



NEWS *letter*

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business officials

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Granholm: most significant deficit coming

In her last press conference of 2006, Gov. Jennifer Granholm told reporters that Michigan faces its "most significant budget deficit" yet in 2007 as officials plug \$500 million in holes in this year's budget while crafting a budget for next year that's short another \$680 million.



taking place Dec. 31, the painful restructuring Michigan is seeing from its Big Three automakers hasn't "hit bottom" yet and maybe won't hit until the end of 2007 or the beginning of 2008. With the state's biggest industry undergoing this transition, the state needs to

continue to attract new industry.

In her view, that doesn't mean slashing businesses' taxes. Speaking at her year-end press conference, Granholm said she wasn't going to let the citizens swallow a \$1.9 billion cut in business taxes with the sped-up elimination of the Single Business Tax (SBT).

Rather, the governor stressed that she wants to keep Michigan an attractive place to live and work by offering affordable health care for all citizens and a quality higher education.

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Michigan Promise now law

The Michigan Promise scholarships are now law. Gov. Jennifer Granholm was able to do something she's wanted to do for quite some time — sign into law legislation changing the state's Merit Award Scholarship.

Under Granholm's new Michigan Promise Scholarship, beginning with this year's seniors, every student in Michigan will be eligible for a \$4,000 scholarship.

"The Michigan Promise scholarship opens the doors of education to every student in Michigan," said Granholm.

"A \$4,000 scholarship makes earning a college degree or technical certification a real possibility for every student."

Under the reformed scholarship, students who score well on the high school assessment will receive \$1,000 during their freshman and sophomore years in college. After they successfully complete two years of post-secondary education, students would net another \$2,000.

Students who don't do well on their high school assessment test can still earn the entire \$4,000 scholarship by

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