Get It Done: Better Skills, Better Jobs for Michigan

GRETCHE N WHITMER’S PLAN FOR IMPROVING MICHIGAN’S ECONOMY, CREATING BETTER JOBS, VALUABLE SKILLS AND GROWING HOUSEHOLD INCOMES
There was a time when people from all over the world moved their families to Michigan in search of economic opportunity. Michiganders created the middle-class and put the world on wheels. Michigan was synonymous with innovation. We built great things. We offered a quality of life that was second to none.

That’s not reality for a lot of Michiganders today. Many Michigan families are struggling to get by. We have an economy of Haves and Have-Nots. According to the United Way’s 2017 Asset Limited, Income Constrained, Employed (ALICE) Report, 40 percent of Michiganders struggle to pay for basic necessities. Things like housing, food, transportation and health care should be guarantees to every Michigander across the state, but they aren’t. Parents tell me all the time about their kids who move out of state, looking for opportunity elsewhere. Michigan’s median income is more than $5,000 below the national average, our roads are crumbling, almost 100 communities lack access to clean, drinkable water, and nearly 40 percent of our population is not working.

Michigan’s “economic comeback” excludes a lot of small business owners, the working class, women, and people of color. At the same time, we are short on the skilled workforce that was once our hallmark. We must get more Michiganders on the path to high-wage skills, because a concentration of talent benefits us all. Michigan must target, grow, and recruit the strongest, fastest growing industries of the future and offer the talent, place, education and infrastructure necessary to compete with the world.

That’s why this jobs plan focuses on raising household incomes by expanding education and skills training, investing in our infrastructure, aggressively pursuing economic development and supporting small business growth so that everyone has a path to a good job and a secure future. It’s not a real comeback until everyone feels it. Every Michigander deserves a path to a high-wage skill, economic opportunity and an income that supports their family.
My plan for improving Michigan’s economy and creating high-paying jobs focuses on:

1) High-Wage Skills
2) Closing the Economic Inequity Gap
3) Unleashing Michigan’s Economic Development Potential
4) Helping Small Businesses Compete

1) High-Wage Skills

Growing economies boast a concentration of talent. Seventy percent of jobs in Michigan in 2020 will require some postsecondary education, but just 37 percent of Michigan workers in 2015 had a certificated skill or degree. Michigan needs to fill an additional 15,000 jobs in skilled trades every year until 2024. College may not be for everyone, but everyone deserves a path to a high-wage skill.

My jobs plan includes a two-year talent investment in our workforce, more pathways to skilled trades training, a reconnect program for adults who need to reskill to get ahead, a rebooted youth corps to help develop work experience for younger Michiganders and expanded opportunities for veterans.

Create the MI Opportunity Scholarship.

» The MI Opportunity Scholarship is a two year debt-free plan to ensure every Michigander has a real path to get the skills or education they need to land a good paying job.

» College tuition is a barrier to higher education and too many graduates are crippled by a lifetime of debt. Michigan ranked seventh highest in average student loan debt in 2017. Roughly 63 percent of graduates from Michigan colleges and universities have student loan debts, which average nearly $31,000 each.

» Every Michigander will have an opportunity to improve their skills at any point in their life with two years of debt-free postsecondary education or skills training - an opportunity that gives people choices, whether college is right for them or not.
The MI Opportunity Scholarships can be used at skilled training programs, community colleges, and four-year universities.

MI Opportunity Scholarships participants would be required to have skin in the game by completing eight hours of community service per marking period, be enrolled full-time and maintain a good attendance record and a deserving grade point average. Students must have graduated from and maintained a good GPA and a high attendance record for the preceding three years at a Michigan high school. Students would also need to participate in a MI Opportunity mentoring program that will help with career navigation, understanding of college admittance, networking in job pathways and development of soft skills so graduates secure good-paying jobs right here in Michigan.

Establish the Michigan Reconnect Program.

The Michigan Reconnect Program would make a two-year talent investment in non-traditional students seeking a technical certificate.

Age should not be an impediment on the path to a good job. Adults who are finishing a certification they already started or going to college for the first time could use this program to reconnect with both the skills they need and the employers who want them.

The MI Opportunity Scholarships and the Reconnect program have a combined estimated cost of less than $100 million annually. This investment will yield millions more in annual returns. A higher concentration of talent increases incomes for all Michiganders.

Expand Michigan’s Food Assistance Employment & Training (FAE&T) Plus Program.

Michigan’s FAE&T Plus is a state partnership with the US Department of Agriculture’s SNAP Education and Training initiative. The program provides job training and support services for those receiving food assistance. Michigan is lucky to be one of the 10 states chosen to be eligible for SNAP E&T 50-50 funding, which matches 50 percent of state and local dollars for job training with federal money. Expanding our FAE&T program across the state and partnering with local governments to increase in-state funding for the program leverages more federal funds and gets more Michiganders skilled-up and ready to work. Job programs like this help Michiganders receive skills training and support services that help them connect with good paying jobs. The program supports basic skills and certification programs that last less than 18 months get people to work. FAE&T lifts people out of poverty and provides independence from state assistance.
Reboot the Youth Corps Mentorship Program.
» The Michigan Youth Corps Program was once among the nation’s largest youth employment programs. During the height of a recession in the 1980’s, it put 30,000 kids to work, and was considered wildly successful. Re-investing in a youth corps program would put us back on top of youth employment.
» If we want to help connect our kids to jobs offering family-sustaining wages and tackle the 18 percent youth unemployment rate, we must empower our young people toward meaningful paid employment and experience in their early years in the workforce.
» Rebooting the Michigan Youth Mentorship Program (MYMP) for young Michiganders helps 18 - 21 year olds earn a wage while developing valuable soft skills and employment experience in professional settings as well as opens doors to higher-wage careers.

Engage Valuable Veteran Experience.
» We must capitalize on the dedicated talent that our veterans have to offer and close the skills gap by working with the US Department of Labor to increase the number of occupations with eligible apprenticeships and leverage federal funding to do this through the GI Bill.
» We will work with the National Guard to coordinate training to align with occupational skills and require every state agency to be a veteran friendly employer. We will help build careers for veterans and match qualified vets to many of Michigan’s need-to-fill positions.

2) Closing the Economic Inequity Gap
Michiganders have been working harder and harder in this economy, but too many families haven’t seen a raise in 10 years or more. Since Governor Snyder took office working families are now paying more of the tax burden in Michigan, including a new retirement tax on Michigan seniors. It doesn’t have to be this way.

In order to be a successful state, we need to be a state of successful people. To build an economy that works for
everyone, we need to focus on raising wages for all working families. We can get it done by:

Raising the Minimum Wage and Protecting Prevailing Wage.
» As Senate Democratic Leader, I negotiated with Republicans to pass a minimum wage increase with a cost-of-living adjustment. We got it done by working together, and as a result of this work, the minimum wage just went up for the fourth year in a row. This was a good start, but we need to do more to raise wages for working people.
» I support a $15 an hour minimum wage phased in over three years so that, over time, all Michigan household incomes rise.
» I will also protect Michigan’s prevailing wage laws, because they ensure that our skilled tradesmen and women get paid a fair wage for the work they do. Prevailing wage assures that Michigan taxpayers get the best value for our money on public infrastructure projects.
» All the “happy talk” about skilled trades and luring more people into the trades to support the growth happening in Michigan is meaningless if workers can’t make a good living doing it.

Repealing Right to Work.
» Let’s be clear, Michigan’s so-called “right-to-work” law had nothing to do with rights or work – it was a direct assault on working people and their freedom to negotiate together with their employers.
» When Lansing Republicans passed “right-to-work” and locked people out of the state capitol, I threw open the doors and led the protests from my office because I will always have the backs of working families.
» As governor, I’ll work to repeal “right-to-work” so all working people have the freedom to negotiate together with their employers for stronger paychecks, good benefits, safe workplaces, a secure retirement and more time to spend with their families.

Enforcing Equal Pay for Equal Work.
» Today, Michigan women still earn only 78 cents for every dollar their male counterparts receive for the same work. That equates to a $11,044 difference in wages. African American women in Michigan earn 63 cents to the dollar compared to men, and Latina women earn 58 cents to the dollar.
» This is unacceptable. As governor, I will demand equal pay for equal work for all state government employees and contractors and prohibit employers from basing pay on salaries at previous jobs where pay was unequal.
» We know that women’s wages help contribute to increasing household
incomes and frequently they are the sole earners in single parent homes. Women and our families deserve better.

Paid Family Leave.
» We must enact strong paid family leave policies so everyone who works for a living can care for their loved ones when they get sick. This promotes workplace health and safety, and improves productivity by boosting workforce morale. Paid family leave offers crucial support for working Michiganders and their families and reduces taxpayer health care subsidies and minimizing costs for employers.

Protection from Discrimination.
» Michigan must be open for business to everyone. Seventeen other states and the District of Columbia have laws fully safeguarding both public and private workers from discrimination based on sexual orientation and gender identity. 20
» Michigan must compete and attract a talented workforce. We will expand the Elliott-Larsen Civil Rights Act to ensure all Michigan workers have legal protections from discrimination. No one should ever be fired or evicted from their home because they are LGBTQ.

3) Unleashing Michigan’s Economic Development Potential
To raise household incomes for all Michiganders, we must commit to economic development and aggressively pursue new opportunities for high-tech jobs. Over the past eight years, Michigan has unilaterally disarmed when it comes to fighting for and attracting good jobs over other states. The Amazon experience is a mandate to get our house in order.

In year one, I will unleash the Michigan Economic Development Corporation (MEDC) and pursue a 52-week Jobs Blitz. We will confront the coming economic realities by adopting a forward-thinking MEDC philosophy with a
real plan to help Michigan compete in the age of innovative robotics, artificial intelligence and nanotech. My administration will take a proactive and holistic approach to economic development so we create an environment where entrepreneurs can create more good-paying jobs for all Michiganders.

Fix the Damn Roads and Rebuild Michigan
» Everyone should be able to drive to work and take their kids to school safely without blowing a tire. Right now, our roads cost drivers $540/yr in vehicle repairs. It’s time to get serious about fixing our crumbling roads, bridges and underground infrastructure. We need everyone working together - Republicans, Democrats, business and labor - and I’ve got a bold plan to get it done.

» My “Get it Done: Rebuild Michigan” plan invests $3 billion annually to rebuild our transportation, water, broadband, and electrical infrastructure. This plan ensures we fix our roads the right way, the first time - with high-quality material and mix - so we get the job done right. The plan also puts people to work (up to 72,000) in good-paying jobs for Michigan’s skilled construction workers.\(^1\)

Improve Michigan’s Economic Development Toolbox.
» Good stewardship requires regular evaluations and comparisons of Michigan’s current economic development policies.

» Historical building and brownfield redevelopment credits will be reinstated to get property back into use.

» We will create a state land acquisition program to turn blighted and abandoned land into valuable parcels and give us the ability to offer ready-to-use land for businesses to rebuild our Michigan.

Buy American, Buy Michigan.
» As governor, my administration will adopt strong and enforceable Buy American and Buy Michigan first policies for state contracting and procurement, to ensure that our Michigan tax dollars are going to American and Michigan-owned businesses. We will get the greatest value for our tax dollars by investing in Michigan businesses that hire Michigan workers. The days of hiring a firm in Iowa to produce the Pure Michigan Travel Guide are over.

Making Michigan the Place to Be.
» Placemaking is an economic development tool used by communities of
all sizes to boost residents’ happiness through strategic placement of recreational, sport, and cultural spaces, venues, and objects.22

» From small cities and towns to bustling metropolitan areas, my administration will invest in placemaking to create more vibrant communities that can attract the kind of talented workforce our businesses need to grow and create jobs.

» Strategically placing parks where residents can enjoy them, inspiring artwork along well-traveled commuter routes or vibrant streetscapes along a lively downtown Main Streets, measurably increases productivity in the local economy, lowers crime rates and improves public health, happiness and prosperity.23

Building on Michigan’s Strengths.

» We must continue our state’s investment in the growing autonomous vehicle industry, which will be worth $42 billion by 2025.24 As governor, I will work to ensure that the next generation of American cars are built in Automation Alley by Michigan workers.

» My administration will establish the nation’s first Department of Mobility and Connectivity. As we work to rebuild our roads, this department will help plan for infrastructure for the future of mobility – developing roadway data structures and systems to facilitate the growth of the autonomous vehicles industry. The department will also work to create a regulatory environment that gives Michigan a competitive advantage to attract business investment in this fast-growing industry.

» We will partner with automakers and ridesharing companies in a state-sponsored, joint venture pilot for the operation of a fleet of autonomous vehicles, made available for use by the general public in urban areas. A proud pilot fleet of Michigan-made autonomous vehicles providing mobility solutions to Michiganders would help solidify the future of the industry and usher in the age of hands-free, personal commuting. This would not only help with the growth of good jobs in the making of autonomous vehicles, but it will also help connect Michiganders with jobs they currently don’t have access to due to a lack of mobility.

» Combining our rich history in manufacturing and automation with our proud tradition as the Arsenal of Democracy, Michigan is perfectly poised to lead the nation in defense industry growth. From convoys of autonomous vehicles delivering supplies and aid, to military applications for the advanced robotics used by the automotive sector, the US military has an insatiable appetite for autonomous vehicle technologies.
Michigan received $3 billion in federal defense spending projects - which is good - but represents only a fraction of the $639 billion total the US spent on the sector. As the country’s defense spending migrates towards wherever autonomous vehicle makers are located, our steadfast support for the state’s existing defense sector and the autonomous vehicle industry will increase Michigan’s advantage in attracting future defense contracts from Washington. A willingness to partner in these projects will allow for a new generation of Michigan’s middle-class to emerge stronger and the pride of knowing that with we are protecting our troops.

» As governor, I will support Michigan’s diverse and high-quality agriculture sector.

» Putting Michigan on the cutting edge of next generation agriculture leads to new jobs in both the ag and tech sectors of our economy. We will expand access to high-speed broadband internet and work to improve collaboration between the ag industry and our research universities to invest in smart-farming, precision agriculture and advanced food processing.

» This allows farmers to implement advanced technology more weather adaptable, increase productivity and yield, and land efficiency that’s environmentally friendly - - which is good for long-term sustainability of both food supply and our economy.

» My administration will work to cultivate the next generation of food producers by investing in the training, education and mentoring of future farmers.

» Michigan has a deep history in healthcare innovation. We must ensure that the growth of the sector and its new technologies, like surgical nanotechnologies and robotics, happens right here in Michigan.

» The healthcare industry is predicted to account for 20 percent of all new jobs added to the US economy through 2026. That’s 4 million new healthcare jobs nationwide. Michigan must compete and attract our share.

» At least 44 other states offer incentives or opportunities for research and development. Michigan does not. Fixing big picture medical problems, like lowering prescription drug costs or discovering a cure for cancer, requires coordinating resources at a societal level. Michigan has ingenious medical minds we should leverage into leadership. We can win the race to life science breakthroughs, but not if we sit on the sidelines.

» Let’s put an aggressive economic development toolbox to work and
spark innovative medical R&D. We will pursue colocation credits that stimulate not only major research and growth of related manufacturing jobs, but make each more productive than they otherwise would be alone. We will also incentivize creation of the high-skilled healthcare jobs of tomorrow here in Michigan.

4) Helping Small Businesses Compete
Small businesses are vital to our economy. Michigan should be the startup leader in the country by cutting red tape and streamlining our regulatory system. We can encourage Michiganders with big ideas to pursue their ambitions, dream up new inventions and develop monumental breakthroughs.

Help Small Businesses Offer Competitive Compensation Packages to Attract and Retain Talent
» My administration will establish the Secure Michigan Choice program – a publicly administered retirement system available to opt-in by privately owned and run small businesses to help them offer affordable retirement services to their employees.

» The size of an employer’s 401(k) plan still determines the cost the employer will pay for it, and small businesses pay double what large corporations do.²⁹ The pooled investment of employee contributions from many small businesses across the state would result in a greater ROI and savings on administrative costs than what is available to small businesses on an individual basis.

Boosts for Early-Stage Investing and Incubation
» Michigan must expand the scope of its economic development for small businesses and entrepreneurs. We will establish a deferred taxation program for angel investing. Other states are seeing successful high-growth startups through use of Angel Investor Tax Credits which incentivize early-stage investors.³⁰ Michigan should compete for these capital investments that are going to small businesses elsewhere.

» MEDC will coordinate traditional incubator as well as virtual incubator systems that will accelerate growth and sustainability of entrepreneurial companies through a variety of resources and services, such as: physical and digital workspace, business modeling and goal mapping, financial
supports, mentoring, “go-to-market” strategy development and networking connections.

» Michigan itself can show its commitment to the success of entrepreneurs by creating a Small Business Reserve program in the state’s procurement process. My plan will do this and set up guaranteed contracts between the state and small businesses, giving them the opportunity they need to succeed.

Support Minority Business Enterprises.

» According to the Department of Commerce, Minority Business Enterprises (MBEs) represent 29 percent of all U.S. companies, and will continue to grow over the next quarter century.

» Michigan does not do nearly enough to help minority-owned businesses access capital compared to some of our midwest counterparts. For example, Michigan’s State Procurement for Minority Owned and Woman Owned Businesses Act has not been updated since its enactment in 1981. This is the law expressing Michigan’s commitment to and support of MBE and women-owned businesses, and requires seven percent of state contracts be reserved to the companies that have historically lacked access to capital. Illinois, however, has set a goal of setting aside 20 percent of state contracts for MBEs and Ohio’s goal is 15 percent.

» As governor, I will work to raise the state’s procurement reserves for MBEs to 10 percent immediately, and set a long-term goal of reaching 20 percent.
15. http://www.michigan.gov/dtmb/0,5552,7-150-9131-412645--,00.html