



Michigan SPEAKS

The citizens' agenda for the 2014 elections



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EXECUTIVE SUMMARY

Michigan has important choices to make this November. We will elect a governor and lieutenant governor, all 38 state senators, and all 110 state representatives. We will decide who will best represent us and our communities in Lansing.

Over the past seven months, the Center for Michigan has once again engaged thousands of Michigan residents from across the state and asked: What issues do you want candidates to address on the campaign trail – and in the state capitol, once elected?

This report presents a to-do list for candidates from their potential constituents. Candidates seeking the surest path to representing the needs of Michigan residents can find it within these pages. Michigan residents have identified several key issues that stand in the way of our state's success, and have provided some suggestions for addressing these problems.

This is a citizens' agenda, the deliberative product of more than 5,500 diverse Michigan residents who came together in 166 Community Conversations, two large-sample polls, and an online version of the conversation from late September 2013 through early April 2014. The Center for Michigan is the state's nonprofit, nonpartisan citizenship company. We call forth and amplify citizen attitudes and priorities and bring them into the halls of power. This work—and the resulting report—is not idle chatter; it will help frame the debate during the campaign, help voters make sensible and far-sighted choices when they cast their ballots, and provide a road map of citizen priorities when our new leaders take office in January 2015.

This report is the outcome of the largest continuing public engagement activity in Michigan history. For a full description of where we went, who participated, and our methodology for gathering public opinion, see pages 22-25 of this report.

Four-point citizens' agenda for Michigan

In 2014, we find a clear public mandate to:

- **Invest in roads, bridges and infrastructure.** Residents are willing to pay more for it. We list this issue first because it is front and center in our state capitol. State leaders have debated road funding and fixes for most of the past three years. The message from the majority of Michigan residents is clear - it is an "urgent" priority to fix the roads. And the majority of state residents are willing to pay more to accomplish this.
- **Intensify education and job training. Improve PreK-12 Student Performance. Increase high school completion rates.** Michigan's education results continue to lag behind other states. State residents want better. They say the state's economic fortunes largely depend on doing so.

- **Improve college affordability.** Michigan residents fear the increasing costs of college and the long-term economic consequences of growing student debt.
- **Decrease poverty.** More than any other quality of life issue, Michigan residents say poverty needs urgent attention. It's not just people living in poverty who say so. Poverty is a consistent urgent concern across every demographic group we measured. Solutions, however, are much less clear than public sentiment.

Those four main themes rose to the top when we asked the public to weigh 18 high-profile policy strategies and political themes likely to echo across Michigan in this campaign year. Pages 4-17 of this report present the public's 2014 policy priorities in greater detail.

Michigan citizens' urgent priorities (% who say it's urgent)

| Economic issues | Conversations | Polls |
|--|---------------|-------|
| Intensify education and job training | 79% | 70% |
| Invest in roads, bridges, infrastructure | 71% | 56% |
| Education issues | Conversations | Polls |
| Improve college affordability | 80% | 78% |
| Increase high school completion rates | 79% | 74% |
| Improve K-12 student performance | 81% | 58% |
| Quality of life issues | Conversations | Polls |
| Decrease poverty | 70% | 65% |

The new normal: Status quo on most overall taxing

We also asked statewide residents to weigh in on public money issues – and those findings are detailed on pages 15-17. In short, the people of Michigan are signaling a "New Normal" - a sort of murky standoff on taxing and spending issues. They're willing to pay more taxes for road repairs. Otherwise, there is no consensus on what to do about overall taxation levels. State leaders who would cut taxes further do not have a public mandate to do so. State leaders who would raise taxes to spend more on public services also do not have a public mandate to do so. Given this impasse on public money, innovative solutions will be required to address the urgent citizen priorities outlined in this report.

Mood of Michigan

Michigan residents are feeling somewhat optimistic about our state and its future. Sixty percent of both conversation and poll participants say they feel either "good" or "great" about Michigan right now.

Furthermore, Michigan residents believe things have gotten

a bit better for our state over the past four years. Half of Community Conversation participants and 40 percent of those polled say Michigan is at least a slightly better place to live and work than it was four years ago. Fewer than 30 percent of all participants say Michigan is a worse place to live and work than it was four years ago.

And when looking to the future, many Michigan residents express cautious optimism. Solid majorities of conversation and poll participants (63 percent and 55 percent, respectively) say they think Michigan will be at least a slightly better place to live and work in the next four years. Unemployed and low-income residents are significantly more pessimistic about Michigan's past, present and future living conditions. African Americans are somewhat more pessimistic. Whites and higher-income participants are more optimistic about Michigan's current state and future outlook.

Visit thecenterformichigan.net to view detailed crosstabs on the mood of the people.

Different daily realities for different groups

Results of Community Conversations and phone polls suggest that not all Michigan residents are experiencing improved quality of life in our state. African Americans and low-income residents are feeling the least well-served by society today and are most urgently seeking change. The Center measured average "urgency" levels across 18 policy priorities, as voted upon by conversation and poll participants. A majority of African American and a majority of low-income participants deem every education policy issue included in the discussion an "urgent" priority, as well as increasing the minimum wage, revitalizing cities,

improving public safety, improving public health, and decreasing poverty. Candidates for state leadership need to recognize the different daily realities that exist for various groups of our state's population, and make decisions that benefit all state residents.

Next steps, how to engage, and how we developed this report

As the Center releases this report and prepares to amplify these citizen priorities throughout this campaign year, we welcome all concerned citizens to join us.

First, we invite all Michigan residents and political candidates to take time to digest this full report and its findings.

Page 20 outlines numerous ways citizens can get most involved in these issues in this important election year.

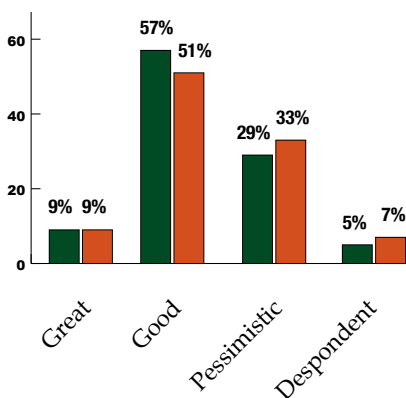
Pages 22-25 explain who participated in the public engagement campaign leading to this report and our methodology.

A final word of thanks

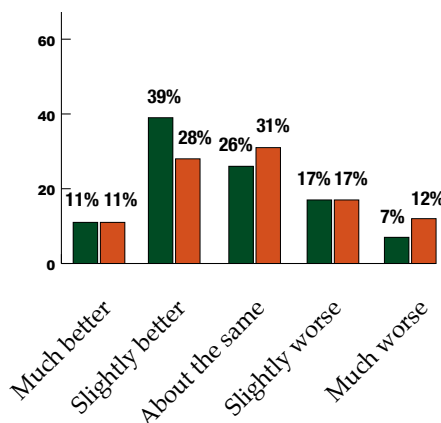
The Center for Michigan's public engagement work would not be possible without the generous support of the foundations, corporations, and individuals listed on page 27. Thank you.

And thank you to the more than 5,500 people who volunteered their time to share their priorities, needs, hopes, and ideas for Michigan's future. This citizens' agenda belongs to you.

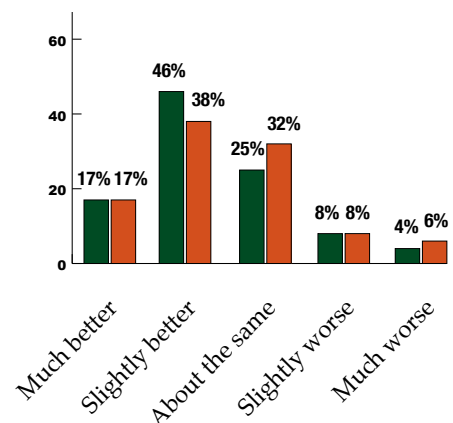
How do you feel about Michigan now?



Compared to four years ago, Michigan is...



In the next four years, I think Michigan will be...



THE CITIZENS' AGENDA FOR THE ECONOMY

After a decade of turmoil, Michigan residents sense opportunities for economic growth. A strong majority of participants in Community Conversations and in phone polls say the most urgent of these opportunities is the intensification of Michigan's education and job training systems. A second urgent priority is to fix Michigan's crumbling roads and infrastructure.

We asked the public to weigh seven approaches various state leaders commonly and currently advocate to improve our state's economy:

- Executing direct economic development (through business tax breaks and other development incentives).
- Reducing taxes and shrinking government.
- Intensifying education and job training.
- Streamlining the regulation of business.
- Investing in roads, bridges and infrastructure.
- Investing in placemaking (such as redeveloping central cities, entertainment districts, etc.).
- Increasing the minimum wage.

Intensify education & job training

Michigan residents say the top strategy for improving Michigan's economy is intensifying education and job training. More than seven in every ten participants proclaim this an "urgent" priority for our state. Two-thirds majorities of participants across all racial, income and worker groups share this urgent priority level.

"It doesn't matter how many new jobs are eventually created if we don't have the individuals with the required skillset in order to perform them."

Comments in Community Conversations suggest that many participants believe creating a higher-quality education and job training system now will lead to long-term economic success. Michigan residents recommend connecting education and job training to current and anticipated workforce needs. One participant said, "While technology and the job market have changed dramatically over the years, the educational system has failed to adapt. Schools in Michigan need to be restructured if they are to have any hope to produce students who are capable and qualified to fill the new types of jobs that are emerging."

Participants are concerned about the many Michigan residents amassing crippling student debt preparing for jobs that may not exist, as well as the number of young Michigan residents who receive degrees and must leave the state to find work. Additionally, they believe both education and workforce training programs should focus on the employment needs of our current businesses, some of which have high-paying jobs that go unfilled, as well as developing skills in Michigan residents that will be needed in our state's growing career sectors. Bridge Magazine

reports that Michigan's higher-paying growth sectors include health care, computer support, automotive repair, cosmetology, education and education administration, occupational therapy and welding. Michigan residents say our education and job training systems must prepare their pupils with the skills to enter in-demand employment fields.

Participants also suggest developing more opportunities for more Michigan residents to complete vocational and trade training programs. Some believe this is a concrete method for filling some of Michigan's current and future workforce needs. Conversation participants express concern about what they perceive to be a lack of availability of these programs for K-12 students. A conversation participant said, "Vocational areas now have a massive void. My own kids don't want to be builders, even though my husband and I are builders. We now have nearly two full generations of people who have walked away from trades as a profession, so those jobs are in demand and the earning potential has gone up because of a shortage of skilled workers."

According to the most recent available data from National Association of State Directors of Career Technical Education Consortium, more than one in every five Michigan public high school students enrolls in at least one career technical education course, and 764 public high schools currently offer CTE classes. A solution may be to promote career technical education opportunities with the entire student body, helping to lift the "brand" of CTE. Schools could also provide resources for students developing their yearly course schedules about the CTE options available to them.

Participants also suggest financial investment in our state's PreK-12 education system. We suspect many in the education profession will say this is extremely challenging if the public will not support tax increases. However, there may be opportunities to restructure education funding and curriculum to offer more relevant lessons and programs to match current and future economic realities. Conversation participants strongly support hands-on learning experiences such as internships and apprenticeships, which may allow for more public-private partnerships between schools and businesses.

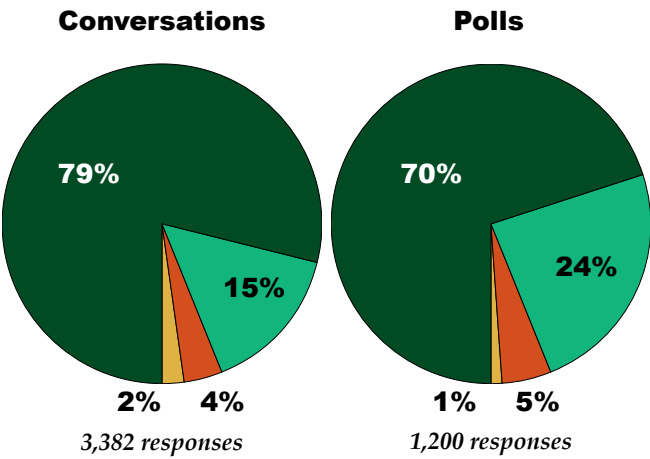
Additionally, some participants propose analyzing the use of resources within school districts and intensified collaboration toward greater efficiency. One such participant said, "Redistribution of resources is easier in larger districts and decreases administration overhead. All these small communities have separate bureaucracies and I find it confusing."

Invest in roads, bridges, & infrastructure

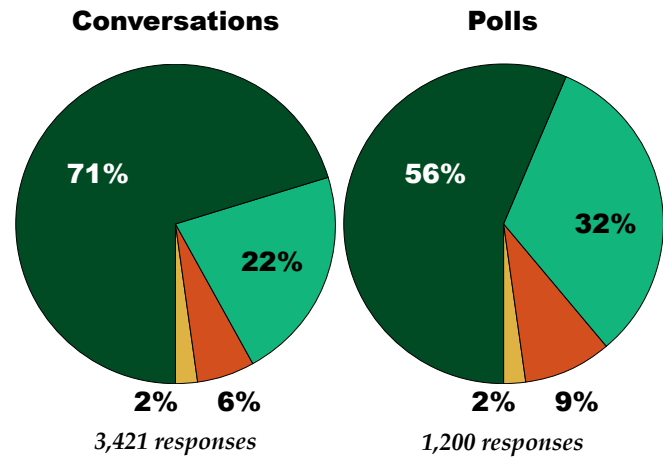
Investing in roads, bridges and infrastructure also receives convincing majority support. Seventy-one percent of Community Conversation participants and 56 percent of poll respondents say transportation investment is an "urgent" priority. This support holds up across almost

WHAT PEOPLE WANT MOST

INTENSIFY EDUCATION & JOB TRAINING



INVEST IN ROADS, BRIDGES & INFRASTRUCTURE



Percentages may not add to 100 due to rounding.

WHO WANTS IT

INTENSIFY EDUCATION & JOB TRAINING
(% who say it's an urgent priority)

| | |
|--------------------------|-----|
| African Americans | 86% |
| Students | 81% |
| Multiracials | 80% |
| Low-income households | 75% |
| Unemployed | 77% |
| Hispanics | 76% |
| Asian-Americans | 76% |
| Part-time workers | 75% |
| Retirees | 75% |
| Medium-income households | 75% |
| Full-time workers | 74% |
| Whites | 73% |
| Native Americans | 72% |
| High-income households | 72% |

INVEST IN ROADS, BRIDGES & INFRASTRUCTURE
(% who say it's an urgent priority)

| | |
|--------------------------|-----|
| African Americans | 75% |
| Retirees | 73% |
| Hispanics | 69% |
| Unemployed | 68% |
| Multiracials | 68% |
| High-income households | 64% |
| Medium-income households | 64% |
| Low-income households | 63% |
| Full-time workers | 62% |
| Whites | 62% |
| Part-time workers | 58% |
| Students | 52% |
| Native Americans | 51% |
| Asian Americans | 45% |

all race, income, and worker groups. In Community Conversations, transportation investment is deemed urgent by more than two-thirds of full-time workers, part-time workers, the unemployed, retirees, African Americans, whites, Hispanics, multiracials, and high income households.

Conversation and poll majorities also say they are willing to pay more in taxes to improve roads. Michigan residents generally believe that infrastructure investments can lead to economic growth, but want to see these improvements done properly—short-term fixes are not welcome. As one participant said, “Employers who may want to invest in Michigan, arrive at Metro Airport, drive down I-94 and break down from the potholes. I’d rather pay the government to fix roads then to have to fix my car alignment each year.”

Funding for road and bridge repairs has been tough to come by in Michigan. As Bridge Magazine reports, Michigan currently spends the least amount per capita of any state on roads and bridges. In 2011, Gov. Rick Snyder asked the legislature to approve a funding increase of \$1.2 billion for road repairs, to no avail. After a winter that wreaked havoc on Michigan roads, the state legislature did approve one-time funding of \$215 million for road improvements this March. Election-year politics is impacting current discussion on further funding, as some Democrats are hesitant to support an issue championed by Republican Governor Rick Snyder, and some Republicans have signed a pledge not to vote for any tax increase. But negotiations continue this spring. The citizens’ message is clear: put aside politics, take action, fix the roads.

Strategies with mixed and lower support

The third most popular economic strategy is increasing the minimum wage. However, it is here that public support begins to splinter. A majority of Community Conversation participants say this is an urgent priority for our state’s economy, but only 43 percent of poll respondents agree.

Clear majorities of unemployed workers, African Americans, Hispanics, people of multiple racial backgrounds, and low-income households say raising the minimum wage is urgent. But majorities of full-time workers, Asian Americans, whites, and high-income households do not rank it as an “urgent” issue. Furthermore, nearly 30 percent of both conversation participants and poll respondents say either “simply don’t do this” or raising the minimum wage “is not a priority.”

There are both nationwide and Michigan-specific efforts to increase the minimum wage in this election year. A ballot proposal drive is underway to raise Michigan’s minimum wage from \$7.40 per hour to \$10.10 per hour by 2017. Clearly, it’s an issue candidates for state office will be asked to address in their campaigns.

The four remaining economic strategies receive less support from the overall Michigan public, but are also not fiercely opposed. All four are considered at least a

“medium” priority by a majority of both conversation and poll participants. While strong proponents of each concept spoke in conversations and polls across the state, support for executing direct economic development, reducing taxes and shrinking government, streamlining regulation of business and investing in placemaking did not receive anything close to the consistent “urgent” support for intensifying education and job training and for investing in roads, bridges and infrastructure.

“I’d rather pay the government to fix roads then to have to fix my car alignment each year.”

Executing direct economic development is deemed at least a medium priority by roughly eight out of ten people. However, about 1 in 5 participants believe it is either not a priority or say it simply doesn’t work. Similarly, streamlining regulation of business receives both strong support and opposition from significant percentages of participants. About one third of poll and conversation participants believe this is an urgent priority, and a comparable margin believes it’s either not a priority or that it doesn’t work. Investing in placemaking is not as controversial, but doesn’t appear to be a passionate issue for many. Roughly 70 percent of the participants believe it is at least a medium priority, but six percent or fewer deem it the most urgent economic issue.

The most polarizing economic strategy is reducing taxes and shrinking government. In polls it is considered at least a medium priority by 74 percent of participants, and 55 percent of conversation participants agree. Additionally, a relatively high 18 percent of poll respondents and 13 percent of Community Conversation participants say it is the most urgent economic strategy. But this strategy has many detractors, as well. Forty-five percent of conversation participants and 23 percent of poll respondents say it is either not a priority to them, or say “don’t do it.”

Visit thecenterformichigan.net for detailed crosstabs of how Michigan residents of various worker groups, incomes and races prioritize these economic policy issues.

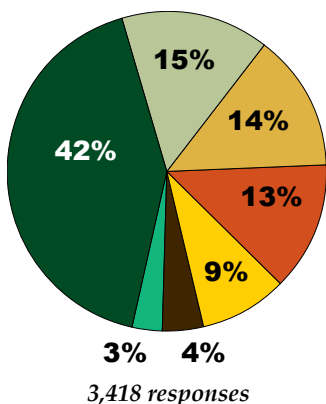
It’s time to invest in our future

Overall, some of the cautious optimism expressed by participants in the “Mood of Michigan” portion of the conversation is illustrated in their economic priorities, as well. Participants support economic strategies that require investment and long-term planning most strongly, an indication that the state may be emerging from crisis mode. One participant said, “We need to invest in our future. For example, rather than approve a ‘token’ tax refund from our state surplus, look at investments—in transportation, infrastructure, and education. The reality is that to provide great services which attract others takes funding; we can’t have great opportunities and services without paying for them.”

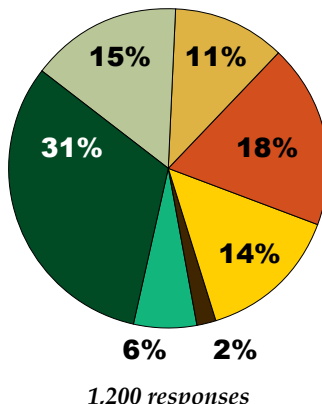
HOW THE PUBLIC PRIORITIZED ALL SEVEN ECONOMIC STRATEGIES

Which economic issue needs most attention from public leaders?

Conversations



Polls



| | |
|--|---|
| | Intensify education and job training |
| | Invest in roads, bridges and infrastructure |
| | Direct economic development |
| | Reduce taxes and shrink government |
| | Increase the minimum wage |
| | Invest in placemaking |
| | Streamline regulation of business |

Percentages may not add to 100 due to rounding.

| Strategy | Conversations | | | | Polls | | | |
|--|-----------------|-----------------|--------------|-------------|-----------------|-----------------|--------------|-------------|
| | Urgent Priority | Medium Priority | Low Priority | Don't do it | Urgent Priority | Medium Priority | Low Priority | Don't do it |
| Intensify education and job training | 79% | 15% | 4% | 2% | 70% | 24% | 5% | 1% |
| Invest in roads, bridges, infrastructure | 71% | 22% | 6% | 2% | 56% | 32% | 9% | 2% |
| Increase the minimum wage | 53% | 19% | 13% | 16% | 43% | 29% | 21% | 6% |
| Execute direct economic development | 45% | 37% | 12% | 7% | 36% | 41% | 14% | 6% |
| Reduce taxes and shrink government | 31% | 24% | 22% | 23% | 36% | 38% | 16% | 7% |
| Invest in placemaking | 37% | 38% | 19% | 5% | 31% | 45% | 19% | 3% |
| Streamline the regulation of business | 31% | 36% | 24% | 9% | 33% | 37% | 19% | 8% |

HOW TO GET IT DONE

Most commonly identified themes

Intensify education and job training

- Education and training must match workforce needs (53 comments)
- Make investments in our education system (45)
- Focus on trades, vocational education, certificate programs and apprenticeships (43)
- A skilled workforce will attract and keep businesses (32)
- Encourage students to pursue higher education (18)

Invest in roads, bridges and infrastructure

- Spend more on road/bridge repairs and construction (90 comments)
- Fix roads to attract and retain residents and businesses (44)
- Invest in roads to create jobs (29)
- Road maintenance is a clear role of state government (28)
- Michigan's roads and bridges are unsafe (27)

THE CITIZENS' AGENDA FOR EDUCATION

Any political candidate this year who isn't armed with far-reaching and urgent ideas on improving education is not in touch with the people of Michigan. College affordability, improving student performance, and raising high school completion rates are all urgent public priorities.

We asked Community Conversation and poll respondents to weigh four commonly discussed education strategies:

- Improving PreK-12 student performance.
- Increasing high school completion rates.
- Increasing college completion rates.
- Improving college affordability.

Improve college affordability

Overwhelming majorities of poll and conversation participants said improving college affordability is an urgent priority. Eighty percent of conversation participants say improving college affordability is an urgent priority for Michigan, as do 78 percent of poll participants. More than 95 percent of all participants say it is at least a medium priority. Overwhelming majorities (above 70 percent) of nearly every worker, racial and income group say it's an urgent priority. This issue has some of the strongest agreement across participant groups seen in this campaign.

"You can't study anthropology then seek a job in the auto industry. We need to go back to the days of guidance counselors that actually direct you in how to make a sound decision regarding your future."

Michigan residents are very concerned about the long-term consequences of crushing student debt on individuals and on the statewide economy. College student debt has climbed to an average of \$27,451 for Michigan college graduates, and Michigan ranks 45th among all states in college affordability. One participant said, "I think in the last four or five years, Michigan has done a good job of gutting opportunity for the working class and increasing the cost of education. It's very hard to start a business when you're \$50,000 in debt." Another participant, a current college student, is feeling the impact of tuition increases now. "At my last (college), I should have finished my BA but couldn't afford my last year. Now I can't even afford my current school. I may not be able to finish at all."

Citizen suggestions for addressing college affordability include higher education reform, reprioritizing public spending, and more personal responsibility on the part of

students. Some propose austerity and efficiency for post-secondary programs. Calls for colleges and universities to re-evaluate their funding priorities and eliminate waste are common. As one participant said, "It is unconscionable that so many have so much student debt. Higher education needs to take a look at its priorities and it's not five-star dorms and amazing athletic facilities."

On the other hand, some participants want state government to stop cutting funding for colleges and universities. These residents express frustration with the 29 percent cut in government support for colleges and universities over the last ten years and suggest restoring funding to earlier, higher levels. Student loans now account for a higher percentage of budgets at Michigan's public colleges and universities than do state appropriations. Tuition dollars generally make up three quarters of university funding. Yet, with no public mandate for tax increases, any additional state investment in higher education might have to be reallocated from other spending areas.

Other Michigan residents suggest a focus on personal responsibility in choosing a post-secondary program, with assistance from mentors and K-12 schools. Participants recommend a strong focus on employability; they want to see students in Michigan pursuing post-secondary certifications that can lead directly to careers. Many see opportunities in vocational and technical fields, and believe students, their families, and K-12 schools must recognize that not every child's path will be a two- or four-year degree. One participant said, "Too often in my view, teachers stress only the importance of students attending college as the best way to succeed in the future, and that is an inaccurate approach."

Improve preK-12 student performance & increase high school completion rates

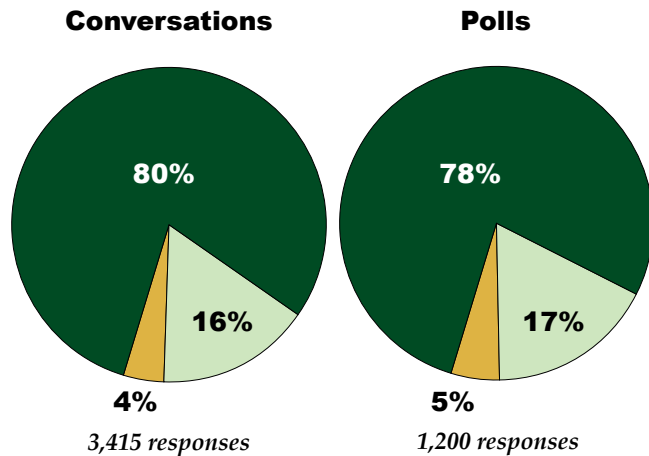
Michigan residents acknowledge that it is difficult to even reach post-secondary education without a quality educational foundation at the PreK-12 level. Thus, the twin issues of improving PreK-12 student performance and increasing high school completion rates receive strong levels of "urgency," similar to those for college affordability.

Improving PreK-12 student performance is deemed urgent by 81 percent of conversation participants and 58 percent of poll participants. Students, retirees, African Americans, and low-income households consider this issue particularly urgent.

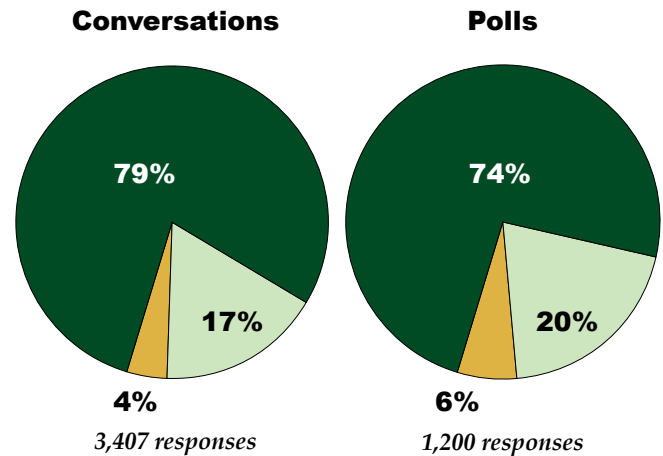
Data suggests Michigan residents have good reason to desire improved student performance. The 2013 National Assessment on Education Progress shows that Michigan's

WHAT PEOPLE WANT MOST

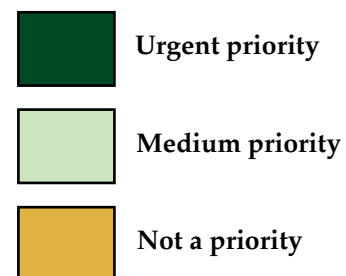
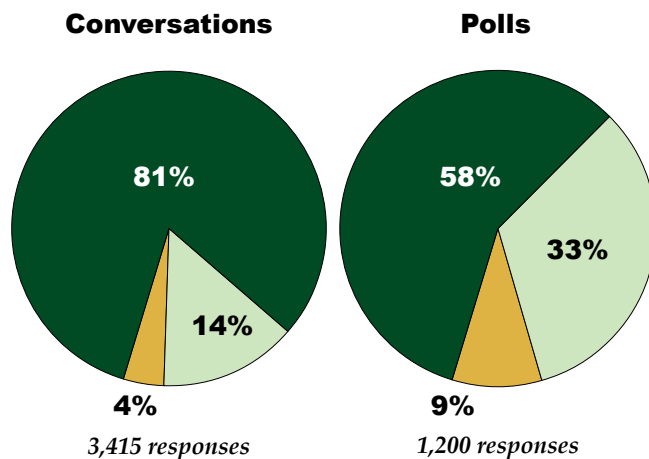
IMPROVE COLLEGE AFFORDABILITY



INCREASE HIGH SCHOOL COMPLETION RATES



IMPROVE K-12 PERFORMANCE



Percentages may not add to 100 due to rounding.

HOW TO GET IT DONE

Most commonly identified themes

Increase college affordability

- Help students explore many post-secondary options, not only two- and four-year degrees (81 comments)
- Students should pursue certifications that lead to employability (39)
- Provide apprenticeships, internships, and other incentives to stay and work in Michigan (24)
- We aren't getting what we pay for in higher education; re-evaluate funding priorities (20)
- Change the way higher education is funded; restore state funding to colleges (17)
- College costs are limiting our state economy (15)

Improve PreK-12 student performance & Increase high school completion rates

- Focus on early childhood education (124 comments)
- Learning must be more than just preparing for standardized tests (113)
- Family involvement is critical to a student's success (91)
- Teaching should focus on individual student needs (81)
- Adequately fund education (74)
- Bring back vocational and career technical education to K-12 (59)
- Teach critical thinking and problem-solving skills (59)
- Improve support for teachers (44)

K-12 students are falling further behind their peers in other states. For example, student scores indicate that Michigan is tied for 35th in fourth grade math proficiency, down from 11th in 2003. Eighth grade students' proficiency in math fell from 19th in 2003 to 29th in 2013. These slides in performance are evident across subjects and across demographic groups.

Three-quarters of all participants in both conversations and phone polls say increasing high school completion rates is an urgent priority. Participants of all races, work affiliations and income levels give majority support for this strategy. Only 76 percent of high school students in Michigan graduate in four years. Michigan's economy is not kind to high school dropouts. Job growth projections through 2018 predict that only one in twenty new jobs in our state will be available for high school dropouts.

Michigan residents recommend several action steps for addressing these issues, and they closely match the recommendations of participants in the Center's previous Community Conversation campaign, *"The Future of Education in Michigan."* Participants emphasize the need for high-quality early childhood education to build the foundation for a student's success. Michigan's elected leaders heard this message loud and clear, expanded funding for Michigan's public preschool program by \$65 million and, as of this writing, are poised to expand it again by up to another \$65 million.

Participants also recommend stronger support, preparation and accountability for teachers. Some endorse making teaching a more prestigious or better paid profession, while others suggest providing more support for teachers in the classroom. Some identify the need to raise the bar in teacher preparation programs. And still others recommend additional accountability for teachers and schools for student success.

Michigan's elected leaders are currently considering actions to address these teacher-focused recommendations. As of this writing, the legislature is considering proposals for new teacher evaluation tools and beefed-up teacher certification tests.

Several recommendations from Michigan residents have not yet seen much action from Michigan's leaders. Some conversation participants express deep concern about state leaders' interpretation of "student performance." They are adamant that student learning must be developed beyond preparation for standardized tests, and should focus on honing critical thinking and problem solving skills. To do this, participants recommend exposing students to many career options at the high school level, and suggest providing more vocational and trade-focused opportunities to help address this issue.

Increasing college completion rates

Support for increasing college completion rates is more mixed, and is certainly not as strong as the statewide support for the previous three issues. A majority of Community Conversation participants deem college completion an "urgent" priority, but only four in ten poll respondents do so. At least eight in ten of all participants believe it is at least a medium priority for Michigan, but it appears that this issue does not evoke the same degree of passion as other education issues facing our state.

"I think in the last 4 or 5 years, Michigan has done a good job of gutting opportunity for the working class and increasing the cost of education. It's very hard to start a business when you're \$50,000 in debt."

Stop kicking the can on education performance & college affordability

Michigan residents from coast to coast believe education is critical to Michigan's future, and their education agendas are packed with large-scale priorities for reform. In this election year, it is critical to residents that candidates make education a primary focus of their platforms. Furthermore, election year promises won't be enough; Michigan residents expect candidates, once elected, to take considerable further action to make college more affordable, improve student performance and increase high school completion rates. The long-term consequences of continued inaction on these issues, for Michigan families and for our statewide economy and quality of life, are frightening to many.

WHO WANTS WHAT

IMPROVE COLLEGE AFFORDABILITY
(% who say it's an urgent priority)

| | |
|--------------------------|-----|
| Students | 91% |
| African Americans | 90% |
| Asian Americans | 88% |
| Multiracials | 85% |
| Low-income households | 82% |
| Hispanics | 82% |
| Unemployed | 82% |
| Native Americans | 82% |
| Part-time workers | 81% |
| Full-time workers | 77% |
| Retirees | 77% |
| Medium-income households | 77% |
| Whites | 77% |
| High-income households | 72% |

IMPROVE HIGH SCHOOL COMPLETION
(% who say it's an urgent priority)

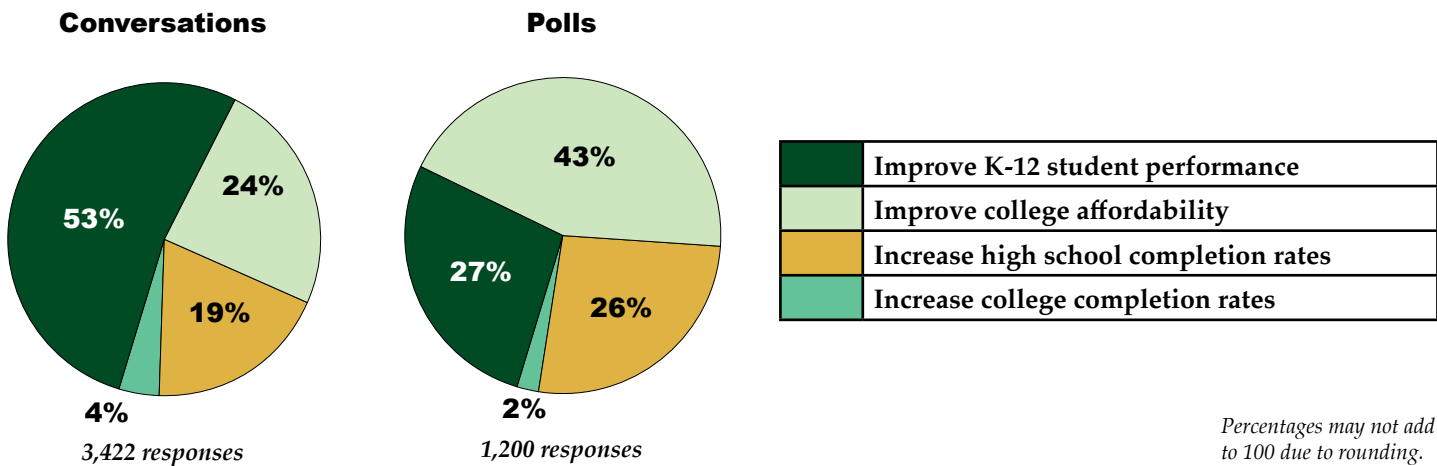
| | |
|--------------------------|-----|
| African Americans | 90% |
| Multiracials | 85% |
| Hispanics | 83% |
| Low-income households | 81% |
| Students | 79% |
| Unemployed | 79% |
| Retirees | 79% |
| Medium-income households | 79% |
| Asian Americans | 77% |
| Full-time workers | 76% |
| Part-time workers | 74% |
| Whites | 74% |
| High-income households | 72% |
| Native Americans | 70% |

IMPROVE K-12 PERFORMANCE
(% who say it's an urgent priority)

| | |
|--------------------------|-----|
| African Americans | 85% |
| Low-income households | 76% |
| Students | 75% |
| Multiracials | 75% |
| Medium-income households | 73% |
| Retirees | 72% |
| Unemployed | 70% |
| Full-time workers | 69% |
| High-income households | 69% |
| Whites | 67% |
| Hispanics | 67% |
| Part-time workers | 66% |
| Native Americans | 62% |
| Asian Americans | 58% |

HOW THE PUBLIC PRIORITIZED ALL FOUR EDUCATION STRATEGIES

Which education issue needs the most attention?



THE CITIZENS' AGENDA FOR QUALITY OF LIFE

"Quality of life" issues are important to where Michigan residents decide to live and work - and whether they decide to reside here at all. The most urgent quality of life issue facing Michigan is the need to decrease poverty, according to a compelling majority of Community Conversation and poll participants.

We asked Community Conversation and poll participants to weigh and prioritize seven diverse quality of life policy themes:

- Improving public safety.
- Decreasing poverty.
- Improving public health.
- Protecting Michigan's environment.
- Supporting arts and culture.
- Investing in public transit.
- Revitalizing Michigan's cities.

Most urgent: Decrease poverty

Michigan residents want candidates running to become our next leaders to address one of our state's most chronic problems - poverty. Of the seven issues specifically explored, this is the single quality of life issue that participants clearly identify as an "urgent" priority. Decreasing poverty is considered urgent by 70 percent of Community Conversation participants and 65 percent of poll respondents.

"I believe that the welfare system does not address the actual poverty issues. The existing programs need to be reformed and more emphasis on skills training and job placement."

Poverty is deemed urgent by clear and strong majorities across every worker group, income group, and racial group. "Urgent" concern over poverty is especially strong (above 70 percent in both Community Conversations and polls) among part-time workers, the unemployed, African Americans, Native Americans, Hispanics, and low-income households.

Citizens recognize the difficulty of this task. Michigan has the highest rate of residents living in poverty of all Great Lakes states. Some 1.6 million Michigan residents are currently living below the poverty line. One conversation participant said, "We have examples of things that don't work to solve poverty in our state and we have examples nationally. We know what doesn't work so we have to be willing to move on to what does work. But I don't have an answer."

However, participants identify several policy ideas and themes for addressing this immense problem. A portion of participants support direct government economic intervention. As one participant said, "Well, poverty is an economic issue with an economic solution: minimum wage, redistribution of tax money and subsidies are the three standard ways to address it." As discussed in the Economy section of this report, increasing the minimum wage is certain to be a hot button issue in this election year, dividing our state along a variety of demographic lines. Additionally, some tout one specific tax policy, the restoration of Michigan's Earned Income Tax Credit, as an opportunity to decrease poverty through a change in state tax policy.

A portion of Michigan residents also advocate for reform of Michigan's welfare system as a strategy to decrease poverty. Some caution that Michigan must encourage accountability, and a "hand up, not a hand out." One participant said, "I believe that the welfare system does not address the actual poverty issues. The existing programs need to be reformed and more emphasis on skills training and job placement."

Others say Michigan must bridge the gap between public assistance and entering the work force. A conversation participant gave an example, "I work at C.O.T.S. (Coalition on Temporary Shelter). I think it is disturbing that a person can be \$2 over the income limit and can't qualify for public assistance. The system should be there for a sustained period of time, which would allow them to adjust and be able to support family, then take the benefits away gradually."

Perhaps unsurprisingly, given the importance of education in previous sections of this report, participants recommend improving education and job training programs as a long-term strategy for decreasing poverty. Participants suggest improving the quality of PreK-12 education for all and providing stronger job training programs that help residents develop the skills needed in today's economy.

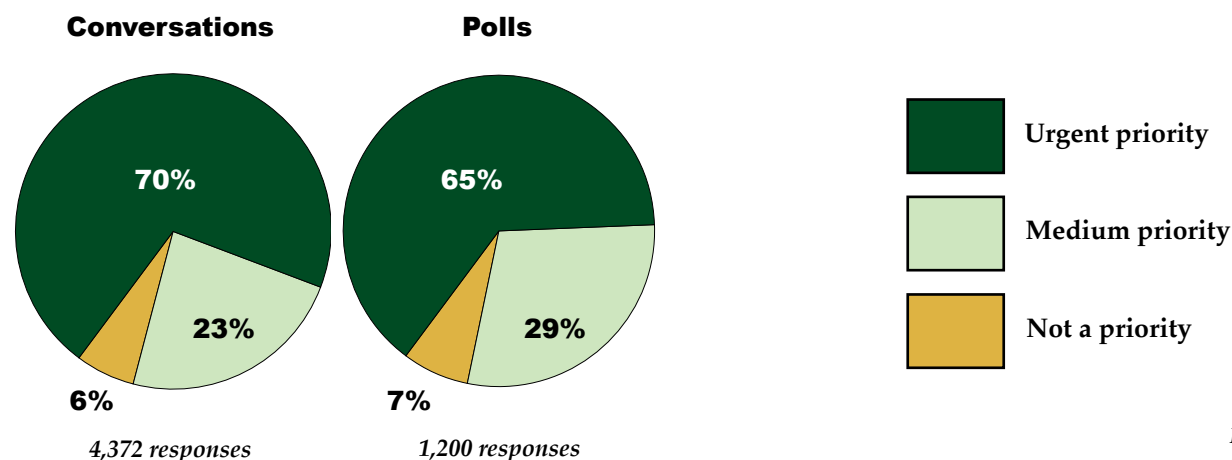
Residents torn on remaining strategies

Revitalizing Michigan cities is the second most pressing quality of life priority. It is an urgent priority for 58 percent of Community Conversation participants and 47 percent of poll respondents. But this support is not equally high across demographic groups. Three-quarters of African Americans deem it an "urgent" issue. So do two-thirds of those from mixed-race backgrounds. But cities do not garner "urgent" priority status from clear and consistent majorities of full-time workers, retirees, Asian Americans, whites, or high-income households.

The financial distress faced by Michigan's cities triggers

WHAT PEOPLE WANT MOST

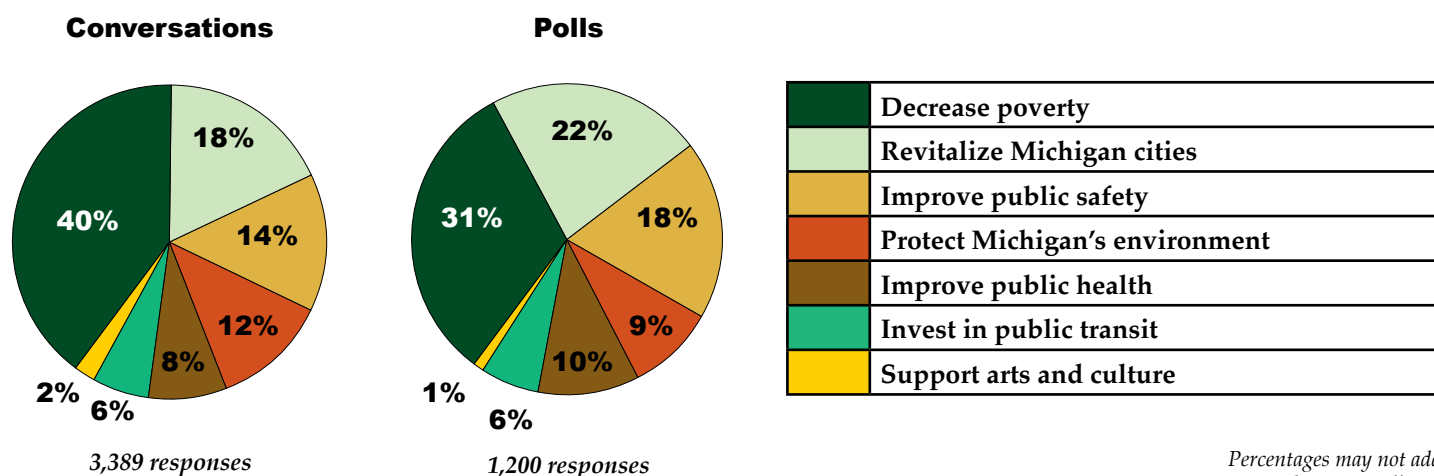
DECREASE POVERTY



Percentages may not add to 100 due to rounding.

HOW THE PUBLIC PRIORITIZED ALL SEVEN QUALITY OF LIFE STRATEGIES

Which quality of life issue needs most attention?



Percentages may not add to 100 due to rounding.

HOW TO GET IT DONE

Most commonly identified themes

Decrease poverty

- Decreasing poverty will improve other quality of life issues, including public safety, public health and city revitalization (120 comments)
- Decrease poverty by creating jobs, decreasing the cost of living, and increasing wages (56)
- Decrease poverty through access to high-quality education and job training programs (29)
- Reform public assistance to provide a hand up, not a hand out (23)
- Bridge the gap between public assistance and entering the workforce (18)

concern for residents. Michigan municipalities and their finances have taken major hits over the past decade, and many are still searching for answers to the myriad problems the Great Recession, population loss and industry decline have generated. A number of cities are currently under emergency financial management or state receivership, and numerous others are struggling to fulfill municipal needs and financial promises to retirees. These issues are exacerbated by the foreclosure crisis, sluggish recovery of the Michigan housing market, and related declines in property tax revenues.

Support for protecting Michigan's environment is generally high, but urgency compared to other quality of life issues is relatively low. A majority of both conversation and poll participants (56 percent and 54 percent, respectively) believe this is an urgent quality of life priority. Nine in every ten participants believe it is at least a medium priority. However, only one in ten believe this issue needs the "most attention" from Michigan's public leaders.

Opinions diverge on the issue of improving public safety. More than four in ten Community Conversation and poll participants view it as "urgent." But there's a clear split in levels of urgency among different demographic groups – reflecting two kinds of realities for different sets of Michigan residents. Clear majorities of the unemployed, low-income workers, and African Americans view public safety as an "urgent" priority. Only roughly a third of whites and upper-income households share that view.

There's a similar divide on public transit. African Americans and low-income households assign more urgent priority to transit than other demographic groups. Overall, 46 percent of conversation participants deem this an urgent priority while only 27 percent of poll participants agree. Altogether, only six percent of Community Conversation and poll participants view public transit as the most urgent quality of life issue in Michigan.

Similarly, fewer than one in ten view improving public health or investing in arts and culture as the most urgent quality of life issue. Neither approached anything close to clear majority support as "urgent" issues.

Decreasing poverty key to improving quality of life

The quality of life discussion highlights different daily realities for different groups of Michigan residents. There is consensus on the need to decrease poverty in our state. Beyond this issue, support for many of the quality of life issues discussed varies greatly depending on work affiliation, race and income. However, as many conversation participants mention, some of the quality of life issues considered more important to low-wage

workers, the unemployed and African-Americans are closely intertwined with poverty. As one participant said, "I live in poverty. If you reduced the poverty in my neighborhood everything would get better. The crime rate would go down because people wouldn't have to steal because they'd have their own, public transportation would be better because people would feel safe using it."

Michigan residents want action on decreasing poverty. They may not agree on the best ways to address this issue. But it is clear that residents want intensified debate and more ideas to reduce poverty.

"I live in poverty. If you reduced the poverty in my neighborhood everything would get better. The crime rate would go down because people wouldn't have to steal because they'd have their own, public transportation would be better because people would feel safe using it."

WHO WANTS IT

DECREASE POVERTY (% who say it's an urgent priority)

| | |
|--------------------------|-----|
| African Americans | 84% |
| Native Americans | 80% |
| Hispanics | 76% |
| Unemployed | 75% |
| Low-income households | 74% |
| Part-time workers | 73% |
| Retirees | 70% |
| Multiracials | 70% |
| Students | 69% |
| Medium-income households | 68% |
| Full-time workers | 65% |
| Whites | 64% |
| Asian Americans | 62% |
| High-income households | 62% |

THE CITIZENS' AGENDA FOR PUBLIC MONEY

Michigan residents say they'll pay more in taxes for better roads. Otherwise, the public offers very little clear mandate on state tax and spending policy. The public wants state leaders to find innovative solutions for Michigan's problems at our current taxation levels.

We asked the public to weigh six tax and budget questions:

- In general, what tax advice do you give leaders?
- If you were to cut a tax, which would you cut?
- If you were to increase a tax, which would you raise?
- Are you willing to pay more taxes for roads?
- If you were to decrease spending, what's your first priority?
- If you were to increase spending, what's your first priority?

The new normal: No new tax cuts or tax increases beyond roads

This is the only portion of the citizens' agenda defined more by what participants *didn't* say. Candidates running to become Michigan's next governor and legislators are in a precarious position when it comes to public money. Roughly a third of state residents want tax cuts, roughly another third want tax increases, and the rest favor the status quo. Any major tax rate change (up or down) threatens to antagonize the majority of the population.

So if leaders follow this murky public will, the total amount of public money we have to address our state's issues won't change much beyond overall economic trends. As one Community Conversation participant said, "People are beginning to settle to a new normal about what our state should look like. People have adjusted their standard and outlook. Outlooks have been softened."

Michigan residents do, however, want to see systemic changes in our economy, education systems and quality of life, as addressed earlier in this report. The current allocation of public resources does not address these urgent public concerns. Residents are looking to state leaders for new and innovative ways of doing business. This means strategy and service delivery overhauls, more efficiencies, and intensified fights over public spending priorities may all be part of "The New Normal."

Fix Michigan roads – and we'll pay more to do it

We did find one very notable exception to the status quo. The majority of Michigan residents want the roads fixed – and they are willing to pay higher taxes to make it happen. Fifty-two percent of conversation participants and 58% of those polled say they would pay more to repair roads

and bridges. More than 50 percent of full- and part-time workers, retirees, whites and middle- and upper-income households support paying more taxes for roads. The notion does not carry majority support among Hispanics and low-income workers.

"Roads need to be repaired the right way the first time instead of just patching them up. It seems like having to patch the same roads over and over again every year would cost more in the long run."

Even in this area of general agreement, Michigan residents have strict instructions for how they would like this increased tax revenue to be specifically used. One participant said, "Roads need to be repaired the right way the first time instead of just patching them up. It seems like having to patch the same roads over and over again every year would cost more in the long run." Transparency in taxing and spending is of high importance for Michigan residents. Another participant said, "In our homes, we have to operate according to our budget. Public funding needs to be accountable and stick to the budget. I want accuracy, transparency and accessibility."

No agreement on taxing and spending

When giving general tax advice to future Michigan leaders, Community Conversation participants are completely divided. About a third support cutting taxes, raising taxes, and keeping taxes the same, respectively. In the telephone polls, 43 percent of participants support cutting taxes, 36 percent would like to keep taxes about the same, and 21 percent would like to raise taxes.

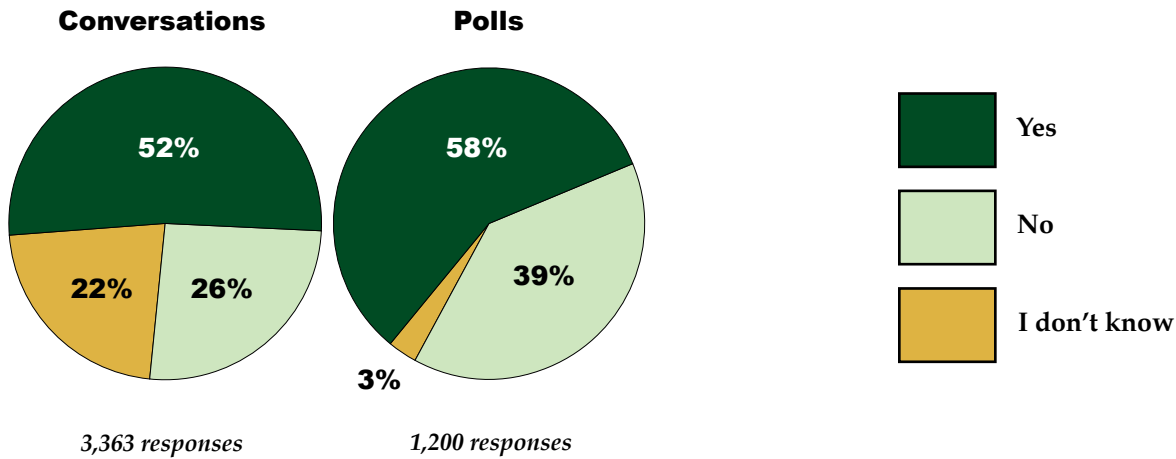
Conservative candidates who would like to continue to cut taxes and shrink government spending do not have a public mandate to do so. Likewise, liberal candidates interested in raising taxes and making investments in areas such as education or social services do not have a public mandate to do so.

When asked which of Michigan's five major taxes (if any) most deserve cuts and increases, residents' lack of consensus on public money is illustrated clearly. No specific tax receives higher than 34 percent support as a first priority for cuts in conversations or in the polls. Similarly, no specific tax increase is recommended by more than 34 percent of participants in conversations or polls.

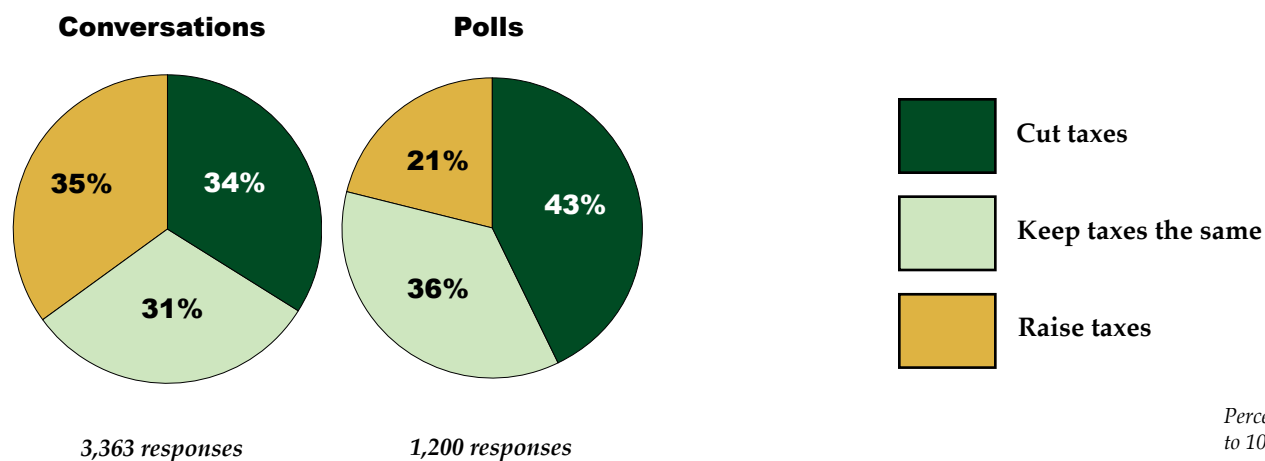
Slightly more common ground can be found in participants' recommendations about public spending,

THEY'LL PAY MORE FOR BETTER ROADS, BUT NO CONSENSUS ON TAX POLICY

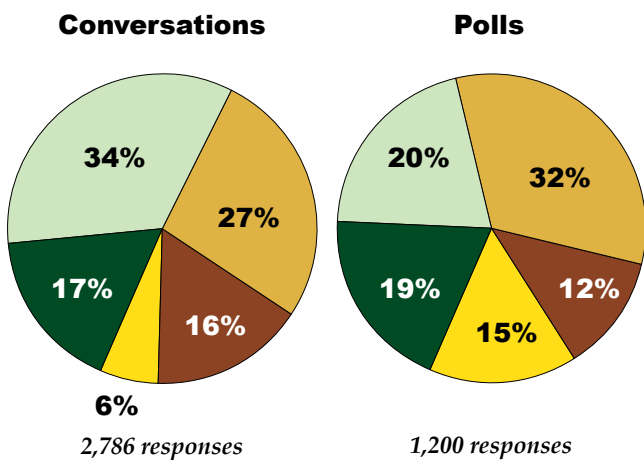
Are you willing to pay more in taxes for roads?



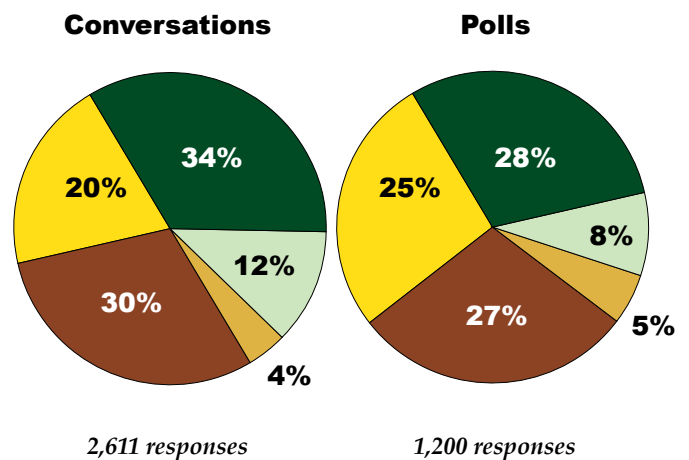
In general, what tax advice would you give leaders?



What tax would you cut?



What tax would you raise?



particularly on spending decreases. Fifty percent of conversation participants would most like to see cuts to general government, as would 38 percent of poll participants. Yet, general government spending accounts for only eight percent of Michigan’s total state government spending. Even if cuts are made in this area, this does not free up many resources to reallocate to other spending priorities.

When it comes to increased government spending, the top priority for both conversation participants (46 percent) and poll respondents (39 percent) is K-12 education. However, these participants do not represent a majority, and those in favor of increasing K-12 funding are outnumbered by the general majority of Michigan residents who do not

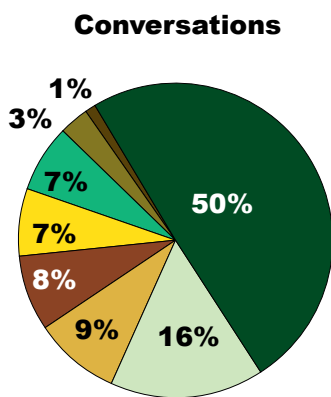
favor overall tax increases. Some participants recommend looking for more ways to be more efficient with the dollars we already allocate to education. One such participant said, “One of my concerns is education, which seems to be the big issue in this room. But looking at the budget, we’re already spending 41% of state budget on education. Maybe we need to look at how we are spending it.”

The bottom line: Get creative

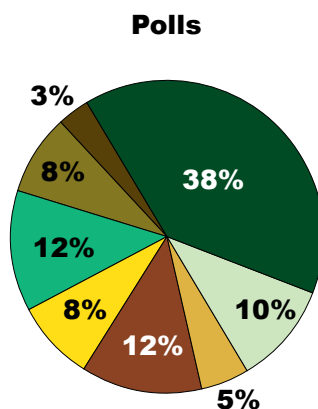
Michigan residents want it all – address urgent priorities with no new taxes (except for roads).

SOMEWHAT MORE AGREEMENT ON SPENDING PRIORITIES...

If you were going to decrease spending, what is your first priority?



3,389 responses

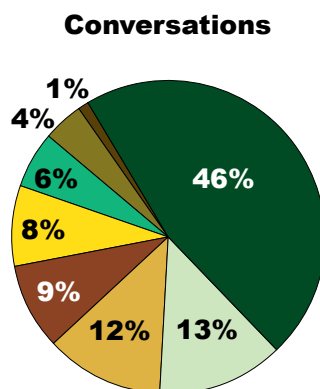


1,200 responses

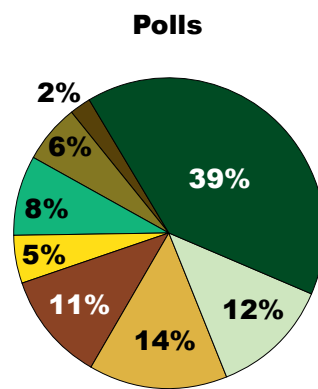
| | |
|--|---------------------------------------|
| | General government |
| | Local government revenue sharing |
| | Natural resources and the environment |
| | Health, welfare and social services |
| | Colleges and universities |
| | Public safety, prisons and courts |
| | Transportation, roads and bridges |
| | K-12 education |

Percentages may not add to 100 due to rounding.

If you were going to increase spending, what is your first priority?



3,116 responses



1,200 responses

| | |
|--|---------------------------------------|
| | K-12 education |
| | Health, welfare and social services |
| | Transportation, roads and bridges |
| | Colleges and universities |
| | Natural resources and the environment |
| | Public safety, prisons and courts |
| | Local government revenue sharing |
| | General government |

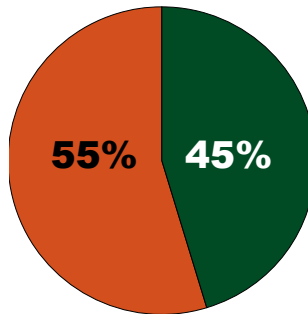
Percentages may not add to 100 due to rounding.

ONLINE CONVERSATION RESULTS

In January 2014, the Center for Michigan launched online-only versions of the survey questions asked of all in-person Community Conversation participants. This allowed statewide residents who could not make it to an in-person meeting to still contribute to the overall public engagement campaign. Republican Gov. Rick Snyder

and his Democratic challenger, Mark Schauer, hosted the online conversations with video introductions. Some 550 people participated in the online conversations, with 301 completing the Snyder-hosted version and 248 completing the Schauer-hosted version.

Which video did our participants choose?



A snapshot of what the online conversation participants had to say...

| SNYDER/SCHAUER FANS AGREE ON TOP TWO ECONOMIC POLICY STRATEGIES... | Snyder | Schauer |
|--|---------------|----------------|
| It's an "urgent" priority to intensify education and job training. | 71% | 79% |
| It's an "urgent" priority to invest in roads, bridges and infrastructure. | 77% | 87% |
| SNYDER/SCHAUER FANS ALSO SHARE URGENCY ON EDUCATION STRATEGIES... | Snyder | Schauer |
| It's an "urgent" priority to improve K-12 student performance. | 72% | 73% |
| It's an "urgent" priority to increase high school completion rates. | 65% | 75% |
| It's an "urgent" priority to improve college affordability. | 61% | 77% |
| SNYDER/SCHAUER FANS ALSO AGREE SOMEWHAT QUALITY OF LIFE PRIORITIES... | Snyder | Schauer |
| It's an "urgent" priority to decrease poverty. | 48% | 72% |
| It's an "urgent" priority to protect Michigan's environment. | 55% | 68% |
| SCHAUER FANS ALMOST TWICE AS LIKELY TO RAISE TAXES. NEITHER FAN BASE WOULD CUT TAXES. | Snyder | Schauer |
| In general, what tax advice do you give leaders? | | |
| Cut taxes. | 23% | 16% |
| Keep taxes the same. | 44% | 22% |
| Raise taxes. | 33% | 63% |

NOTE: Online Community Conversation results are not included in the total campaign results detailed elsewhere in this report. The online results are not statistically valid. They are included here as an anecdotal report of potential similarities and differences between supporters of the two candidates for governor this year. We do note, however, that the policy priorities of both Snyder and Schauer online participants generally trend closely to the overall results of our in-person Community Conversations and polls.

LAST WORD TO CANDIDATES

Michigan residents' messages to political candidates

We asked Community Conversation participants to share the one thing they would most like to say to candidates on the campaign trail in 2014. Below is a sample of the passionate responses shared:

"There needs to be some semblance of accountability for our elected officials. Most campaigns are run on the issues we've discussed today, yet once the politicians make the transition to Lansing, they are long forgotten."

"We need elected officials who don't go in with an agenda, but instead want to know what we want and need."

"I believe politicians should spend a night or a week living in the exact circumstances of some of their constituents in order to see the problems we face first hand."

"I'm concerned about the extreme partisanship right now in our political system, especially at the policy-making level. In the primaries when candidates are actually chosen it seems like you have to be more extreme than the next guy to get elected."

"I believe taking the money out of politics is necessary. When elected leaders leave the district and get to Lansing they become influenced by the culture and lose their original identity."

"Work together to do what is best for the state of Michigan."

"Be more focused on results and less focused on ideology."

"Who runs our state since we implemented term limits? The lobbyists."

"Fix gerrymandering. Too many districts are built for the parties over the people. It takes away the public voice and promotes party loyalty over the interest of the state."

"While campaigning, please do not be divisive and critical. Offer the best alternatives you can and have the vote be based on that and not mudslinging."

"I would like honest and accurate debate, and transparency in political contributions."

"Listen, listen, listen."

Most frequent advice:

Politicians need to be accountable to constituents and work for the common good **(152 comments)**

Elected leaders should be transparent and have integrity **(52 comments)**

Address election reform issues and money spent in politics **(41 comments)**

Eliminate term limits **(31 comments)**

Candidates should campaign on issues and stop mudslinging **(28 comments)**

We need redistricting reform **(19 comments)**

Consider a part-time legislature **(14 comments)**



WHAT YOU CAN DO

Share this citizens' agenda

Help us spread this report across the state! Send it to your family, friends, neighbors and colleagues. More than 5,500 people shared their agenda for our state in this campaign, and you can help be the bullhorn for Michigan residents' priorities. Download the PDF version at thecenterformichigan.net and share over email or on your social media pages. If you prefer paper copies, call us at 734-926-4285 or email engage@thecenterformichigan.net to request them.

Sign up to receive Bridge Magazine

The Center for Michigan produces a free online publication called Bridge Magazine. A source of fact-based, independent journalism, Bridge offers thrice-weekly analysis of the most pressing issues facing our state, including many of the issues discussed in this report. Subscribe to Bridge for free at bridgemi.com. And, in this election year, Bridge subscribers will have access to the Center for Michigan's Michigan Truth Squad. The Truth Squad calls foul on false and misleading political speech by both politicians and special interest groups.

Follow the Center for Michigan on Facebook, Twitter and Instagram to engage with candidates

We will continually update our social media accounts to share information about upcoming events focused on the findings of this report, including opportunities for candidate engagement. Find us on Facebook at facebook.com/thecenterformichigan and on Twitter and Instagram, @CenterforMI.

Contact your legislators

Follow up with state leaders about the agenda items you care about most. To find the name and contact information for the legislators representing you, visit house.mi.gov for the House of Representatives and senate.michigan.gov for the Senate. For a list of all candidates who have filed for the 2014 Michigan Primary election, visit <http://bit.ly/RSWesQ>.

Perhaps most importantly, when candidates come knocking this summer, ask them to respond in detail to the citizen priorities in this report.

Carry out your agenda for Michigan locally—Volunteer!

Keep the momentum from Community Conversations alive in your own community through volunteerism. Many



nonprofit agencies near your home are seeking passionate

Michigan residents like you to help them fulfill their service missions. The Center for Michigan has partnered with the Michigan Community Service Commission to present Community Conversation participants information about MCSC's volunteer match widget, a digital tool you can use to search for local volunteer opportunities by zip code or key term.

Access this tool on our website, thecenterformichigan.net. Click on the button that reads "Sign up to volunteer here!" and begin searching today.

Sign up to host a Community Conversation this fall

The Center plans to hit the road again beginning this fall for our next round of Community Conversations. Based on the findings of this report, the focus of these discussions will be workforce development, colleges and universities, and careers. If you'd like to learn more about how to host a conversation in your community, contact us at 734-926-4285 or engage@thecenterformichigan.net.

PUBLIC ENGAGEMENT: IT'S NOT IDLE CHATTER!

The Center for Michigan is committed to assuring that citizen voices are amplified and acted upon in the halls of power. It is rare when any one group deserves full credit for policy change – and we stake no such claim. But state leaders regularly seek our citizen agenda reports to help inform their decision making. Every citizen voice matters. Examples of how public engagement can and does matter:

Nation's largest expansion of public preschool

Citizens demanded deeper investment in early childhood programs in our 2007-2010 and 2012 public engagement campaigns. Bridge Magazine reporting in 2012 documented 30,000 four year olds who were eligible for public preschool but not enrolled because Michigan had never fully invested in the program. State leaders responded with a \$65 million preschool expansion in 2013 and, as of this writing, are poised to pass another \$65 million preschool increase in 2014.

A longer school year

Citizens raised concerns about what they perceived as a shrinking K-12 school year in our 2007-08 public engagement campaigns. Center for Michigan research showed many school districts were cutting weeks of instruction every year to save money. State leaders responded with new requirements for schools to offer at least 170 days of annual instruction.

\$250 million in savings from state prison reforms

In our 2007-2010 public engagement campaigns, citizens demanded prison system reforms to stop the massive growth in prison spending which crowded out many other public investment priorities. In January 2013, Michigan Corrections Director Dan Heyns thanked the Center for Michigan for applying public pressure for prison reforms which helped lead to \$250 million in taxpayer savings. Steps included closing prisons, instituting a wide range of operational efficiencies, and reworking programs to help parolees re-enter society. In addition, the Center for Michigan worked with legislators to obtain a state budget appropriation to study sentencing reform – and that work continues now before the Michigan Law Review Commission.

Education quality reforms

Citizens called for both greater accountability and greater support for educators in both our 2007-2010 and 2012 public engagement campaigns. State leaders responded, and continue to respond, in a wide variety of ways. They

passed teacher tenure reform and a pilot program to encourage year-round schools. And, as of this writing, work continues on bills for a comprehensive statewide teacher evaluation system and an accelerated teacher certification testing overhaul that would raise the bar for entry into the profession.

Deeper “Pure Michigan” investment

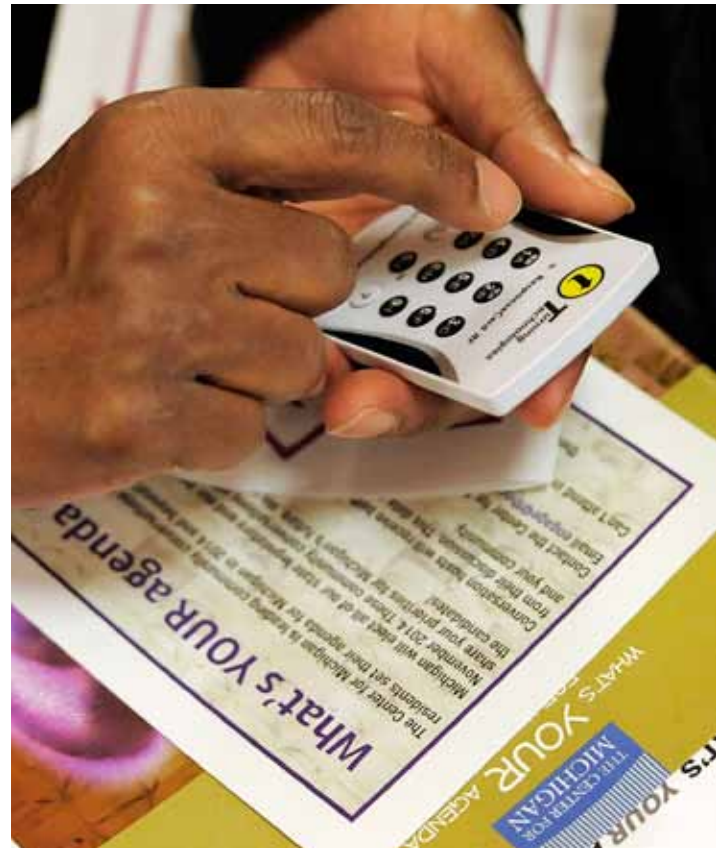
Citizens asked for deeper investment in the popular Pure Michigan marketing strategy in our 2007-2010 public engagement campaigns. State leaders have more than doubled “Pure Michigan” marketing since 2006.

State business tax reform

Citizens supported doing away with the state’s unpopular single business tax in our 2007-2010 public engagement campaign. State leaders abolished the “SBT” in 2011.

The 2010 Great Debate

The Center for Michigan has met with hundreds of statewide political candidates since 2008 to share citizen priorities. Most notably, the findings of our 2007-2010 public engagement campaign were the focus of the only gubernatorial debate in 2010.



DEMOGRAPHICS

A key component of all Center for Michigan public engagement activities is representation of Michigan's diverse people and regions, and this round of Community Conversations was no different. We sought specific, nuanced input from Michigan residents to create a "to-do list" for candidates that fully represents the Michigan public.

To achieve this representation, we carefully tracked the demography of all participants in Community Conversations and in phone polls. As a result, we are able to present cross-tabulated feedback from participants representing our state's diverse ages, races, income levels and self-identified work affiliation.

The tables and map in this section illustrate the statewide reach of these Community Conversations and the diverse groups of participants who shared their agendas for Michigan. Our results closely represent the Michigan public in many ways.

The Center recognizes that participants in Community Conversations are self-selected, and thus may be more civically engaged or informed than the average Michigan resident. Phone poll participants are randomly selected, and therefore help the Center mitigate any self-selection bias in our results. However, phone polls are much shorter than in-person conversations and therefore allow less opportunity for poll participants to share their detailed ideas for improving Michigan. Thus, we have diligently drawn conclusions and presented findings where we saw the strongest, clearest themes in both Community Conversations and in statewide phone polls.

When results of these two engagement methods are combined, we see numerous consistent conclusions across Michigan's diverse population groups. We welcome readers to analyze the data in depth on their own. The full data set from both conversations and polls is available at thecenterformichigan.net, including detailed crosstabs of how Michigan residents of various worker groups, incomes and races prioritize policy issues. We have published in this report many examples of detailed data and anecdotal examples that illustrate the clearest priorities of the participants across the state. Throughout this report, readers will also see sample quotations from Community Conversation participants. We have chosen to publish quotes that represent some of the most-mentioned ideas for addressing the top priorities of Michigan residents, as identified by the data in both conversations and polls.

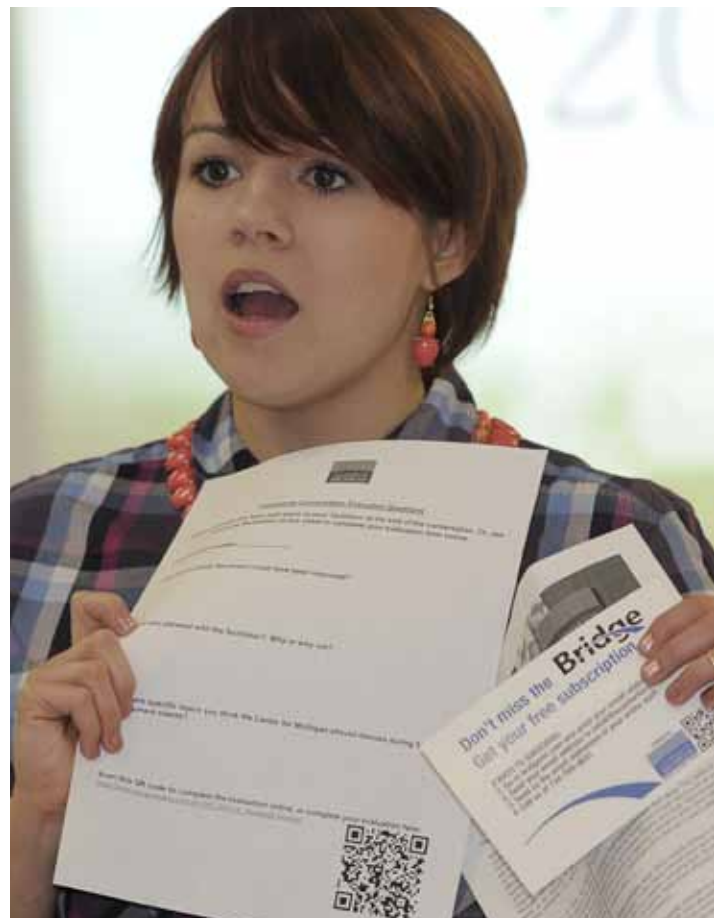
Ultimately, we believe this report represents the Michigan public's priorities for our state. We encourage candidates to carefully study this citizens' agenda for information on the priorities and ideas for action of their potential constituents.

Where we went

This pin map represents the 79 municipalities where 166 Community Conversations were held from September 2013-April 2014. In these conversations, 3,779 Michigan residents participated.

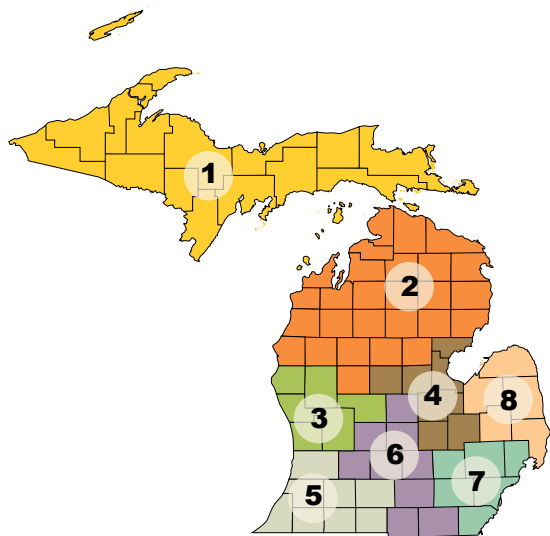


The number of participants was determined by counting the number of people who responded with their "clicker" to at least one question during a Community Conversation. More than 3,300 participants responded to nearly all questions posed during the discussions. We supplemented their votes and comments with the responses of 1,200 participants in randomized, statewide phone polls.



Who Participated

Participants by Region (Community Conversations only)



| Region | Conversation Participants | Total % of Conversation Participants | Total % of Pop. (2012 Census estimates) |
|----------------|---------------------------|--------------------------------------|---|
| 1 - UP | 136 | 4% | 3% |
| 2 - Northern | 301 | 9% | 7% |
| 3 - Western | 330 | 10% | 12% |
| 4 - Bay | 397 | 12% | 10% |
| 5 - Southwest | 313 | 10% | 9% |
| 6 - S. Central | 374 | 11% | 10% |
| 7 - S. East | 1274 | 39% | 46% |
| 8 - Thumb | 183 | 6% | 4% |
| Total | 3308 | | |

12.5% of conversation participants did not respond to this question.

Participants by Age (Conversations and Polls)

| Age | Conversation Participants | Total % of Conversation Participants | Total % of Poll Participants | Total % of Pop. over 18 years |
|--------------|---------------------------|--------------------------------------|------------------------------|-------------------------------|
| 18-24 | 630 | 19% | 12% | 13% |
| 25-34 | 359 | 11% | 17% | 16% |
| 35-44 | 389 | 12% | 17% | 16% |
| 45-54 | 526 | 16% | 21% | 19% |
| 55-64 | 693 | 21% | 16% | 17% |
| 65+ | 731 | 22% | 14% | 19% |
| Total | 3,328 | | 1,200 | |

11.9% of conversation participants did not respond to this question.
4% of poll participants did not respond to this question.

Participants by Race (Conversations and Polls)

| Race | Conversation Participants | Total % of Conversation Participants | Total % of Poll Participants | Total % of Population |
|-------------------|---------------------------|--------------------------------------|------------------------------|-----------------------|
| African American | 631 | 19% | 10% | 14% |
| American Indian | 34 | 1% | 1% | 1% |
| Asian American | 55 | 2% | 3% | 3% |
| White / Caucasian | 2342 | 71% | 79% | 76% |
| Hispanic / Latino | 71 | 2% | 3% | 5% |
| Multiracial | 148 | 5% | 1% | 2% |
| Total | 3281 | | | |

13.2% of conversation participants did not respond to this question.
4% of poll participants did not respond to this question.

Participants by Income (Conversations and Polls)

| Household income | Conversation Participants | Total % of Conversation Participants | Total % of Poll Participants | Total % of Population |
|------------------|---------------------------|--------------------------------------|------------------------------|-----------------------|
| \$0-10K | 300 | 10% | 0% | 8% |
| \$10-20K | 197 | 6% | 9% | 11% |
| \$20-30K | 199 | 6% | 11% | 11% |
| \$30-40K | 229 | 7% | 8% | 11% |
| \$40-50K | 256 | 8% | 8% | 10% |
| \$50-60K | 237 | 8% | 10% | 9% |
| \$60-80K | 422 | 13% | 14% | 23%* |
| \$80-100K | 388 | 12% | 11% | |
| \$100K+ | 920 | 29% | 20% | 18% |
| Total | 3,149 | | | |

16.7% of conversation participants did not respond to this question.
9% of poll participants did not respond to this question.

*ACS data does not correspond to categories used in the Community Conversations. For comparison here, it is presented as \$60,001 - \$100,000.

METHODOLOGY

In each public engagement campaign, the Center for Michigan sets two goals. The first is to engage Michigan residents from across the state in thoughtful dialogue about important state policy issues, to discover common ground solutions. The second is to ensure that the demography of the participants in our engagement activities mirrors the demography of the state.

At the beginning of the “What’s YOUR agenda for Michigan?” conversation campaign, we aimed to engage 5,000 Michigan residents. Ultimately, we succeeded, reaching more than 5,500 residents through 166 Community Conversations, 2 large telephone polls reaching 1,200 residents and 550 completions of an online Community Conversation. This round of discussions began in late September 2013 and concluded in early April 2014. Participants in each of these public engagement opportunities shared their thoughts, ideas, and priorities for Michigan, and from their input we developed this report.

We collected demographic information from participants in our conversations (both in person and online) and in the telephone poll to ensure that our sample of participants looks like the face of Michigan. The information on pages 22-23 demonstrates the level to which our public engagement participants are representative the Michigan public.

How we recruited participants

The Center has developed a vast array of partnerships over the course of four major public engagement campaigns. From these partnerships, we recruit diverse host individuals and organizations to bring together a group of 20-50 of their friends, family members, neighbors, clients, and colleagues. Groups such as community organizations, colleges and universities, chambers of commerce, business and professional organizations, civic groups and school districts have volunteered to gather groups for a discussion.

Our host recruitment began with an electronic letter to more than 4,000 potential host individuals and organizations representing many diverse interests, industries, and communities statewide. Our letter explained the topic and goals of this round of discussions and asked the recipient to host a conversation in their community at a date, time and location of their choice. Once potential hosts were identified, Center for Michigan engagement staff worked with hosts to build an organic meeting in their community or build the conversation into a pre-existing meeting by offering free, pre-developed content. We provided these potential hosts with tools such as an invitation letter, sample flyer, promotional images, and sample social media posts to help recruit participants.

What we asked

The focus of this round of discussions was to set an agenda for Michigan going into a critical election year. In

November 2014, the state of Michigan will elect our next governor, all 38 state senators, all 110 state representatives and hundreds of local leaders. In this campaign, the Center sought to gather priorities, ideas, and opinions of Michigan residents, with the goal of creating a citizens’ agenda to be shared with candidates running to become our state leaders.

Development of the four major discussion topics in this campaign included material from Bridge Magazine’s biannual Michigan Scorecard. The Scorecard analyzes Michigan’s ranking compared to other states on more than two dozen indicators of a state’s success. The four major categories of these indicators are economy and prosperity, education, quality of life and public money. Community Conversation and poll participants were asked to answer three questions about their general feelings on Michigan and its future. Participants were also presented with several potential strategies for impacting the four major categories of the Scorecard. The Center developed these detailed strategic choices with input from a wide range of policy experts and representatives from across the political spectrum, in close consultation with Public Sector Consultants, Inc.

Once in our conversations and polls, participants had the opportunity to vote on the level of priority each strategy deserves: Urgent Priority: A top concern for the near future; Medium Priority: Get to it if you can; or Not a Priority: There are bigger issues. In the economy section, participants also had a fourth option: Simply Don’t Do This: I don’t think it works. In each of the discussion sections, conversation participants were asked to give specific suggestions and ideas for acting upon their preferred strategy. They were also asked to share additional strategies for addressing Michigan’s pressing problems. Given the limited timing and logistics of phone polling, poll participants were not asked to explain the reason behind their votes.

In the first discussion section, we asked participants to weigh in on their general feelings about Michigan. We asked participants to share how they feel about Michigan right now, as well as how Michigan is doing compared to four years ago. We also asked for predictions about how Michigan will be doing four years from now.

The second discussion focused on the economy and prosperity. Participants were asked to assess the priority level of seven different strategies for improving Michigan’s economy: executing direct economic development, reducing taxes and shrinking government, intensifying education and job training, streamlining regulation of business, investing in roads, bridges and infrastructure, investing in placemaking and increasing the minimum wage. Participants were then asked to identify which of these strategies needs the most attention from Michigan’s public leaders.

In the third discussion, we asked participants about strategies for impacting education in Michigan. We

asked participants for the priority levels they give to the following four strategies: improving PreK-12 student performance, increasing high school completion rates, increasing college completion rates and improving college affordability. Again, we then asked participants to choose which of these strategies needs the most attention from Michigan's public leaders.

The fourth discussion focused on quality of life issues. We asked for participants' priority levels for seven strategies for improving quality of life in our state: improving public safety, decreasing poverty, improving public health, protecting Michigan's environment, supporting arts and culture, investing in public transit and revitalizing Michigan's cities. Participants also chose the strategy most in need of attention from elected leaders.

We asked participants for their public money priorities in the fifth discussion section. Participants shared their general tax and spending recommendations to public leaders: cut taxes and return the saving to taxpayers, keep tax revenue and government spending about the same or raise taxes and invest the revenues in improved public services. We also asked participants which (if any) of the five major state taxes (business, income, property, sales or transportation taxes) they would most like to cut, and which (if any) they would most like to increase. Similarly, we asked participants to share which (if any) of Michigan's state government spending categories they would most like to cut, and which (if any) they would most like to increase. The eight options were: colleges and universities, general government, health/welfare/social services, K-12 education, local government revenue sharing, natural resources/environment, public safety/prisons/courts and transportation (roads and bridges). Finally, we asked participants whether they would be willing to pay more in taxes for road and bridge repairs.

We concluded Community Conversations by asking participants to share any strategies for improving Michigan that had not yet been mentioned, as well as anything they would like to say directly to candidates running to become our next state leaders in 2014.

How we gathered input in conversations

Participants in Community Conversations used electronic clickers to anonymously vote on 30 multiple choice questions. Results were then displayed instantly to help prompt deeper discussion and identify strategies most popular with the participant group. Each conversation was facilitated by a trained Center for Michigan facilitator, and was recorded by a trained note-taker to capture the specific, detailed comments and ideas shared by participants. Participants were also asked to respond with their clickers to seven demographic questions. The thousands of individual comments from statewide conversations were databased and categorized into themes by the research staff at Public Sector Consultants Inc., and the most consistent themes and action steps are detailed throughout this report.

Telephone poll methodology

Public Sector Consultants, Inc. conducted two large statewide polls, from November 17-24, 2013 and from February 21- March 2, 2014. Each sample contained 600 participants, for a total of 1,200 total poll respondents. The poll included a targeted oversample of African-American respondents, 18-34 year old respondents, and respondents with incomes less than \$25,000 per year to ensure that the sample of these population subgroups accurately reflects estimates for Michigan's adult population. In addition, the telephone sample was designed to include 40% cell-phone respondents to address coverage and non-response issues related to the growing number of cell-phone only and cell-phone mostly households in Michigan. The final sample included 727 landline and 473 cell-phone respondents.

The overall survey margin of error is +/- 3 percent at a 95 percent confidence level. The margin of error for oversampled subgroups includes: age 18—34 (N=252, +/- 6%), African-American (N=358, +/- 5%), and income below \$25,000 (N=429, +/- 5%). The telephone sample was adjusted by gender, race/ethnicity, age and income using poststratification weighting, so that the telephone sample matched population estimates for Michigan from 2010 U.S. Census and 3-year estimates from the American Community Survey.

Conversation issue guide

The Center created a booklet we call an issue guide and distributed it to all Community Conversation participants before each conversation began. The purpose of the issue guide is to outline all of the questions that will be asked during the conversations, and also provide objective and easily digestible information about Michigan's rankings compared to other states on a number of the indicators in the Michigan Scorecard, both in 2013 and in years dating back to 2008. The public money section contained statistical information about how Michigan collects and spends tax revenue. The issue guide can be viewed as an electronic document on the Center's website, thecenterformichigan.net/community-conversations/. The issue guide was developed in consultation with policy experts at Public Sector Consultants, Inc., the Citizens Research Council of Michigan, expert demographers, and other Michigan policy experts and professionals.

The issue guide is sourced in detail with endnotes. Additionally, the guide contains a full list of the Center for Michigan's funders and information about how to take action locally on the issues most pressing for each conversation participant.

ABOUT THE CENTER FOR MICHIGAN

The Center for Michigan is the state's nonprofit and nonpartisan citizenship company. As a 501(c)(3) organization, the Center seeks to make Michigan a better place by encouraging greater understanding and involvement in policy issues among the state's residents and making sure their voices are regularly heard by state leaders. We define our work in three verbs: Engage. Inform. Achieve.

Engage

Since 2007 the Center for Michigan has engaged more than 30,000 Michigan residents through our interactive, small group Community Conversations, large town-hall conferences, telephone polling and online engagement tools. Our public engagement work gives opportunities for Michigan residents to better understand Michigan's public policy issues, discuss them with fellow residents and develop common ground positions to impact the decisions of Michigan's public leaders.

Inform

Bridge Magazine, the Center for Michigan's online publication, recently surpassed one million unique visitors to its website, bridgemi.com. The journalists at Bridge seek to answer the "how" and "why" of Michigan's current events. In its first two and a half years, Bridge has earned nearly two dozen state and national journalism awards. Special features of Bridge include the Michigan Truth Squad, an award-winning watchdog service of political speech by candidates and special interest groups in election years, and Brunch with Bridge, a collection of guest columns published on Sunday morning from unique authors around the state. Bridge also leads the Detroit Journalism Cooperative, a collaboration of five nonprofit media outlets to "report about and create community engagement opportunities relevant to the city of Detroit's bankruptcy, recovery and restructuring."

Achieve

The Center takes the findings of our public engagement campaigns and research and reporting of Bridge's journalists and seeks publicly supported, data-driven policy solutions for Michigan's future.

Governance & Staff

The Center for Michigan was founded in 2006 by retired newspaper publisher Philip Power and is governed by a 12-member board of directors. The Center is counselled by a venerable bipartisan steering committee of nearly two dozen Michigan leaders. A similarly experienced and respected statewide board of advisors provides key journalistic guidance to Bridge Magazine. Read more about the Center for Michigan on our website: thecenterformichigan.net/about. Read more about Bridge Magazine at bridgemi.com/about-bridge.

The Center for Michigan employs ten professionals with backgrounds in journalism, public engagement, and public policy. Staff bios are available on our web sites. The Center also benefits

greatly from technical, data, and policy expertise from Public Sector Consultants, Inc., a leading, Lansing-based policy, research and consulting firm.

Board of Directors

Founded in 2006, the Center is incorporated in Michigan as a 501(c)(3) nonprofit corporation. Its officers and directors are: Philip H. Power, Chairman and Director; Kathleen K. Power, Vice President and Director; James S. Hilboldt, Esq., Director; Paul Hillegonds, Director; Mike Jandernoa, Director; Dr. Glenda D. Price, Director; Douglas Rothwell, Director; Dr. Marilyn Schlack, Director; S. Martin Taylor, Esq., Director; John Bebow, President and CEO; Loyal A. Eldridge III, Esq., Secretary; David S. Kruis, Treasurer.

Steering Committee

The Center has been fortunate to attract a group of distinguished Michigan citizens to serve on its Steering Committee. They include:

- Richard T. Cole, Chair Emeritus Department of Advertising, Public Relations and Retailing, Michigan State University
- Paul Courant, Harold T. Shapiro Collegiate Professor of Public Policy, former Provost and University of Michigan Librarian
- Paul Dimond, Of Counsel, Miller Canfield
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- Steve Hamp, Chair, Michigan Education Excellence Foundation and the New Economy Initiative
- Paul Hillegonds, former Senior Vice President, DTE Energy; former President, Detroit Renaissance, and former Speaker, Michigan House of Representatives
- Mike Jandernoa, managing partner, Bridge Street Capitol.
- Jack Lessenberry, Professor of Journalism, Wayne State University, and Senior Political Analyst, radio station WUOM
- Tom Lewand, Group Executive for Jobs & Economic Growth, City of Detroit
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- Mark Murray, President, Meijer Stores, Inc. and former president of Grand Valley State University.
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- Milt Rohwer, President Emeritus, The Frey Foundation.
- Doug Ross, former State Senator and Director of the Michigan Department of Commerce.
- Doug Rothwell, President, Business Leaders for Michigan
- Craig Ruff, Public Advisor in Education to Governor Rick Snyder and former Senior Policy Fellow, Public Sector Consultants
- John J.H. ("Joe") Schwarz, M.D., former member of Congress and former Michigan State Senator
- Jan Urban-Lurain, President, Spectra Data and Research, Inc., and Senior Advisor, Corporation for a Skilled Workforce
- Cynthia Wilbanks, Vice President for State Relations, University of Michigan

THANK YOU TO OUR INVESTORS

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More than 150 people who have contributed \$25-\$999

Please consider investing in the future of our state with a contribution to the Center for Michigan.

CREDITS

The largest share of the credit for this citizens' agenda belongs to the more than 5,500 statewide residents who shared their opinions, ideas and priorities for Michigan. The 3,779 Community Conversation participants, 1,200 poll participants, and 550 online conversation participants collectively volunteered more than 6,500 total hours of their time to share their agenda for our state's future. Thank you.

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Phil Power (Chairman), John Bebow (President & CEO), Kathy Power (Vice President), AJ Jones (Operations Director), Amber DeLind (Outreach Director), Dwayne Barnes (Outreach Coordinator), Hailey Zureich (Outreach Coordinator), David Zeman (Senior Editor, Bridge Magazine), Ron French (Senior Writer), Nancy Nall Derringer (Staff Writer), Chastity Pratt Dawsey (Staff Writer), and Mike Wilkinson (Staff Writer).

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Photos

All photos by Lon Horwedel.

CITIZENS' AGENDA FOR 2014 AT A GLANCE

Four urgent priorities for Michigan:

1. Invest in roads, bridges, and infrastructure; residents willing to pay more for it.
2. Improve college affordability.
3. Intensify education & job training. Increase high school completion. Improve student performance.
4. Decrease poverty.

Otherwise, No Public Mandate on Overall Taxes/Spending.

Five ways Michigan residents can work for change:

1. Share this Citizens' Agenda.
2. Sign up for Bridge Magazine.
3. Follow the Center on social media – watch for citizen conferences we'll launch before the November election.
4. Contact your elected leaders. Ask this year's candidates to respond in detail to this report.
5. Sign up to host a Community Conversation – the Center will launch a new campaign in late fall 2014.

Who participated:

- 5,529 Michigan residents
- 166 Community Conversations
- Three dozen philanthropic, corporate and individual investors
- One nonpartisan, common ground agenda for Michigan

What participants considered:

The issue guide

thecenterformichigan.net/wp-content/uploads/2013/10/Center-for-MI-2014-Agenda-ISSUE-GUIDE_FINAL.pdf.

The Michigan Scorecard

bridgemi.com/2013-michigan-scorecard/

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“Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has.” –Margaret Mead



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