



April 5, 2021

The Honorable Gretchen Whitmer
Governor
State of Michigan
PO Box 30013
Lansing, MI 48909

Dear Governor Whitmer:

For the last two decades, Michigan has struggled to regain its position as a top state for income, jobs, and widely shared prosperity. With Michigan set to receive tens of billions of dollars in federal aid under the American Rescue Plan, leaders at all levels have a unique opportunity to shape Michigan's future. Whether we supported the authorization of this federal aid or not, it's here. The main question now is: will we seize this singular moment to help Michigan emerge from the COVID-19 pandemic stronger – or will we look back years from now only to realize a significant opportunity to transform our state was squandered?

In this moment, leaders must work together across party and jurisdictional lines as almost \$14 billion in these federal funds will be allocated directly to state and local governments, and our K-12 systems with few restrictions. Naturally, there will be many ideas for spending these one-time dollars and an inclination toward doing so quickly. Our organizations strongly urge leaders to take the time needed to assure these funds aren't simply spent, but are used effectively in transforming Michigan into a better place to live, work, and play.

We believe leaders at all levels should follow a few key principles when investing stimulus funding:

- **Focus on Transformational Investments:** The highest priority should be given to investments that help us achieve long-term goals and leapfrog other states and regions in education/skills, fostering business competitiveness and ultimately growing well-paying jobs for years to come.
- **Maximize Michigan's Share of Stimulus Dollars:** Specific federal funding streams and programs address many of the economic, health, and educational gaps created by COVID-19. We should assist Michigan's businesses, residents, and communities in applying and accessing these competitive funds.
- **Protect Flexible Funding and Target Uncovered Gaps:** Flexible funds should fill uncovered COVID health, educational and economic gaps only after other sources are exhausted. Gaps should be well defined using data, and funding should be targeted rather than scattershot.

- **Prioritize Leverage and Avoid Unfunded Mandates:** Investments that leverage private and public sector dollars to achieve larger goals and provide ongoing returns should be encouraged. Investments must be sustainable and avoid creating reoccurring tax burdens for our residents or businesses.
- **Prevent Backsliding:** Michigan has made progress over the last several years, improving its competitive position as it has recovered from the Great Recession. Access to these stimulus dollars should not work against the gains we have made.
- **Measure Outcomes and Assure Transparency:** There should be clear goals and metrics identified and measured, with programs designed to allow for adjustments based on this data. Transparency into where and how the funds are spent is essential.

Make no mistake, other states will use this funding opportunity to become more competitive and leave the working men and women of Michigan behind. By following these basic guidelines, we believe that these dollars can be invested wisely and contribute to sustainable, equitably-shared prosperity for our residents, communities, and businesses. In that spirit, we offer you our support and assistance to make sure Michigan takes full advantage of this once-in-a-lifetime opportunity.

Sincerely,



Rick Baker
President & CEO
Grand Rapids Chamber



Sandy Baruah
President & CEO
Detroit Regional Chamber



Brian Calley
President
Small Business Association of Michigan



Jeff Donofrio
President & CEO
Business Leaders for Michigan



Tim Daman
President & CEO
Lansing Regional Chamber



John Walsh
President & CEO
Michigan Manufacturers Association