



STATE OF MICHIGAN
OFFICE OF THE GOVERNOR
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Michigan State Senate
State Capitol Building
Lansing, MI 48909-7514

Senators,

Today I return Enrolled Senate Bills 935, 936, and 937 to you without my approval.

These bills are a commendable effort to provide relief to the people and businesses of Michigan during an unprecedented time of crisis. However, in Michigan, local governments share in sales, income, and use taxes, and allowing for broad deferment of tax remittances would push many local budgets over the precipice into fiscal crisis. These local budgets support essential government services, employ thousands of Michiganders, and are more critical now than they've ever been. That is why the state has provided critical direct supports to businesses across the state through the Michigan Economic Development Corporation, rather than relying on tax forbearance.

Specifically, my administration has implemented the following programs to support Michigan businesses in this challenging time:

- \$100 million for the Michigan Small Business Restart Program (applications open July 15),
- \$15 million for the Michigan Agricultural Safety Grant (applications open July 15),
- \$3 million for the Tech Startup Stabilization Fund,
- \$2 million for MEDC's Capital Access program,
- \$1.5 million for the Michigan Entrepreneur Resilience Fund, in partnership with Michigan Women Forward,
- and many more, which are listed in full at <https://www.michiganbusiness.org/about-medc/covid19/>

Moreover, Michigan's Department of Treasury has already developed administrative solutions for the repayment of outstanding income, sales, and use tax remittances. These bills would not only wreak havoc on local budgets, but also frustrate these ongoing efforts to provide tax relief while maintaining revenue.

Respectfully,

Gretchen Whitmer
Governor