

No. 9
STATE OF MICHIGAN
JOURNAL
OF THE
House of Representatives
95th Legislature
REGULAR SESSION OF 2010

House Chamber, Lansing, Wednesday, February 3, 2010.

6:00 p.m.

The House was called to order by the Speaker.

The roll was called by the Clerk of the House of Representatives, who announced that a quorum was present.

Agema—present	Durhal—present	Kurtz—present	Polidori—present
Amash—present	Ebli—excused	Lahti—present	Proos—present
Angerer—present	Elsenheimer—present	LeBlanc—present	Roberts—present
Ball—present	Espinoza—present	Leland—present	Rocca—present
Barnett—excused	Geiss—present	Lemmons—present	Rogers—present
Bauer—present	Genetski—present	Lindberg—present	Schmidt, R.—present
Bennett—present	Gonzales—present	Lipton—present	Schmidt, W.—present
Bledsoe—present	Green—present	Liss—present	Schuitmaker—present
Bolger—present	Gregory—present	Lori—present	Scott, B.—present
Booher—present	Griffin—present	Lund—present	Scott, P.—present
Brown, L.—present	Haase—present	Marleau—present	Scripps—present
Brown, T.—present	Haines—present	Mayes—present	Segal—present
Byrnes—present	Hammel—present	McDowell—present	Sheltrown—present
Byrum—present	Hansen—present	McMillin—present	Slavens—present
Calley—present	Haugh—present	Meadows—present	Slezak—present
Caul—present	Haveman—present	Meekhof—present	Smith—present
Clemente—present	Hildenbrand—present	Melton—present	Spade—present
Constan—present	Horn—present	Meltzer—excused	Stamas—present
Corriveau—present	Huckleberry—present	Miller—present	Stanley—present
Coulouris—present	Jackson—present	Moore—present	Switalski—present
Crawford—present	Johnson—present	Moss—present	Tlaib—present
Cushingberry—present	Jones, Rick—present	Nathan—present	Tyler—present
Daley—present	Jones, Robert—present	Nerat—present	Valentine—present
Dean—present	Kandrevas—present	Neumann—present	Walsh—present
Denby—present	Kennedy—present	Opsommer—present	Warren—present
DeShazor—present	Knollenberg—present	Pavlov—present	Womack—present
Dillon—present	Kowall—present	Pearce—excused	Young—present

e/d/s = entered during session

Rep. Wayne A. Schmidt, from the 104th District, offered the following invocation:

“Dear heavenly Father,

Please be with us today and in the future as we gather here this evening to work together to heal our state.

Please give us the wisdom, courage, and guidance as we put aside our differences to help our fellow Michigan citizens who are struggling during these challenging times.

As Your humble servants, please work through us to better serve the people of Michigan, and while we gather here in peace and comfort, please be with the men and women of our armed forces overseas who are in harms way, and remember those in public safety who protect us here at home.

In Your name we pray, Amen.”

Rep. Angerer moved that Reps. Barnett, Ebli, Meltzer and Pearce be excused from today’s session.
The motion prevailed.

Announcement by the Clerk of Printing and Enrollment

The Clerk announced that the following bills had been printed and placed upon the files of the members on Wednesday, February 3:

House Bill Nos. 5773 5774 5775 5776 5777 5778

The Clerk announced that the following Senate bill had been received on Wednesday, February 3:

Senate Bill No. 995

Notices

I hereby give notice that on the next legislative session day I will move to discharge the Committee on Ethics and Elections from further consideration of **House Bill No. 4380**.

Rep. Angerer

I hereby give notice that on the next legislative session day I will move to discharge the Committee on Ethics and Elections from further consideration of **House Bill No. 4382**.

Rep. Angerer

I hereby give notice that on the next legislative session day I will move to discharge the Committee on Appropriations from further consideration of **House Bill No. 5649**.

Rep. Angerer

Announcements by the Clerk

February 2, 2010

Received from the Auditor General a copy of the following audit report and/or report summary:
Financial audit of the Michigan Tobacco Settlement Finance Authority, a blended component unit of the State of Michigan, for the period October 1, 2008 through September 30, 2009.

Richard J. Brown
Clerk of the House

By unanimous consent the House returned to the order of

Motions and Resolutions

Rep. Angerer moved that a special committee of four members be appointed to notify the Senate that the House was ready to meet the Senate in Joint Convention.

The motion prevailed.

The Speaker appointed as such committee Reps. Nerat, Roy Schmidt, Knollenberg and Tyler.

The special committee to notify the Senate that the House was ready to meet in Joint Convention returned to the House along with the members of the Senate.

The committee, through its Chairperson, reported that it had performed the duty assigned it. The report was accepted and the committee discharged.

The Sergeant at Arms announced the members of the Senate, who were admitted and conducted to seats.

Joint Convention

6:30 o'clock p.m.

The Joint Convention was called to order by the President of the Joint Convention, Lieutenant Governor Cherry.

Bishop Edgar Vann, Pastor at Second Ebenezer Church, in Detroit, offered the following invocation:

“O God, the Creator of life and liberty, how grateful we are for Your grace and glory. We are thankful tonight for grace given to our Governor, Jennifer M. Granholm, to lead with integrity and distinction for these two terms. We are also thankful for the spirit of democracy that brings together this August legislative body. May You grant our public servants wisdom, insight, and true leadership as they collectively develop strategies for a sustainable future.

O God, this Great state of Michigan faces the most critically challenging times ever. Our state is down, but our spirit is not destroyed. We still believe that our opportunities are greater than our obstacles, and Your Power is greater than our predicament. Give the people of Michigan the resilience, to not just hope for better days, but to rise together in a spirit of unanimity that brings a new reality and better quality of life.

For these blessings we give You thanks and praise, Amen.”

The roll of the Senate was called by the Secretary, who announced that a quorum of the Senate was present.

The roll of the House was called by the Clerk, who announced that a quorum of the House was present.

The President of the Joint Convention announced that the two Houses had met in Joint Convention to receive the message of the Governor.

Representative Angerer moved that a special committee, consisting of two Representatives and two Senators, be appointed to invite and escort the State Officers to the Joint Convention.

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Roberts and Rick Jones, and Senators Pappageorge and Jacobs.

The Sergeant at Arms announced the special committee appointed to invite the State Officers to be present at the Joint Convention.

The State Officers, escorted by the committee, were conducted to seats.

Senator Cropsey moved that a special committee, consisting of two Representatives and two Senators, be appointed to invite and escort the Judges of the Court of Appeals to the Joint Convention.

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Haase and Pavlov, and Senators Kahn and Olshove.

The Sergeant at Arms announced the special committee appointed to invite the Judges of the Court of Appeals to be present at the Joint Convention.

The Judges of the Court of Appeals, escorted by the committee, were conducted to seats.

Representative Angerer moved that a special committee, consisting of two Representatives and two Senators, be appointed to invite and escort the Justices of the Supreme Court to the Joint Convention.

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Kandrevas and Marleau, and Senators Jansen and Whitmer.

The Sergeant at Arms announced the special committee appointed to invite the Justices of the Supreme Court to be present at the Joint Convention.

The Justices of the Supreme Court, escorted by the committee, were conducted to seats.

Senator Cropsey moved that a special committee, consisting of four Representatives and four Senators, be appointed to invite and escort the Governor to the Joint Convention.

The motion prevailed.

The President of the Joint Convention named as such committee Representatives Nathan, Lipton, Moss and Calley, and Senators Nofs, Richardville, Barcia and Basham.

The Sergeant at Arms announced the special committee to wait on the Governor.

The Governor, escorted by the committee, was conducted to the rostrum.

The President of the Joint Convention then introduced Governor Granholm who gave her message to the Joint Convention as follows:

“Thank you.

Speaker Dillon, Leader Elsenheimer, Majority Leader Bishop, Leader Prusi, members of my Cabinet, fellow citizens, my beloved family...good evening.

Let me begin this evening by recognizing our great Lt. Governor John Cherry. In his 20 years in the Legislature and these last seven as lieutenant governor, he has given his all to the state of Michigan. The working men and women of this state could not have a stronger champion in John Cherry, nor I a wiser counselor or a better friend.

Seven years ago when I spoke to you from this spot for the first time, we paused to recognize the service and sacrifice of our men and women in the armed forces. At that time, the preparations for the invasion of Iraq were well underway.

Over these seven years, more than 9,000 of our Michigan citizens have deployed to Afghanistan and Iraq with their National Guard units along with thousands of Michiganders who have served there with their active duty units as soldiers, Marines, sailors and airmen. In these seven years, 182 have made the ultimate sacrifice for the United States of America.

Let us pause in silence tonight to honor their memory. The courage and commitment of our service men and women humbles us and gives us perspective on the challenges that we face as public servants.

We are joined this evening by Captain Ross Bettis of the Michigan Army National Guard who has just returned to Michigan from his unit's 11 1/2 month deployment in Afghanistan. This was his third tour of duty. He's served for 17 years.

Captain Bettis, will you please stand so we can honor you as a representative of all our servicemen and women.

Given the inspiring service of Captain Bettis and the many other quiet heroes who walk among us... we must ask ourselves – those of us chosen to lead in a time as trying as any in Michigan's modern history – what is *our* call to duty?

For me, it comes down to this: to fight every day for the jobs the people of Michigan want and need. And to help them make the difficult, often painful, transition from an old economy that's disappearing...to a new economy that's only just beginning to emerge.

Let me be clear: Our world has changed, utterly. The old Michigan economy is gone.

Anyone who believed that Michigan would just naturally rebound without making deep and lasting change had a rendezvous with reality in 2009. The year that just ended was a dividing line – the finale of what Time magazine has called the 'Decade from Hell'.

GM, Chrysler and over 50 suppliers declared bankruptcy. A million Michigan jobs lost over the last decade. Record foreclosures. The worst national economic downturn since the Great Depression. And Michigan was at the epicenter of it all.

But if there was any good to come from this painful, heart-wrenching year, it was this: 2009 made clear that the way forward for Michigan is precisely the path we have been forging together...creating jobs by diversifying our economy; educating our people to fill and create those jobs; and helping people when they need it most.

In these seven years, we have completely restructured our education system, top to bottom, so that Michigan's children and its workers have the skills to be successful in this new economy.

And we protected those people who needed a safety-net to catch them in this transition from old to new.

And in these seven years, we didn't just talk about diversification. Step by step, we have been making it happen.

We have purposefully laid the foundation for Michigan's new economy, steadily building each of six new sectors.

Where the old Michigan economy was all about autos and manufacturing...the new Michigan economy is much broader: clean energy, life sciences – like bio-economy and medical devices – homeland security and defense, advanced-manufacturing, film and tourism.

We have steadily focused on the unique attributes that give Michigan a competitive advantage. No state has the skilled workforce we do. Nobody has the capacity and the manufacturing know-how we have. Nobody has the natural resources – the forests, the diverse agriculture, the water – that we have.

Combine that with our great universities and colleges, and we're using these unique assets to attract new companies and whole new industries. That's our competitive advantage.

We're also battling to help our core industries survive the turmoil of a volatile, globalized economy. We don't have to choose between strengthening Michigan's manufacturing industries and diversifying our economy. We have shown that we can do both. We are doing both.

And I, for one, will never apologize to anyone for standing up for American automakers and American autoworkers. I know that whoever sits in this chamber a year from now will have new ideas and new plans, and that's good.

But, Democrats, Republicans and independents alike will have to confront this truth: We cannot turn back. This plan – diversifying our economy, educating our people, protecting them along the way – this *is* the path forward.

Tonight, I will lay out the next steps we have to take in this year to continue to move forward:

- We have to pass a balanced budget - with urgency - one that helps us create jobs.
- We have to reform government to make it work better and cost less so that we can focus on our priorities: jobs and education.
- And we have to take the next steps to bring jobs to Michigan and grow them right here.

So first, we must begin by passing a budget that allows us to target every possible dollar on creating jobs, investing in education, and protecting people. And next week, I'll present a comprehensive proposal that outlines all the steps we'll have to take to enact a balanced budget that protects our priorities.

Like Michigan businesses large and small, and like Michigan families, state government has had to learn to do more with less. Since I came into office in 2003, one out of every three dollars in state revenues is gone. As a result, we have made painful cuts to balance our budget and again face a significant shortfall.

Let's be candid. The budget process is broken – it's a last-minute, crisis-driven disaster. We must do better.

The pundits are already saying you won't agree to a budget in this election year. For Michigan's sake, prove them wrong. It can be done...if you act with urgency, common-sense and courage.

A tall order? Consider this... These are the same qualities the people of our state demonstrate every day as they struggle through this painful period of transition.

You will have my proposed budget by February 12 as the law requires. Hand it back to me by July 1.

A bipartisan group of freshmen in this House of Representatives have called for a constitutional amendment that will require us to complete the budget by July 1. Or else? Dock our pay – yours and mine – for every day we don't get the job done. I call on you to put that constitutional amendment on the ballot. From here on out, let's make movies in Michigan, and let California make the budget dramas.

Last Friday, I proposed 29 reforms for you to act on this year to streamline state government and reduce its cost. In normal circumstances, it would be hard to resolve this many reform measures in a two-year legislative session, let alone a single year. But these are not normal times...and Michigan's future can't wait.

In addition to urgency, the budget decisions you face this year would benefit from a good dose of common-sense. My mom can pinch pennies with the best of them, but she also taught me not to be penny-wise and pound-foolish.

In our budget, we need to make common-sense investments that help create jobs right away. For example, here are three areas of the budget where we need to heed Mom's advice.

And Mom's a Republican, by the way.

First, we must invest in Pure Michigan tourism advertising. For every dollar we invest in these award-winning ads, we get back \$2.23 in state-tax revenues from tourists spending money in Michigan. More than 160,000 people work in the tourism industry in this state – in hotels, restaurants, ski resorts and golf courses. *Fund* the Pure Michigan ads. More people vacationing here means more jobs here.

Second, common-sense dictates that we shouldn't leave money on the table in Washington for roads and infrastructure that would create jobs in Michigan. The federal government will give us \$2 billion over the next four years if we can come up with a 20 percent match in state funds. That's like an 80-percent-off coupon on our roads. Without the match, we lose the federal funds, and 10,000 jobs each year going forward. You can continue to ignore this problem, or you can follow the bipartisan transportation funding task force recommendations on how to fix it.

Third, common-sense also tells us that to create a new economy we have to invest in education. Virtually every economist and anyone who's read the want-ads recently would agree – today's jobs demand a college degree or technical training. That's why it made absolutely no sense to abandon the Michigan Promise Scholarship last year and break a promise to 100,000 Michigan families counting on it to send their kids to college.

Tonight, I am announcing that my budget for the year ahead will restore the Michigan Promise Scholarship, identify a creative way to pay for it, and give it a new focus – keeping our young people in Michigan when they earn their degrees.

And let me be clear...I will also draw the line against additional education cuts in the year ahead. Sure, the choices we face in the budget are tough, but is there a single family in Michigan that would choose to make ends meet in hard times by first sacrificing the needs of the children? As is often the case, common-sense and good values go hand-in-hand.

Adopting the right budget in Michigan this year is also going to require a large measure of courage. The budget I will submit to you next week will require compromise on the part of both parties. It will ask Democrats and Republicans to put narrow ideologies aside and put the common good ahead of the interests of key constituencies. But that is what this moment of crisis calls us to do.

I proposed my reforms to state government on Friday, and the protestors are already on the lawn.

One of those reforms contains incentives to encourage retirement for 46,000 state and public school employees. On average, we'll replace only two of every three state employees who retire, and the new hires will come in under a health-care benefit plan that will cost 21 percent less.

And we will then open up that state benefit plan to local governments, schools and universities, and their employees who want to join in to save money, too.

State government and our schools will definitely miss the contribution of the most experienced employees, but we will save money. That money we can put toward education and job-creation. And we will open up thousands of jobs for people who want to launch careers in public service and education.

Because many of these changes are difficult, I ask you to lead by example. This week, the House took the first step by passing a bill that eliminates lifetime health-care benefits to lawmakers who serve a mere six years. Allowing lifetime health-care benefits for lawmakers would only confirm our citizens' worst fears about government - that it is comprised of those who put themselves first and the public last.

Now let me focus on the next steps in our economic plan. In the year ahead, I'll continue to go anywhere and do anything to bring jobs to Michigan. The most important jobs trips that I take this year may be to Washington, D.C.

One of the best ways we can invest in jobs and education in this climate is to fight hard for our fair share of federal funding. Michigan's auto suppliers have repeatedly said that the banking industry has red-lined them...that they can't get access to capital. So I'll keep pushing Washington to give our auto-suppliers access to the funds they need so that they can diversify and create new jobs in new industries. And I'll urge the federal government to help fund Project Phoenix - our effort to help abandoned auto factories rise from the ashes as new centers of economic activity and job-creation.

Whether it's a renewable energy park at the old Wixom plant or a film studio at a vacant GM factory, these factories can find new life in the New Michigan. We'll continue to seek more funding to connect every region of the state - urban and rural - to high-speed internet service.

And I'll ask Washington to help us continue the work of the Michigan Health Information network - constructing a 21st century health-care information system that will allow us to improve patient-care and reduce costs.

It makes a huge difference to us when we have a partner on the federal level, and I thank the Obama administration and supportive members of Congress on behalf of the 42,000 people who now have jobs in Michigan through Recovery funding.

As a result of the Recovery Act, we have gained unprecedented new resources to invest in the clean-energy sector of our economy; to build batteries, wind turbines and solar panels; and putting people to work weatherizing homes - helping to take us from the rust belt to the green belt.

Whether we are using federal funds or state resources, one of the most effective ways to diversify our economy is to spur small business development. Michigan has long been home to many large employers. Working for one of these icons has been part of our culture for generations. It's time to create a new culture.

So this year, the Michigan Economic Development Corporation will make a nationally recognized training program available to 1,000 prospective entrepreneurs in 12 small-business assistance centers across the state.

Today, this very training is already making a difference in Detroit at Tech Town, the new business incubator located on the Wayne State University campus. Tech Town has already helped launch 150 new businesses in the life sciences, stem-cell research and clean-energy development, and more are on the way.

And I am proud to announce this evening that in this time when small businesses are struggling to get access to capital, Michigan's local credit unions have stepped forward to make over \$40 million available to these startups in a joint effort with our MEDC. Some 2,100 new businesses are expected to benefit from these credit union loans.

In the balcony tonight is Jocelyn Harris...Jocelyn please stand. Jocelyn was a science teacher in Detroit. She was frustrated by the limited access to fresh fruits and vegetables in her southeast side neighborhood. So, she decided to do something about it.

With help from the Neighborhood Food Movers, she wrote up a business plan, got a \$15,000 loan, bought an old ice-cream truck and hit the streets of her Jefferson Chalmers neighborhood selling fresh, local produce to her neighbors. Now she's got a partnership with a local McDonald's owner to sell fruits and veggies from his parking lot.

Join me in recognizing Jocelyn, on behalf of all of the people out there who also might want to start their own small business.

Tonight, I will also ask you to create more opportunities for entrepreneurs by creating a new tax credit for investors who make venture capital available to the Michigan businesses that need it to expand and create new jobs. Other states already provide incentives to these investors, so we must make Michigan's tax credit competitive in order to get the result we want - more jobs for our citizens.

The businesses we want to grow in Michigan don't need just financial capital - they need human capital too. That is why we have demanded much more of our schools, to make sure Michigan's children could compete with anyone in this new economy.

In the year ahead, we will accelerate our efforts to improve K-12 education in Michigan spurred on by the Obama administration's Race to the Top initiative. Thanks to your hard work, Michigan is now poised to win this competition for a share

of \$4 billion in Federal education-reform funding. Regardless of what happens in Washington, the far-reaching reforms you've put in place guarantee the children of Michigan have already won.

In the year ahead, we will also expand opportunities for high-quality job-training through our No Worker Left Behind initiative. We set a goal three years ago to enroll 100,000 displaced workers in training that would allow them to fill the in-demand jobs of the new economy.

The results have been more than we bargained for. Today, this initiative has enrolled more than 115,000 of our fellow citizens in training, much of it aimed at earning college degrees and technical certifications. The Economist magazine called it the most ambitious job-training program in the nation.

And this year we're going to take 'No Worker Left Behind' to the next level by opening ten learning labs in Detroit to give new opportunity to workers who need basic education skills in order to succeed in college or technical training.

Let me talk for a moment about Detroit and other Michigan cities. Cities have borne the brunt of a decade of job-loss. Our cities, large and small, confront similar problems.

One of the most important is the growing number of abandoned homes and businesses that scar the urban landscape. As both jobs and people have moved out, thousands of these empty structures remain. Many of these eyesores are dangerous; all of them stand in the way of effective re-development and job-creation.

That is why our State Housing Development Authority has forged an unprecedented partnership with 12 of our neediest cities to tear down blighted homes and buildings, putting – by the way – a thousand people to work in the process.

And thanks to a \$223 million grant, from the Department of Housing and Urban Development, we're going to be able to demolish or reuse 5,000 of these properties to create jobs and improve the quality of life.

Nowhere is this effort more important than in Detroit. This year, our largest city has gained national attention both for the severity of the problems it faces and for the bold new leadership that has emerged to meet this challenge.

We are joined tonight by Mayor Dave Bing, Detroit Public Schools Emergency Financial Manager Robert Bobb, and members of a new city council, all of whom have brought new hope to the Motor City. They may be focused on the problems of one city, but there are people all across Michigan who are rooting for them. Rooting for Dave Bing is kind of an old habit in Michigan – but it's no less genuine.

Dave Bing is not the only leader we're rooting for...I am so proud and inspired by the everyday leaders who are volunteering to develop the reading skills of children: 4,500 people have signed up in Detroit and another 1,500 in Grand Rapids.

That says so much about the character of Michigan's people... that despite these difficult times, so many people are giving back – and making a difference.

Everything we do in these next 11 months should be linked to the economic plan we have followed these seven years: diversifying the economy; educating our people; and protecting citizens in a time of transition.

When I became governor seven years ago, we knew things were bad; we just didn't know how bad they would become. No one did. No state in our nation has had to experience the concentrated job-loss Michigan has endured over this last decade.

Over the last 10 years, we've lost 78 percent of our auto-manufacturing jobs. We all know the reasons - trade policies that dismantled factories here and built them in Mexico, the auto industry in meltdown, the banking crisis, the mortgage crisis, and on top of all that, a severe national recession.

But, knowing the reasons doesn't put a single person back to work. Working a smart economic strategy day-in and day-out over a sustained period of time does.

The fact is, we didn't get here overnight, and we're not going to get out of it overnight. There is no silver bullet. I don't have it; the next governor won't have it either. But what he or she will have is Michigan's plan - its key components enacted into law with overwhelming bipartisan support - to diversify our economy and educate our kids.

The decline of the *old* Michigan economy is documented by the latest unemployment rate and streets lined with 'for sale' signs.

The contours of the new Michigan economy are harder to see, but they *are* taking shape in communities across our state. In your communities.

How do we know? Let me show you. Let me take you on a tour.

Some of the places I'm going to take you don't make headlines in the newspaper or lead the 11 o'clock news. But they do tell a powerful story about a state that's been down but is definitely not out. A story about the men and women...people who are creating opportunity in this time of adversity. People who are moving forward, against the odds, to a better future.

There are a hundred places I'd like you to see, but unfortunately we only have time for nine stops.

Our first stop is south and west of here...in Battle Creek, a community that's working hard to find opportunity in the global economy. My nine overseas jobs missions have brought more than a billion dollars in foreign investment to Michigan and have resulted in 11,000 jobs. No city in Michigan has enjoyed the benefits of foreign investment more than Battle Creek, because no community has done more to strategically target this sector and to welcome these firms.

As a result, companies like Denso and Tokai Rika have become pillars of the local economy and are drawing other Japanese companies and new jobs to the area. When I was in Japan last year trying to persuade the electronics manufacturer Toda to choose Michigan over South Carolina for its new factory, I was able to close the deal because Battle Creek could be Toda's new home.

Now... over to Kalamazoo, where for more than a century people have been earning their livelihoods in what we now call the 'life sciences.'

It hasn't all been smooth sailing for Kalamazoo. But when the area's major pharmaceutical employers downsized, Kalamazoo reinvented itself, raising the nation's largest community-based venture capital fund that helped launch 33 new life sciences companies. And with help from the state, Kalamazoo won a major expansion by the research company, MPI in 2008, an investment that is bringing 6,600 jobs to the area.

If you make your way from Kalamazoo to the West Michigan shoreline, you'll see a region from Holland to Muskegon gaining new life from \$1 billion in advanced-battery manufacturing investments, creating 5,000 jobs. These aren't today's batteries that start your car in the morning; they are the critical components that power the electric vehicles our automakers are rushing to bring to market.

Johnson Controls-Saft already has a facility in the region, and is in the middle of another major expansion...and two other battery companies – fortu power and LG Chem/Compact Power – are checking out the neighborhood.

These advanced-battery companies and others like them aren't coming to Michigan by accident. They are coming because last year we passed the nation's most aggressive set of incentives for battery manufacturing. Two years ago, I was calling on the leading battery-technology companies to interest them in coming to Michigan. Today, they are calling us to figure out how to get in on the action here. Michigan is well on the way to becoming the hub of this new national battery industry.

In a global economy where businesses can set up shop anywhere, you've got to play to win, and that is exactly what we are doing.

It's a long haul from Muskegon to the Mackinac Bridge, but it's a great ride.

Heading north from the bridge, you'll see that the New Michigan reaches across the U.P. And there's no better example than the MTEC SmartZone at Michigan Technological University in Houghton-Hancock. The SmartZone is already credited with helping to launch 12 new technology start-up firms, resulting in over 500 new jobs.

Crossing the bridge back down again, we head toward the Saginaw Valley, home to Dow Chemical and the innovative products it makes. Dow's latest contribution to solar-energy technology is truly revolutionary. This is the Dow PowerHouse Solar shingle. Costing little more than a traditional shingle, it will produce electricity that you can use to power your home or sell back to the electric company. Pending final approval, Dow will manufacture this game-changing product close to home, bringing 6,500 new jobs to the Saginaw Valley region.

Two years ago in this chamber, I told you that if we put the right policies in place, we could turn the Saginaw Valley into the Silicon Valley of the clean-energy industry. Today, that prediction is coming true.

Thanks to our bipartisan efforts - six major solar companies have announced investments totaling almost \$2 billion in the region, investments expected to bring over 12,500 jobs to the area. One of these companies, Hemlock Semi-Conductor, the world's largest producer of polycrystalline silicon, a key ingredient of solar panels, is already expanding its production facilities in the Saginaw Valley for a third time. And that investment is now bringing solar-panel manufacturers like Suniva and GlobalWatt to the area. In fact, GlobalWatt literally left Silicon Valley in California to set up shop in an abandoned auto plant in Saginaw.

Now, on to Macomb County where we'll see that homeland security and the defense industry are playing a big role in the economy of the New Michigan. Macomb's connection to the defense industry dates back to the era of the Arsenal of Democracy.

But today, a new kind of 'defense corridor,' is taking shape there. In September, the defense contractor BAE broke ground on its US Combat Systems operations at a former auto supplier plant in Sterling Heights. This \$58-million investment is expected to create 600 good-paying, high-tech jobs.

Since I became governor, we have nearly tripled the amount of defense contracting we do in the state, and we now have 7,000 Michigan companies engaged in defense and other federal contracting.

The new Michigan is all about economic diversification, but some of the most important changes are happening *inside* the auto industry. So anyone who thinks the automakers can't change should stay on board for this stop at GM's Detroit-Hamtramck Assembly Plant where later this year the first mass-produced Chevy Volt will roll off the assembly line.

GM has invested \$700 million in eight different facilities across the state to produce the electric Volt and its advanced battery right here in Michigan.

Ford is also investing \$1 billion to electrify its fleet, starting with the electric version of the Focus it will build at its assembly plant in Wayne. How about this? Ford is actually bringing jobs back here from Mexico instead of the other way around!

It was no sure thing that these electric vehicles would be made in Michigan. We had to compete against other states and other countries, but we won. And we also won nearly \$1.4 billion in federal energy grants, more than all the other states combined, to support companies in Michigan engaged in battery development and manufacturing.

MSU economist Steven Miller has said that the advanced-battery industry in Michigan will mean 40,000 more jobs by the year 2020.

From the Volt assembly line, it's on to Van Buren Township where General Electric has transformed the Visteon site into its new, national advanced manufacturing and software technology center. We went after this \$100-million investment, we fought for it, we won it, and it means another 2,800 jobs in western Wayne County.

I love this: Hiring has already begun, and GE officials say the Michigan people they've hired are the cream of the crop.

On the way back to Lansing, our last stop is in Eaton Rapids, home to Dowding Machining, an auto supplier now manufacturing parts for the emerging wind turbine industry. Dowding manufactures turbine parts that are better, cheaper, lighter and more reliable than the competition. Despite decades of success making auto parts, Dowding might easily have been a casualty of the massive restructuring of the auto industry.

Instead, we were able to convince the Obama administration that help for the auto industry had to include supplier firms that want to diversify into new markets. Dowding was able to access federal Recovery funds to transition to a new line of business and 100 new jobs in its plant.

Dowding is just one of a hundred firms in our state today involved in the wind-energy industry, but there are as many as 1,000 Michigan companies that could become part of this growing sector of our economy.

In the year ahead, we are going to focus our economic development efforts on the wind-energy industry to give Michigan the competitive advantage that is today helping us to create jobs in vehicle batteries and solar energy.

It's back to the Capitol now, but there are many more places across Michigan which are creating new jobs...

Like the 'medical mile' in Grand Rapids...where \$1.2 billion in investment is creating a world-class life sciences center that will employ 4,000 people.

Or Chrysler's Dundee plant...where the auto factory of tomorrow is producing cleaner and leaner engines today, putting autoworkers back on the job.

Or Traverse City...where Hagerty Insurance's expansion will result in 390 new jobs.

Or the research and development centers that Hyundai, Toyota and Nissan have located in Southeast Michigan, just some of the 300 automotive research and technical facilities we have here, employing thousands of engineers.

Or IBM creating 1,500 jobs in East Lansing.

I could tell you what's happening in Livonia and Romulus where A123 Systems is creating 2,200 battery jobs.

In Pittsfield Township, Systems-in-Motion creating 1,900 high-tech jobs.

In Lake Orion and Pontiac, at GM's Orion plant, saving 1,400 auto jobs.

In Detroit, W Industries creating 943 jobs.

And AT&T, creating 340 jobs.

In Flint, Swedish Biogas.

In Troy, Illumysis.

In Grand Rapids, Hanger42 Film Studios.

In Ann Arbor, Google and Sakti3.

In Holland, Energetx.

In Canton, Danotek.

In Allen Park, Unity Studios.

In Sterling Heights, General Dynamics.

In Midland, Dow-Kokam.

In Lansing, Jackson National Life.

Or in Detroit, the 113 economic development projects including the Argonaut, the Book Cadillac, and the Marathon Oil refinery.

And these are just *some* of the ones we've helped with the economic tools you have approved. There are hundreds of companies that we have brought here or helped to grow here to form the foundation of the new Michigan.

We have asked representatives of these companies to join us this evening. These are some of the people who are transforming our state, and creating jobs for our people. Join me in thanking them for choosing Michigan.

Let me be really clear: I didn't ask these businesses here to convince you that we have already arrived at the new Michigan. We have not. I asked them here to show you real examples of hope on our journey.

Job providers are the critical architects and builders of the new Michigan. When they come to us with reasonable proposals about ways to make them grow, we must listen. I'd like you to make one final stop in the new Michigan economy with me. It's the home of Glenn Voisin, and it's in St. John's, just north of Lansing. Glenn is 43 and lives there with his wife Terrilynn and their three beautiful daughters.

Three years ago, Glenn came home to tell his family that the auto supplier he worked for was closing its plant and moving his machining job to Mexico. Like all families in this situation, the Voisins faced some tough choices.

How do you pay your bills today and still find a way that leads to a better tomorrow.

But, thanks to job training made possible by No Worker Left Behind, Glenn had a chance to start over. He spent two years earning his associate's degree in alternative energy at Lansing Community College. He now works for a brand new energy company, CLEAResult, doing energy efficiency audits that grew out of the energy bill that we enacted together in 2008.

In fact, because of that energy bill, CLEAResult, which started less than a year ago, now is employing 63 people.

Glenn is making a good wage with benefits. He loves his job, and he has a sustainable future. And he's in the balcony tonight. Glenn, please stand, so we can recognize someone who has crossed over to the New Michigan.

I asked Glenn to join us tonight, because his story is Michigan's story. Like Glenn, the world has changed all around us, and the things that once made us secure have disappeared. And so we are doing what Glenn has done.

With faith in ourselves and love for our families, we have pushed forward into an uncertain future determined to find in this new era the opportunity that always defined this amazing place we call Michigan.

People ask me what it has been like to be governor of Michigan at a time when it has been hit harder than any state in our great nation. Well to be honest, it has had its challenging moments.

But when I think of Glenn Voisin and the hundreds of thousands of others like him who are crossing over to the new economy, I am overwhelmed by a great sense of pride to have shared this moment in history – above all others, with the people of Michigan. And in their strength, their optimism and their contagious courage, I find nothing but hope for the new Michigan on the other side.

With your commitment and mine, and by the grace of God, let us go forth.”

The business of the Joint Convention having been completed, the Governor, the Justices of the Supreme Court, the Judges of the Court of Appeals and the State Officers withdrew.

Representative Angerer moved that the Joint Convention adjourn.

The motion prevailed, the time being 8:05 o'clock p.m.

The Lt. Governor and members of the Senate retired.

The Speaker announced that the House of Representatives and Senate had met in Joint Convention and had listened to the message of the Governor.

Rep. Womack moved that the House adjourn.

The motion prevailed, the time being 8:10 p.m.

The Speaker declared the House adjourned until Thursday, February 4, at 12:00 Noon.

RICHARD J. BROWN
Clerk of the House of Representatives