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Voters may get chance to weigh in on funding for Michigan schools

By The Associated Press

EAST LANSING (AP) — A plan that a leading Michigan House Democrat is exploring would ask voters to help decide the future of school funding.

Rep. Tim Melton, D-Auburn Hills, said Wednesday at an education town hall meeting that a proposal to increase school funding would be tied to cost-cutting measures and other changes for schools. Melton, chairman of the House Education Committee, would like the still developing proposal to be on the August statewide ballot.

"Go to the ballot and let the people of Michigan decide," Melton said at a forum sponsored by the Ann Arbor-based think tank **The Center for Michigan**.

The specific changes that might be offered in a ballot proposal have not been determined. The proposal would have to be approved by two-thirds of both the Democrat-led House and Republican-led Senate to make the ballot — no easy task given the lack of consensus on budget issues in the Legislature these days.

Lawmakers first would look at ways to save money in the school system, including possible changes to health care and retirement systems for school employees, Melton said. Districts also could be urged to consolidate and make other changes aimed at saving taxpayer money.

Voters would be asked to approve a sales tax on services or some other form of tax increase to raise more money for cash-strapped schools, if the proposed changes on the spending side don't free up enough cash.

Michigan's education system has been hard-hit by budget cuts in recent years as the poor economy eats away at the state's tax base. Funding for early childhood education, K-12 schools and universities have all been reduced.

Schools are absorbing a minimum \$165 per student funding cut this academic year. Next year's cuts could be deeper, particularly when including extra costs schools face to fund employee retirement plans. Combined cuts and required increased spending could cost schools the equivalent of more than \$400 per student.

Democratic Gov. Jennifer Granholm has proposed reducing the state sales tax from 6 percent to 5.5 percent and expanding it to dozens of consumer services that currently aren't taxed, raising roughly \$550 million for schools next fiscal year and keeping the same per-student funding level.

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The proposal for the budget year starting Oct. 1 has been bogged down in the Legislature, where neither Republicans nor Democrats are eager to tackle tax increase proposals.

Melton said schools and employees will have to accept some changes as part of an overall plan.

"The costs are out of control and we have to do something," Melton said. "What we need to do is get real about the reforms first so we can fund some of the things that need to be funded."

House Republicans said Wednesday that moneysaving changes should be made no matter what and could stand on their own.

"Before we have a discussion about more revenue, we have to see reforms," said Bill Nowling, a spokesman for House Republicans.

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