

## FINANCIAL EXPOSURE:

Rating the States on Economic Development Transparency  
(read here: <https://goodjobsfirst.org/financialexposure>)

## APPENDIX for Michigan

Transparency scores for major state programs  
(\* see next page for scoring details)

<b>Program Description</b>	<b>Recent Annual Cost</b>	<b>Online Recipient Disclosure</b>	<b>Recipient Disclosure Score*</b>
Good Jobs for Michigan - large companies are allowed to capture up to 100% of workers' state personal income tax withholdings for 10 years. The program sunset in 2019 but six approved companies will claim more than \$194 million over the following decade.	<a href="#">\$26 million (2020)</a>	<a href="#">Source 1</a> <a href="#">Source 2</a>	63/100
Jobs Ready Michigan - a workforce development grant for companies expanding or relocating to Michigan. Grants can be used for variety of activities, including recruitment costs.	<a href="#">\$2 million (2020)</a>	<a href="#">Source</a>	27/100
Michigan Business Development Program - discretionary grants, low-interest and forgivable loans for companies that the state competes for; the program has flexible terms.	<a href="#">\$23 million (2020)</a>	<a href="#">Source 1</a> <a href="#">Source 2</a>	61/100
Michigan Economic Growth Authority (MEGA) - various refundable income tax credits based on payroll and healthcare costs. The program expired in 2012 but companies already in the program were allowed to carry forward the credits for up to 20 years.	<a href="#">\$560 million (2020)</a>	<a href="#">Source</a>	31/100
State Essential Services Assessment (SESA) Exemption and Alternative State Essential Services Incentive Programs – exemption for manufacturing companies from paying the State Essential Services Assessment, a form of personal property tax.	unavailable	<a href="#">Source</a>	25/100

<b>Financial Exposure: Rating the States on Economic Development Transparency</b>	<i>Maximum possible score</i>	Good Jobs for Michigan	Jobs Ready Michigan	Michigan Business Development Program	Michigan Economic Growth Authority (MEGA)	State Essential Services Assessment (SESA) Exemption +Alternative
<b>Scoring Details for Michigan Programs</b>						
<i>Score criteria (point values in parentheses)</i>						
<b>PROJECT INFORMATION</b>						
address/coordinates (8); zip code (5); city or county (3)	<b>8</b>	3	3	3	3	3
month + year of agreement/contract/project (1)	<b>1</b>	1	1	1	0	1
nature of project (1)	<b>1</b>	1	1	1	1	1
<b>ADVANCE NOTICE AND PUBLIC PARTICIPATION</b>						
full applications (5); applicant names + amounts (2); applicant names (1)	<b>5</b>	0	0	0	0	0
cost-benefit analysis at least 15 days in advance (3)	<b>3</b>	0	0	0	0	0
meeting: full proposal (4); program + applicant (3); agenda (2); dates (1)	<b>4</b>	2	1	2	0	1
full draft agreements ahead of approval (3); full agreements after (1)	<b>3</b>	0	0	0	0	0
<b>RECIPIENT IDENTITY</b>						
federal employer identification number (1)	<b>1</b>	0	0	0	0	0
industry classification NAICS code (1)	<b>1</b>	0	0	0	0	0
parent company for all awardees (3)	<b>3</b>	0	0	0	0	3
<b>SUBSIDY INFORMATION</b>						
approved/awarded subsidy value (4)	<b>4</b>	4	4	4	0	4
disbursed/claimed subsidy amount (6)	<b>6</b>	6	0	6	0	6
status + penalty actions (10); status only (5)	<b>10</b>	10	10	8	5	0
<b>JOB CREATION REPORTING</b>						
number of projected new/retained jobs/trainees (6)	<b>6</b>	6	0	6	0	0
number of actual new/retained jobs/trainees (14)	<b>14</b>	14	0	14	14	0
<b>WAGES/PAYROLL REPORTING</b>						
projected wage/payroll for new/retained jobs (5)	<b>5</b>	5	0	5	0	0
actual wage/payroll for new/retained jobs (10)	<b>10</b>	0	0	0	0	0
<b>EXPENDITURE/INVESTMENT REPORTING</b>						
projected capital investment/expenditure/cost (1)	<b>1</b>	1	1	1	0	0
actual capital investment/expenditure/cost (4)	<b>4</b>	4	0	4	2	0
<b>DATA ACCESSIBILITY AND USABILITY</b>						
two clicks from program page (3); - 1 for every additional click	<b>3</b>	1	1	1	1	1
unambiguous data and explanations (2)	<b>2</b>	2	2	2	2	2
five years of data placed together (2); on different pages (1)	<b>2</b>	2	2	2	2	2
downloadable to database applications (3); downloadable to PDF (1)	<b>3</b>	1	1	1	1	1
<b>TOTAL PROGRAM SCORE</b>	<b>100</b>	<b>63</b>	<b>27</b>	<b>61</b>	<b>31</b>	<b>25</b>

see next page for scoring notes

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## Scoring notes for Michigan

Subsidy recipients are disclosed in three locations on the Michigan Economic Development Corporation (MEDC) website. 1) under Legislative Reports on the agency's transparency [webpage](#), search for Michigan Economic Development Corporation/Michigan Strategic Fund's Annual Reports, which include recipient level data for multiple programs; for MEGA, search for MEGA Annual Reports. Those reports are not easy to find, as one needs to know to search under Legislative Reports. 2) Program project [webpages](#) under Report and Data have up-to-date basic information on approved projects. 3) An interactive [Project Map](#) has basic project information for some programs and includes details project description and data on additional subsidies.

### Michigan Business Development Program

Disclosure link 1: <https://www.michiganbusiness.org/reports-data/transparency/?pc=69>

Disclosure link 2: <https://www.michiganbusiness.org/reports-data/michigan-business-development-program-projects/>

Disclosure link 3:

[https://maps.michiganbusiness.org/?\\_gl=1\\*xt16x2\\*\\_ga\\*OTE2MDk2Nzk0LjE2NDA2Mjk0NjE.\\*\\_ga\\_3D75WHWVQ9\\*MTY0MDYzMzU2MS4yLjEuMTY0MDYzMzk5MS4w](https://maps.michiganbusiness.org/?_gl=1*xt16x2*_ga*OTE2MDk2Nzk0LjE2NDA2Mjk0NjE.*_ga_3D75WHWVQ9*MTY0MDYzMzU2MS4yLjEuMTY0MDYzMzk5MS4w)

The program recipients are disclosed in all three locations on the MEDC website. See note above. The MEDC/MSF Annual Reports have detail data on projects, including outcomes, project status, and amendments to existing contracts.

The MSF posts agendas before its meetings and includes names of companies requesting subsidies and programs. However, only larger awards are disclosed.

### State Essential Services Assessment (SESA) Exemption and Alternative State Essential Services Incentive Programs

Disclosure link: <https://www.michiganbusiness.org/reports-data/transparency/?pc=69>

Basic information on program recipients is included in the MEDC/MSF Annual Reports. Only subsidy approval date, location, and approved subsidy amount are available. The MSF board posts its meeting dates online, but we found no indication that subsidy applicants are disclosed before the approval.

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### **Jobs Ready Michigan**

Disclosure link: <https://www.michiganbusiness.org/reports-data/transparency/?pc=69>

Basic data on program recipients is included in the MEDC/MSF Annual Reports. This is a relatively new program and thus some data might not yet be reported. Project status is under the "Incentive state" column. Based on the note in the report stating that JRMP is not a job creation program and thus there is no information on jobs to be reported, we did not assign points in the job creation category. We, however, did assign full points in multiple years of data category to recognize that this is a new program.

### **Good Jobs for Michigan**

Disclosure link 1: <https://www.michiganbusiness.org/reports-data/transparency/?pc=69>

Disclosure link 2: <https://www.michiganbusiness.org/reports-data/good-jobs-for-michigan/>

Disclosure link 3:

[https://maps.michiganbusiness.org/?\\_gl=1\\*xt16x2\\*\\_ga\\*OTE2MDk2Nzk0LjE2NDA2Mjk0NjE.\\*\\_ga\\_3D75WHWVQ9\\*MTY0MDYzMzU2MS4yLjEuMTY0MDYzMzk5MS4w](https://maps.michiganbusiness.org/?_gl=1*xt16x2*_ga*OTE2MDk2Nzk0LjE2NDA2Mjk0NjE.*_ga_3D75WHWVQ9*MTY0MDYzMzU2MS4yLjEuMTY0MDYzMzk5MS4w)

The program recipients are disclosed in all three locations on the MEDC website. See a note above. The MEDC/MSF Annual Reports have detail data on projects, including outcomes, subsidy payments, and project status. On the interactive Project Map, the program is included under "other programs" filter.

The MSF posts agendas before its meetings and include company names requesting subsidies and programs. However, only larger awards are disclosed.

### **Michigan Economic Growth Authority (MEGA)**

Disclosure link: <https://www.michiganbusiness.org/reports-data/transparency/?pc=69&cc=264>

MEDC posts on its transparency webpage, under Legislative Reports, MEGA Annual Reports which include basic project data such as company name, jobs created, project status; subsidy amounts are not disclosed. We deducted points in the investment category as the data for some companies is missing. Note: the MEGA reports had been missing from the MEDC transparency website for months before they were reposted in February 2022.