health and safety.

Stabilize the business climate.

POTENTIAL STRATEGY

The Michigan Economic Recovery Council (MERC) recommendations for restarting Michigan's economy represent a data-driven approach with primacy given to public health and safety and will best position Michigan for a stable recovery.

Adequately supply the health care system to provide critical care.

Assist business to source PPE, such as through Pure Michigan Business Connect and through business associations.

Support implementation of a statewide testing system.

Continue collaborations with national and local financial institutions to identify, fund programs to provide short-term loans, gap financing, etc., to MI-based businesses.

Support continuation and modification of Work Share program to retain employment.

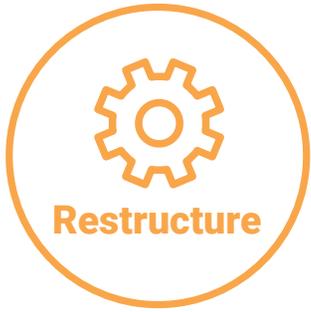
Provide reasonable liability protections for employers that follow state and federal COVID-19 response protocols. Ideas to consider include:

- Protections against adverse employee actions
- Limiting lawsuits by individuals who did not develop COVID-19 (or had something other than COVID-19, such as the flu) or were asymptomatic
- Expand Michigan's Good Samaritan laws to provide retroactive and prospective product liability protection to companies designing, modifying, manufacturing, selling, distributing and/or donating products or services in response to the COVID-19 crisis

Codify the Governor's Executive Order prohibiting Unemployment Insurance benefits paid due to the COVID-19 emergency from counting against an employer's experience rating for unemployment tax calculations.

Extend property tax deadlines for business and allow deferments.

Allow interest/penalty-free payment plans for business taxes.



Pillar 2: Restructure:

Adapt to new conditions

PRINCIPLE

Leverage federal stimulus and limited state revenues to reflect emerging needs.

Encourage tax changes that reflect shifts in the economy.

Facilitate the ability to work, learn, and live in more flexible ways.

POTENTIAL STRATEGY

Form an executive-legislative task force to secure maximum federal funds and identify limited state revenues that can be directed to emerging needs, such as enabling distance learning, redeploying the workforce, and attracting critical supply chains.

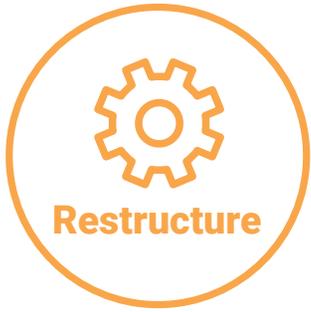
Request MDOT and county road commissions to 1) prioritize projects considering economic impact; 2) streamline the approval process; and 3) place the greatest emphasis on “shovel ready” projects.

Review tax structure for alignment with accelerated trends toward remote work and household delivery of goods and services.

Accelerate rural and urban broadband access and investment, including through Public-Private-Partnerships, to enable work and learning to be performed from anytime, anywhere.

Redirect education funding from administration expenses to bolster investment in distance learning curricula and methodologies, such as by integrating IT systems, adopting shared services at the Intermediate School District level and by consolidating back office operations of small school districts.

Enable a multi-layered K-12 learning strategy to mitigate and overcome learning loss (while continuing learning gains) ensuring support is provided based on student need, such as extending the school day or year, expanded summer learning opportunities, utilization of distance and digital learning, and providing educators with quality professional development opportunities.



Pillar 2: Restructure: Adapt to new conditions

PRINCIPLE

Focus limited resources in the short-term on redeploying displaced workers followed later by more intense reskilling.

POTENTIAL STRATEGY

Direct the Michigan Department of Labor and Economic Opportunity (LEO) to rapidly deploy a Michigan Talent Exchange, partnering with Michigan Works and state trade associations, to connect displaced workers to immediate in-demand positions (e.g., healthcare, grocery, e-commerce, logistics, etc.).

Assign Department of Licensing and Regulatory Affairs (LARA) to identify and implement accelerated certification programs for in-demand positions, leveraging best, "off the shelf" programs of community colleges, employers, labor associations, etc.; to advertise and make certificate programs available rapidly and at scale. Where required, ensure state provides accelerated review of such programs and certifications for those completing them.

Consider extending renewal deadlines or reducing requirements for state-authorized professional licenses and permits, except health-related or with risk to public safety, especially for those in good current standing (enabling focus on business health and productivity, while easing workload on limited state resources).

Prioritize funding for the GoingPro Training Fund and MI Reconnect programs to upskill the workforce once the initial demand for redeployment has lessened.



Pillar 3: Reignite: Facilitate economic activity and conditions for growth

PRINCIPLE

Shift economic development priorities during the state's recovery to focus on retaining and growing Michigan companies and attracting their supply chains.

POTENTIAL STRATEGY

Support small and medium-sized businesses in out-state communities by redirecting Community Development Block Grant dollars from investments in infrastructure, and use Business Development Program dollars to support small and medium sized businesses in urban communities.

Pass legislation with a focus of helping existing Michigan companies attract their critical suppliers in anticipation of a realignment of global supply chains.

Fund Pure Michigan to support re-starting our tourism industry.

Strengthen Michigan's logistics infrastructure to consolidate supply chains.

Develop economic development programs that leverage university R&D capabilities for their greatest potential impact on the local economy and develop a means to share best practices across institutions.

Direct state agencies involved with construction, infrastructure, business expansion, etc., to perform expedited reviews and approvals for permits not creating risk to health, safety, or the environment.



10 YEARS LEADING MICHIGAN TO THE TOP TEN

Business Leaders for Michigan, the state's business roundtable, is dedicated to making Michigan a Top Ten state for jobs, personal income and a healthy economy. The organization is composed exclusively of the executive leaders of Michigan's largest companies and universities. Our members drive nearly 40 percent of the state's economy, generate over \$1 trillion in annual revenue and educate nearly half of all Michigan public university students. Find us on Facebook, Twitter and LinkedIn.