

MSU EDA University Center for Regional Economic Innovation (REI)  
<http://www.reicenter.org/>

## **2021 Call for Co-Learning Plan Authors: Topics**

The REI University Center has identified the following topics for possible Co-Learning Plans in 2021. To submit an application or to learn more, please visit:

<http://www.reicenter.org/surveys/2021-call-for-authors/>

The deadline for all applications is Friday, November 20, 2020. Please direct questions to Ms. Mary ZumBrunnen at <mailto:zumbrun1@msu.edu> or 517-353-9555

### **A. Build Local Supply Chain**

The COVID pandemic has shown us some of the weaknesses of community economies that rely heavily on external/global networks to provide needed goods and services. Communities need to strengthen their capacity to provide locally/ regionally products and services which help create sustainable, self-sufficient local businesses and jobs.

### **B. State of Michigan Bank**

For more than a century, North Dakota has run its own bank and since 1945 has generated more than a billion dollars of income for the state. Many activists have focused on its banking services, hoping to put private banks out of business. Also, the Bank of North Dakota boosts locally owned private banks and credit unions. Money any state collects from taxpayers and from the federal government, before being spent, has to be parked somewhere. North Dakota deposits it at local banks and credit unions, expanding lending opportunities for local businesses. What is the impact of big water companies like Nestle trying to take water from the Great Lakes? How does this affect communities like Flint, Michigan as a whole, and the general water crisis around the world?

### **C. Equitable Economic Development Assessment Tool**

Publicly funded economic development projects must serve a public interest to justify the investment of taxpayer resources. Forms of public subsidies to private companies like infrastructure development, tax abatements and other direct or indirect subsidies seldom are subject to an assessment of the impact of a proposed development on addressing income inequality, racism and social justice. Developing a reliable, generalizable assessment tool that goes beyond anticipated jobs created that would score each development on its likelihood to reduce income inequality, address racial inequities and increase social justice in our communities would be helpful to guiding future public investments in development proposals.

### **D. Anchor Institutions Bid Local**

State agencies are among the most important “anchor institutions” in our economy. The way procurement works now—ignoring the local multiplier effects of various bidders—is guaranteed to lead to economically detrimental decisions. Local bidders should be fairly

credited with their extra contributions to state jobs and taxes. Insist that every contract bidder specify the minimum percentage of the contract that it pledges to re-spend in-state. Those that promise higher in-state spending would be credited with the additional benefits they generate for the state.

### **E. Tax Credit on Local Investing**

Tax credits exist in many states for many purposes, but none are designed to facilitate local investing by unaccredited investors, a great example can be found just above the US border. The province of New Brunswick, Canada, recently passed a tax credit to promote local investment. For every dollar they invest locally, residents get fifty cents off their provincial tax bill. Michigan has become the first state to introduce legislation that would provide a 50% tax credit for investments in Michigan businesses. With bill SB924 any citizen who made a financial investment in a Michigan-based business will be eligible for a tax credit. How should the state educate residents, local government and businesses about this opportunity? What steps can Michigan take to increase the likelihood this effort assists the most distressed communities?

### **F. School Forest Management**

Engage school, agency, industry and nonprofit partners in a collaborative effort to develop forest management plans, practices and fully integrated curriculum for every school forest in Michigan provides an invaluable opportunity for stewardship, leadership, career and economic development in communities across the state. The goal would be to build a program that can be implemented statewide to ensure the long-term health of Michigan's forestland by engaging students in environmental education and stewardship that can lead to a lifetime of natural resource protection and restoration. Today's students will become tomorrow's community leaders, industry executives and policy makers. The forest products industry in Michigan, comprised of more than 270 mills, over 1,200 manufacturers and nearly 600 loggers, supports 99,000 jobs in Michigan. In addition to the forest products industry, the abundance of forestland in Michigan supports natural resource-based jobs opportunities in state, federal and nonprofit sectors across the state. Helping students see a path forward for them in these sectors provides incentives for skill development, continued education and long-term Michigan residency.

### **G. Michigan Drinking Water**

What is the community and economic impact of big water companies trying to take water from the Great Lakes? How does this affect communities like Flint as a hole, and the general water crisis around the world?

### **H. Retirement Investments in Local Companies**

State of Michigan should provide grants to grassroots organizations that are prepared to teach residents how to become prudent, successful local investors and how they can use Solo 401ks and Self-Directed IRAs to reinvest their pension funds locally right away. Few businesses and people actually know about emerging local investment options.

**I. Investment Information Clearinghouse**

Investment Information Clearinghouse. Create a new state agency that evaluates local business securities and makes that information available to investors. Sooner or later, this will probably be done privately—as Moody’s or Standard & Poor’s do for big companies—but we need some early models to get things moving now.

**J. Allow Investors to Build Relationships with Businesses**

Allow Local Investors and Businesses to Speak Freely. Securities law is filled with absurd limits on what companies can and cannot say to establish relationships with potential investors. For example, I cannot put up a website identifying local businesses that I personally believe might be good investments. These laws were conceived in an era when long-distance communication was mostly transacted by telegraphs and mail. The Internet has democratized the flow of information, and the time when little gnomes in securities departments can control that flow by issuing “permission slips” for sharing information, company by company, is over. Allow local companies and people to talk with one another about anything, any time. Fraudulent claims and misrepresentations would still be prohibited and actionable. But if you’re sharing truthful information about your business with potential investors, this is a wonderful relationship to be celebrated—not a problem to be squelched. Once there are changes to these regulations, intrastate investing will flourish.

**K. Other Idea Not Listed**

We welcome innovative ideas under this category. What tools, models, policies or programs would support this idea? Consider your level of professional or academic experience in the topic area you are suggesting, as it pertains to economic development.