

# SENATE DEMOCRATIC CAUCUS COMMUNICATIONS OFFICE

# Press Release

P.O. Box 30036 • Lansing • Michigan • 48909-7536 • 517-373-7370  
Fax: 517-373-1373 • E-mail: sendemstaff@senate.michigan.gov



FOR IMMEDIATE RELEASE  
Mar 26, 2008

Contact: Tom Lenard  
Phone: 517-373-2426

## **SENATE APPROVES ECONOMIC GROWTH BILLS SPONSORED BY CLARKE AND HUNTER**

*Bipartisan legislation creates new incentives to spur economic growth, encourages  
businesses to offer health care coverage to workers*

LANSING-Today the Michigan Senate voted with overwhelming bipartisan support to pass a bipartisan package of legislation, including bills sponsored by Senators Hansen Clarke (D-Detroit) and Tupac A. Hunter (D-Detroit), that will help attract and retain small businesses and create thousands of new jobs within the state's high-technology and tourism industries. During a recent meeting of the Commerce and Tourism Committee, MEDC officials called the package "the first major rewrite of the MEGA initiative since it was created."

Senate Bill 1189, sponsored by Sen. Clarke, will reduce the minimum amount of jobs and investments required to receive Michigan Economic Growth Authority (MEGA) tax credits, making these incentives available to more small businesses. By agreeing to a MEGA contract, companies will be required to retain jobs for Michigan workers in exchange for receiving the state business tax credits.

"The MEGA package that passed today will help us capitalize on high-tech industries and stabilize our state's job market," said Sen. Clarke. "By making these credits accessible to more small businesses, we will provide incentives for them to retain jobs and lay the groundwork for long-term economic growth."

Senate Bill 1190, sponsored by Sen. Hunter, will allow a qualified business to write off 200% of not only their payroll costs, but also their health care costs against their business tax liability for three years. The following four years of the seven year life of the MEGA credit would allow a 100% credit for payroll and health care costs.

"With more than a million Michigan residents living without health insurance, we need to do everything we can to encourage businesses to provide coverage for their employees," said Sen. Hunter. "By passing this legislation we can help make Michigan a leader in the 21st Century economy and increase access to affordable health care for families across the state."

###

