



# TOOL TALK

A Publication of the Michigan Tooling Association

## From Rob's Roost

by: Rob Dumont,  
Managing Director



### “UP ON THE HILL”

MTA participated in the Washington “Fly-In” of the newly formed Coalition for the Future of Manufacturing to lobby Congress for action on a pro-growth and pro-manufacturing policy agenda. Your President Gerald Flannery of **Mercury Gage** and I visited with four members of Congress and had scheduled a fifth meeting that was cancelled by last minute Committee obligations of the member.

We were pleased to see Wes Smith of **E & E Manufacturing** as well as Pete Rosenkrands of **A.B. Heller**, both MTA member companies, in attendance and working “the hill”.

Congressman Mike Rogers (MI 8<sup>th</sup> District) was a featured speaker at a seminar before we (reps from over 230 companies and organizations throughout the U.S.) descended on the hill to make our positions to the various members that were seen. The National Association of Manufacturers organized the event, setting up meetings with some 120 Congressional offices.

We met with Congressman Thad McCotter (MI 11<sup>th</sup> District) who was very well versed in the various issues being faced by our members. He has introduced the legislation to create an Assistant Secretary of Manufacturing in the Commerce Department and continues his efforts, non-stop, to advance our cause among both his colleagues in Congress and the Administration. He shares our view that regrettably, the Administration does not yet seem to have grasped the gravity of the plight of manufacturing in general. He is obviously not about to give up and will continue the fight.

Candice Miller (MI 10<sup>th</sup> District) was gracious enough to

break from a Committee hearing on the U.S. Postal Service to keep her appointment to meet with us. She too is well aware of the concerns we were voicing and continues her pledge to assist in any way possible.

In addition to being a speaker at the seminar, Congressman Rogers welcomed us to his office and shared with us the many efforts he has been making to convince not only the Administration but also his Congressional colleagues of the urgency of saving manufacturing in the United States.

Regrettably we were not afforded much opportunity to discuss issues with Congressman Donald Manzullo (IL 16<sup>th</sup> District) who was virtually dragged from our presence to examine (read “cross examine”) none other than Allan Greenspan. Congressman Manzullo is the chair of the Small Business Committee of the House and represents the heavily industrialized area of Rockport, IL. He has on several occasions been in Michigan to speak on issues of great concern to our members.

I am pleased to report that I left Washington convinced that members of Congress, including many we did not see (based on feedback from others in attendance) are becoming much more aware of and concerned with what is happening in this country to manufacturing. I am, however, saddened to have left with the conviction that the Administration either hasn't gotten it, doesn't want to get it or, doesn't care about it when it comes to the state of manufacturing and the plight of our members.

Yesterday I sent off a very pointed message to the Administration addressing that very conviction that I hold and assuring them that I am not alone in possessing it. I would urge you to do likewise and be emphatic in tying your concerns to the coming election in November. They may not count us among the significant now but the reality is that they won't have the choice to ignore us in November when we vote.

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### MTA Calendar of Events—March

- 03 MTA Board of Directors meets
- 18 MTA Board of Directors meets
- 19 MTA WCF Board of Trustees meets
- 23 Dinner Meeting—“2004: A Brilliant Window of Economic Opportunity”



(see enclosed brochure for details, location and time)

# Mark's Remarks

by: Mark Tyler, General Manager  
MTA Insurance Agency

## BCBSM Expands Availability of Domestic Partner Rider



The Blues (BCBSM) have been asked by purchasers of health care coverage to make the Domestic Partner (DP) rider available to all area and industry rated groups, sized 1-99.

The DP rider allows the subscriber's same gender domestic partner to be covered under the employee's contract when specific requirements are met. This criteria includes but is not limited to:

- ❖ The domestic partners are 18 years or older;
- ❖ Neither partner is legally married;
- ❖ The domestic partners are not related by blood in a manner that would bar legal marriage if they were not of the same gender;
- ❖ The domestic partners have lived together for the past 12 consecutive months and must furnish proof thereof to the Blues—such as a driver's license, voter's registration, city or county registration;
- ❖ A signed and notarized Affidavit of Domestic Partnership must be submitted to the Blues;
- ❖ Dependent children of the domestic partner are also eligible for benefits as long as a string of requirements are met; and
- ❖ Only one domestic partner may be covered at a time.

This is an optional rider and the employer must make the decision to offer it.

## Medicare Demand Letters

The federal government occasionally sends letters to their customers demanding payment for Medicare services provided. If you or anyone in your company receive any such letter, send the letter and all related documents to:

Blue Cross Blue Shield of Michigan Medicare Demand Unit  
600 Lafayette East MC B585  
Detroit, MI 48226

This unit will investigate the situation and respond to the government on your behalf. If the investigation determines that BCBSM should have paid for the services, the unit will make sure Medicare is reimbursed. If it's determined that Medicare was the patient's primary coverage, the Blues staff will provide an appropriate response to the government.

You may also receive a letter indicating that an amount due is

delinquent and that the debt will be referred to the Department of Treasury and/or their contracted agencies for collections. The letter also indicates the principal and interest under the Medicare Secondary Payer provisions of the Social Security Act. Be sure to forward these to the above Blue Cross unit as soon as they are received.

## MTA Dental Program Renewal



The Michigan Tooling Association's Dental Program renews on April 1, 2004. We are completing our third full year with Fortis Benefits as the carrier and the feedback continues to be fantastic.

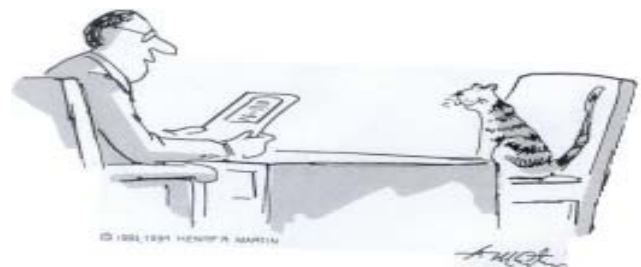
Our objective is to bring our members a top quality dental program while holding down the cost over the general marketplace, providing value in your membership with the MTA. With that in mind, our program continues to outperform the marketplace in benefit levels and low cost.

During 2003, dental programs in the marketplace saw increases on average of 15%. Last year the MTA program increased only 9.5%. By holding down the percentage increase, the MTA continues to widen the gap between the current pricing of our program and the general marketplace pricing. Each year, the percentage grows larger and larger apart. Within the past month, we have had two situations where the general marketplace pricing was over 40% higher in cost over similar benefits offered from the MTA. While this may be an "extreme" example, this level of disparity does exist.

I am extremely pleased to announce that our increase this year will only be 8.5%—1% lower than last year and 6.5% lower than that of the general marketplace. Trend of the claims alone (the amount that the dentists raise their prices and fees in a given year) will be almost 10% for 2004! This means that the MTA program proves that there is strength in numbers! If you don't participate in the MTA Dental Program, you are missing a great opportunity to offer a high quality benefit for the lowest cost possible.

We continue to thank the participating members for their continued support and loyalty to our program. We look forward to another very successful year in 2004.

If you are not enjoying the advantage of the MTA program, please contact me at 248-489-8505.



**"What's special about this policy is that it covers all of your nine lives."**

## Recordkeeping Changes For 2004

by: Chris Demeter, Loss Control Consultant  
MTA Workers' Comp Fund

It's new, it's improved, and it's easier...yeah right...it's the government.

The revised OSHA Form 300, Log of Work-Related Injuries and Illnesses, which are required for employers to use in recording injuries and illnesses, have changed in several important ways for 2004. Foremost among the changes is the addition of an occupational hearing loss column to OSHA's Form 300, Log of Work-Related Injuries and Illnesses. Other changes include:

- ❖ “days away from work” column now comes before the days “on job transfer or restriction”;
- ❖ more clear formulas for calculating incidence rates;
- ❖ new recording criteria for occupational hearing loss in the “Overview” section; and
- ❖ more prominent column heading “Classify the Case” to make it clear that employers should mark only one selection among the four columns offered.

Employers must begin to use the new OSHA Form 300 on January 1, 2004. The new form has the date of revision (rev. 1/2004) located on the form next to the form number.

Injuries and illnesses for years prior to 2004 should continue to be recorded on the appropriate form for that year (i.e., 2003 and 2002 injuries and illnesses should be recorded on the forms for those years). The forms for 2003 and 2002 will continue to be available on OSHA's website at <http://www.osha.gov/recordkeeping/OSHArecordkeepingforms.pdf>. Additionally, employers should use the old OSHA 300A Summary Form (without the hearing loss column) to post as required in February 2004. The new 300A form that includes the hearing loss column should be used to post in February 2005.

The revised OSHA Form 300, Log of Work-Related Injuries and Illnesses is now available on OSHA's website at <http://www.osha.gov/recordkeeping/new-osh300form1-1-04.pdf>. Hard copies of the new OSHA 300 form are available and can be obtained using OSHA's on-line order form or by calling 1-800-321-OSHA.

There will not be a separate column for work-related ergonomic injuries. However, they still must be recorded using the same criteria for any other injury or illness case, with a check in either the injury or “all other illness” column.

Happy Recordkeeping!

## Members Making the News



*Editor's note: Many members of the MTA are out and about telling the facts that are facing our industry today—here are what a couple of them have said:*

Jerry Flannery, of **Mercury Gage Co.** in Detroit, and president of the MTA has attended numerous hearings and committee meetings both at the state and national level. Jerry has pointed out to our elected officials: “When a company like GM buys from China, as far as I'm concerned, they're deciding to put money in their economy and not ours, ...this kind of thing is catastrophic and very disheartening when big manufacturers in this country decide to buy more parts from China because it just kills all of us mom-and-pop manufacturers who can't pick up and move there... China is becoming a huge election-year issue. It's erupting at the grassroots level among manufacturers.” (for the complete feature see the *Detroit Free Press*, “Flood of auto parts to come from China”, February 12, 2004)

The MTA president has also told us that “These stock market-traded companies are motivated by greed, not patriotism or loyalty.”

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Wallace E. Smith, owner of **E & E Manufacturing** in Plymouth, has stated: “America must decide on the value, role and future of manufacturing jobs in the USA. What we decide today will determine our economic strength tomorrow, and for generations yet to come...” (for the complete article, see the *Detroit News* “How manufacturing jobs can be created”, September 21, 2003)

Please let us hear your views and ideas on this—probably the most pressing issue the industry has ever had to face.

## The Marketplace



### Personnel Available:

**Die setter/press operator** with over 10 years experience in progressive stamping die setting and die repair seeks position that can use all aspects of automotive metal stamping production processes. Ask for **Resume 04-03**.

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## From the Desk of Gary Wood

*Administrator MTA Workers' Comp Fund*



I am writing this on February 25, 2004 and I note with relish that the beginning of spring is less than one month away. The truth is we are solar powered around our house and the more sun the better (not that spring in Michigan guarantees sunny days). After the gas and electric company got done with us this year we are looking forward to more moderate temperatures and the corresponding decrease in 'accounts payable' to the utilities.

With the unpredictable cost of commodities, planning for the future is very difficult. How do the members plan ahead when you cannot count on the cost of gas, electricity and now steel jumping higher and higher with each passing month? When you throw in the cost of medical benefits, the challenge of coping with the cost of developing a stable price for your product is almost unmanageable.

This year we have seen a moderate growth of the stock market, but in the last week it seems we have given back the majority of the gains in reviewing the Dow and NASDAQ numbers. We hear about growth in the gross national product but look at employment continuing to shrink as more and more is expected from less personnel.

The idea of a plan for the future is sometimes overlooked as you pray for a future to plan for. But, even though you don't realize it on a daily basis you are making a plan.

With all that is going on in the industry and all of the changes we face as members, business owners, American citizens and members of the human race in general, it is imperative that occasionally we assess where we are and where we are going on our current track as well as where we would like to go.

Any plan you make has to be fluid and flexible to the changing needs and situations you must endure. A five year plan is more nearly a disaster plan superimposed over the general consensus that you want to remain a viable business for five years!

Having said that, the members of the Fund need to know that the Trustees and staff are looking to the future trying to visualize just what is coming at us next. There have been challenges over the last year: staffing changes, maximizing investments in a market that has not been kind, and trying to maintain the Fund's excess coverage at a cost effective level. These have taken a lot of time and efforts from the Trustees.

It has not been an effort that should go unrecognized.

### Trustees News

Every year the members of the Fund elect three representa-

tives to join the Board of Trustees for three year terms. Every January the Trustees elect from among themselves a chairperson, vice chairperson and treasurer to serve one year terms. This year the following Trustees were elected to the respective positions:

- Chairperson—Dick Smith of **Wolverine Bronze** in Roseville;
- Vice Chairperson—Bobby Cox of **Acorn Stamping** in Oxford; and
- Treasurer—Kurt Heuser of **Bokum Tool** in Madison Hts.

The Trustees annually hold a planning session to study the Fund operation and development of a business plan to carry the Fund forward to attain the goals of the organization. This year the Trustees have formalized the process by establishing a planning session agenda committee to develop an agenda and to hone the practices of the Fund to meet the expectations of the members, our customer. The committee consists of:

- Jack Accardo of **Tishken Products** in Oak Park;
- Bobby Cox of **Acorn Stamping** in Oxford; and
- Brad Lawton of **Star Cutter** in Farmington.

Some of the typical issues addressed at the planning session are excess insurance, operations, renewal policies, information technology requirements, investments, banking and others.

The remaining members of the Trustees are: Jerry Decker of **Precision Boring** in Clinton Twp., Robert Easterbrook, Sr. of **East-Lind Heat Treat** in Madison Hts., Doug Mack of **Grosse Tool & Machine** in Warren and Tim Zink of **Metro Machine Works** in Romulus.

I would encourage you to contact any of the above persons to express any of your questions or concerns about the Fund operation.

My personal thanks to Jerry Decker, immediate past chairperson of the Trustees; he assumed the chair in 2001 and has served in the position for three terms. Jerry is an enthusiastic, hard-working and energetic man with a serious dedication to getting the job done.

We were both pretty new to the job when we first met and it has been a pleasure to work with him as his business and family have grown. Thank you, Jerry, for service and dedication during your terms as chairperson.

In conclusion and commemoration of St. Patrick's Day:



## **“An Irish Last Request”**

*Mary Clancy goes up to Father O’Grady after his Sunday morning service, and she’s in tears. He says, “So what’s bothering you, Mary, my dear?” She says, “Oh, Father, I’ve got terrible news. My husband passed away last night.”*

*The priest says, “Oh, Mary, that’s terrible. Tell me, did he have any last requests?”*

*She says, “That he did, Father...”*

*The priest says, “What did he ask, Mary?”*

*She says, “He said, ‘Please Mary, put down that damn gun!’”*

## **Special Notice**

We are receiving many notices that e-mail to the Fund is being rejected by our mail server. Our information technology people have advised us that our server is screening all incoming e-mail for a valid address as the result of the recent e-mail virus that attacked the internet. If you cannot e-mail to us, please fax to 248-488-1980 until this is resolved.

## **On the Road with Bill Hoke**



### **It’s Not What You Do, It’s How You Do It!**

Recently I have come to realize that a lot of what we see out in your shops, that results in accidents, is due to poor procedure as opposed to performance. I believe after spending most of my adult life working in safety that you can virtually do anything and be safe as long as you do it right. Failure to do it right can result in property loss, injury or even death. I once had a friend who was killed getting a drink of milk—the problem was his method. While getting a drink of milk it seems the cow stepped on his head. Now this may seem extreme but almost every day of the week I see someone doing something the wrong way; and then I hear from the owner or the plant manager how this guy or gal (we need to be fair and not exclude the distaff staff) is so stupid, or a poor worker or whatever.

I had an example a couple of years ago where the owner of a company told me that a recent back claim was false because there was no way the employee could hurt his back painting parts. At face value I tended to agree with him, but suggested that we take a look at the job in question. It seems that Bob (not his real name) had to spray paint 500 40-pound castings; now this is so easy that I could probably do it. But upon closer examination I found that the job was a little more complex than first imagined. First, the castings were on pallets sitting on the

floor outside of the spray booth. Bob had to bend over pick up and carry each casting into the spray booth, bend over and set it on the floor. After loading several into the booth area, he would then apply the spray finish and, after they had dried, he would then bend over and pick them up and turn them over so he could paint the bottom of the part. After allowing them to dry, he would pick them up, carry them outside of the booth, bend over and place them on a pallet for shipping. Bob continued doing this until the job was finished. He then went to his supervisor and complained about a sore back.

If you think about it, Bob lifted each of these parts a minimum of three times each, bending over each time. You also need to consider he carried them to and from the spray area. Now I must tell you at this point that even with my limited math skills I figure poor old Bob lifted and carried about 60,000 pounds of material on his shift. This is a good example of someone getting hurt not by what they do but how they do it. I knew of another man who killed himself operating a lift truck; believe it or not, he ran over himself. He was operating the truck and parked it on a grade temporarily to take care of some paper work. Walking away from the truck with his back to it, the truck started rolling and crushed the operator against a dock. Again, it’s not what you do it’s how you do it.

Now we must ask ourselves, why do people do things like this? To some extent it is their own fault, but do we need to take credit for some of it? Unfortunately we must own up to the fact that we do have some responsibility. Have you ever seen someone doing something wrong and not stopped to correct them? Have you ever seen someone like our painter doing a job knowing that they could hurt themselves, but told them, just finish it up and we will look at changing it later on? One time a customer of mine said to me “How can I keep up with all of these rules and know that my shop is safe?” Well the truth of it is you probably can’t keep up with all of the rules but you probably can keep your shop safe. I told this man, “think of the person you love most in the world, your wife, girlfriend, or child and ask yourself would you let them do this job? If you answer yes, the job is probably safe and it in all likelihood will meet applicable safety standards. If your answer is no, I bet the job is not safe and it probably doesn’t meet current standards.”

I once heard of a man, Mr. Wright, who hired another fellow named Mr. Wong to operate some heavy equipment. Mr. Wright loved his son and had hired him to do some work at the same job site where Mr. Wong was operating the equipment. During the course of the day, Mr. Wong accidentally ran over and killed Mr. Wright’s son. Mr. Wong was so sorry for what had happened and in an effort to ease Mr. Wright’s suffering and loss, he offered to give him his two daughters as payment for his son. Fortunately Mr. Wright was a man of compassion and wisdom and he realized that two Wongs don’t make a Wright.

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## Law Talk

### The Michigan Tool and Die Recovery Zone Act to Provide Potential Tax Relief to Michigan Tool and Die Industry

by: Marjorie B. Gell, Esq.  
Raymond & Prokop, P.C.



On January 5, 2004, Gov. Jennifer Granholm signed several bills that impact the tool and die industry in Michigan. Of particular importance to MTA members is a bill that amends the Michigan Renaissance Zone Act to allow the designation of up to 20 tool and die renaissance recovery zones in the state. Recovery zones will be designated by the Michigan Strategic Fund Board, and will give businesses and residents located within a recovery zone certain credits, exemptions or deductions from the Single Business Tax, state and local income taxes, the state education tax and property taxes, as well as various specific taxes. The maximum duration of the tax abatements will be 15 years.

Before a tool and die company can obtain a recovery zone designation, the consent of the local government must be granted. The local government, through the county where the tool and die company is located, must then submit an application to the state.

Only “qualified” tool and die companies in the state are eligible under the new law. A qualified tool and die company is one that has a North American Industrial Classification System (or “NAICS code”) that corresponds with the tool and die industry (NAICS is similar to a “SIC” designation.)

It must have less than 50 full-time employees. Finally, a qualified tool and die company must have in place a “qualified collaborative agreement” with another tool and die company. This involves specific statutory requirements that are currently being deciphered by the state, the MTA and other interested parties. The MTA is in close contact with state officials and it is awaiting the release of a sample qualified collaborative agreement that will be provided by the Michigan Economic Development Corporation (the governmental agency in charge of implementing the recovery zone program).

In addition, the MTA, with the assistance of the law firm of Raymond and Prokop, P.C., is currently working on proposed legislative amendments that hopefully will limit or eliminate the need for local governmental approval, and allow tool and die companies to apply directly for recovery zone designation. The MTA also hopes to legislatively eliminate the “cap” on the

number of employees a tool and die company can have before it qualifies for benefits under the Recovery Zone Act.

*If you need more information on these proposals or would like more information about the Tool and Die Recovery Zone Act, please contact Elaine A. Parson, Esq. (eparson@raypro.com) or Marjorie B. Gell, Esq. (mgell@raypro.com) at Raymond and Prokop, P.C. (248-357-3010).*

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## Tire Talk

by: Trader Ray Tire Center, Detroit

Hard to believe, but summer is coming and all trucks & trailers should be readied for the change. So, maybe we should look at changing winter air to summer air! All that aside, let us talk: **Cause & Effect, Solutions, and Ways to Extend Tire Life.**

**Cause & Effect:** Drivers rarely check tires—they just drive them, low or flat. The result is the tires then have to be scrapped and replaced. In turn you lose casing credit, then higher prices for caps & casings. Service calls are at an all time high because of break downs on the road. Calls received after business hours are expensive, not to mention lost time with vehicle(s) down.

**Solutions:** All drivers should pre-trip the vehicle before leaving the yard each day: meaning—check all tires for proper inflation, tread problems, etc. This will prevent service calls during and after business hours, saving time, money and customer complaints because of delays. If there is a problem found, have your mechanic repair or replace the tires as required. These procedures will result in less down time, savings on tires and service calls, freeing money to buy other equipment, business items and necessities.

### Ways to Extend Tire Life:

**1. Determine proper inflation levels for your applications.** At normal speeds, running tires at 20 percent under recommended pressure reduces tire mileage by 16 percent and fuel mileage by 2 percent. To determine the correct air pressure for your tires, gather information on your actual axle loads and refer to tire load charts. Standard load charts are available at Trader Ray Tire Center.

**2. Establish a good inflation maintenance program.** To stay on top of “normal” leakage and catch any rapid leaks, drivers or mechanics should check tires at least once a week.

**3. Reduce your top speeds.** Increasing highway speeds from 55 mph to 75 mph can reduce total tread mileage by 20 percent or more. So a tire that would have provided 250,000

miles in tread life at 55 mph will only net 200,000 miles per tread if driven at 75 mph.

**4. Keep vehicles properly aligned.** While the focus has traditionally been on front-end alignment, drive axle and trailer axle positioning can also have a significant impact. Fleet experience has shown that correct alignment of drive and trailer axles can extend total mileage by 25 percent as well as improve fuel mileage .5 to 1 mile per gallon.

**5. Mount tires correctly.** Ideally, tires should be match-mounted to the wheel. Wheels are usually marked to show the low spot and tires are marked to show their high spot. How the high spot is marked will vary from one tire to another, so check with your tire manufacturer.

**6. Learn to “read” tires.** Problems can be diagnosed by visual inspection or by running a hand over the tread. Items to check for include: distortion in the tread, feathering or cupping.

**7. Rotate tires.** Drive tires should be rotated between forward and back positions to even out wear. Rear tires of a tandem typically will wear quicker than the forward positions. Some drive tires will also develop heel and toe wear. You can even this out by not wearing high heels (actually, by reversing tire direction.)

**8. Replace tires with matching ones.** If a tire must be replaced due to irregular wear or a road hazard, it should be replaced with a tire that has a tread depth matching that of the other tires on the vehicle.

**9. Check and replace worn wheel and suspension components.** To prevent irregular tire wear, you should be replacing shock absorbers and other suspension components on a set schedule rather than waiting until they fail.

**10. Keep accurate tire records and use the data wisely.** You should be recording information including tire inflation pressures, wear trends and tire mileage at removal. You can use software to analyze tire performance and make comparisons with different vehicle configurations and tire types.

In closing, if this does not help, go back to winter air! For any further information or services we provide, please call us at Trader Ray Tire Center; ph: 313-568-0661, or Joe Girard, cell: 313-475-7656.



## In Memoriam

William Walker, founder of **Hydro-Craft Inc.** of Rochester Hills, died after a short illness at his home in Henderson, Nevada, on January 25, 2004.

Born in Detroit in 1930, Bill served in the Air Force and was a veteran of the Korean War. It was in the force that he developed his life-long love of hydraulics.

Bill founded Hydro-Craft Inc. in 1958 in a small shop in Detroit. The business grew over the years, and moved to Royal Oak, and many years later to its present location in Rochester Hills.

Bill was constantly developing new products and was the holder of many patents. The business was a family affair, with Bill working closely beside his wife and children. In 1993, Hydro-Craft opened a new state-of-the-arts facility in Henderson, Nevada and Bill moved to Nevada with his family to manage his new venture.

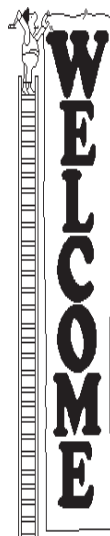
Bill is survived by his wife, Norma and son, Rocky; daughter-in-law, Jeanne; and grandchildren, Michelle and Billy. He is buried at Palm Mortuary in Las Vegas.

Our sincere condolences to his family and friends.

## Welcome New Members!

We would like to take this opportunity to welcome the following new members to the Michigan Tooling Association.

- ❖ **Ergonomic Systems Inc.** of Davisburg, designs and builds customized safety and ergonomic material handling/torque reaction systems; and
- ❖ **Hercules Machine Tool & Die** of Warren, specialists in prototype & production die construction and tryout; machining; laser cutting; and stamping & assembly.



# Legislative Update

by: *Judy Augenstein*  
*Legislative Consultant, Lansing*



The legislature has returned to work and faces a grim budget picture for the fiscal year 2005. The Granholm administration presented its FY 2005 recommendations on February 12<sup>th</sup>. The legislatures appropriations subcommittees started work on the 2005 budget on February 17<sup>th</sup>. It is the legislature's intent to complete action on budget bills the week of June 7<sup>th</sup>.

Governor Granholm has stated that the state needs to strike a balance between offering a quality of life and providing a low tax climate. She has stated that protecting education, jobs and health care are areas that make up a state's quality of life. Granholm has stated that cuts to important but not vital services will likely be part of the budget solution. Senate Appropriations Chair Senator, Shirley Johnson (R-Troy) has indicated that cuts in revenue sharing and higher education will most likely be the areas to whack.

House Appropriations Committee Chairman, Rep. Mac Shulman (R-West Bloomfield) has stated that a particular area of concern this time around is the half a billion dollar Medicaid budget shortfall which will have to be addressed.

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In January, the MEDC met with tool and die companies in an effort to explain the new renaissance recovery zone law. The measure was drafted with the intention of assisting struggling tool and die companies. The bill was part of a Republican led effort to maintain and create new jobs. The new law will need "tinkering" with before it can effectively assist many companies. MTA has received a commitment from Senator Jason Allen to amend the measure to make it more useful to existing companies.



## MTA List of Endorsed Service Providers

- ❖ **Blue Cross Blue Shield of Michigan/Blue Care Network** (health insurance)
- ❖ **Federated Insurance** (property & casualty insurance)
- ❖ **Fortis Benefits** (life, s&a, and dental insurance)
- ❖ **Freedom One Financial Group** (401(k) programs)
- ❖ **John M. Packer & Associates** (unemployment programs)
- ❖ **LDMI** (long distance phone programs)
- ❖ **Lower Electric, LLC** (energy supply)

For more information, contact MTA at 248-488-0300.

# Inflation Talk

## CPI-W Urban Wage Earners and Clerical Workers

Month	82-84	1967	57-59
Jan 2004	180.9	538.7	626.7*
Dec 2003	179.9	536.0	623.2*
Nov	180.2	536.7	624.2*
Oct	180.7	538.2	626.0*
Sept	181.0	539.2	627.0*
August	180.3	537.1	624.6*
July	179.6	535.0	622.2*
June	179.6	534.8	622.2*

## CPI-U All Urban Consumers

Month	82-84	1967	57-59
Jan 2004	185.2	554.9	645.2*
Dec 2003	184.3	552.1	642.1*
Nov	184.5	552.7	642.8*
Oct	185.0	554.3	644.5*
Sept	185.2	554.7	645.2*
August	184.6	553.0	643.1*
July	183.9	550.9	640.7*
June	183.7	550.4	640.0*

**Note: January 04 CPI-W represents a 1.8% increase from one year ago; CPI-U 1.9% increase.**

\* Base Year 1957-59 is no longer released. BLS has issued the following conversion factors from the 82-84 year:

CPI-W—.2886674 CPI-U—.2870447

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