



Friday, August 7, 2009

MANAGEMENT

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**Centerpiece**

With members of the Senate coming in for one day of session this week, *GCSIntel* sat down again with Senate Appropriations Committee Chair Ron Jelinek (R-Three Oaks) to get an update on the progress of budget talks.

**Q. Are we making progress on the budget?**

A. I think that there is movement happening. You know, it's slow steps, but we're finally making progress in the right direction.

We had to start by getting all the junk out of the way. I think we've done a lot of that, and everybody is getting down to basics.

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Erik Hingst  
Adrian Hemond  
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Barbara Farrah  
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Gary M. Owen

**Q. In an interview recently, Senate Fiscal Agency Director Gary Olson said eventually the legislature would have to deal with the state's tax system, which he contends is not keeping up with the economy. How much is that being talked about in the Legislature?**

A. It's being considered in the budget process, yeah.

**Q. Would you like to see some type of tax reform?**

A. We need to look at all reforms and [like] both sides of the table, I'm not ready to raise taxes -- but looking at the tax structure might be part of what we're doing.

**Q. How have you found it to be Senate Appropriations Chair during these times?**

A. Well, it's difficult because everyone doesn't understand or doesn't believe yet that we have to make cuts. So, it's a challenge to get everybody to understand that. That makes it a little bit harder because people come in here and they say 'save this program,' or 'save that program' and that's a pretty tall order.

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**Q. Are the legislators beginning to understand the size of change that has to happen with the budget?**

A. Oh, I think they are.

I think they realize that it is inevitable here. We keep driving home here that there is no money, there is no increase and actually our revenues seem to fall even further every month.

**Q. When do you see things changing revenue-wise in Michigan?**

A. That's a hard one because the economists all say it could be 10 years before we're back. It's hard to tell.

For instance, this clunker bill that is moving cars off of dealers' lots -- isn't that bound to stimulate to the economy? People are going to have to work to replace those cars. Hopefully we'll see something coming out of the stimulus that will do some good.

**Q. When do you see having targets and seeing budget bills move?**

A. The quadrant is hoping to have targets by the first of September, and I would support that 100 percent. Then they would go to conference.

**Q. So we're looking at middle September?**

A. For a finished product, yes.

**Q. How does this year's budget process compare to 2007?**

A. There are major differences. In 2007 I voted to raise taxes. That's just not an option. In 2007 we didn't have the unemployment rate that we have today. We didn't have all these same problems, and we didn't have the stimulus money to help carry us. So, there are a lot of different kinds of variables, and that means we have to find some different solutions. We have to find ample cuts. There is a bigger problem, and there has to be a different set of decisions.

**Q. Are you still of the sense that the tough decisions have to be made this year, rather than next?**

A. The more decisions we make this year, the fewer we'll have to make next year. It's a good idea trying to plan and figure out where we're going to be. Will things start turning around next year?

## ***GCSEye On The Capitol***

### ***Majority Leader To Governor: Time To Share Plans***

On Wednesday, Senate Majority Leader Mike Bishop (R-Rochester) urged Gov. Jennifer Granholm to come out with details on how she plans to address the state's growing deficit situation.

"I think the public has a right to know," said Bishop. "You know, we've got a lot of discussion, a lot of protests going on with the cuts, but the public needs to know what the flip side of that is. If you don't want the cuts, then you have to consider the options. And until they know what the options are, it's not a fair fight."

Granholm spokeswoman Liz Boyd said there's an agreement not to talk about budget proposals with the public. She noted that Granholm has proposals on the table, as do Bishop and House Speaker Andy Dillon (D-Redford).

"We think it's best not to flip-flop on that agreement," said Boyd.

Legislative leaders and Granholm met over the budget again Thursday.

### ***Senate Education Committee Adopts Algebra II Alternative***

On Wednesday, the Senate Education Committee gave it's blessing to an alternative Algebra II standard for high school students -- but chair Sen. Wayne Kuipers (R-Holland) contends the bill doesn't water down education standards.

"It creates an alternative track," he said. "There are multiple pathways for standards to be presented. Some kids get school the traditional way. Some get school in a more hands-on learning style."

SB 0698 allows the Algebra II math credit, enacted as part of the state's stringent high school graduation requirements, to be earned by career and vocational credit. That can include electronics, machining, welding, engineering, construction and renewable energy coursework. The bill passed 4-0, with Sen. John Gleason (D-Flushing) absent.

The Department of Education, Michigan Association of Public School Academies (MAPSA), Michigan Association of School Boards, the American Federation of Teachers (AFT) and Michigan Education Association (MEA) all support it.

### ***House Transportation Chair: Fall Vote On Text Message Ban***

House Transportation Committee Chair Pam Byrnes (D-Chelsea) will apparently hold a fall vote on legislation that would ban text messaging while driving.

The legislation has been pushed by Rep. Gino Polidori (D-Dearborn) who announced that the Chair agreed to a vote. The third-term lawmaker has been working for years to try to ban cell phone usage and recently added texting to the list of behaviors that should be banned when one is behind the wheel.

### Governor Suggests Sin Tax Boost

During budget negotiations last week, Gov. Jennifer Granholm proposed another 25 cent per pack hike in cigarette taxes and a double of the state's 1.9 cent per bottle beer tax.

Lawmakers this week were quick to declare the beer tax hike dead on arrival.

"Beer tax -- I think it may be just DOA," said House Appropriations Committee Chair George Cushingberry (D-Detroit). "I'd vote against it -- and I'd like her to hear me say that."

Cushingberry described the proposal as just bad politics and said he believes there would be fewer than 30 votes in the House for the proposal. On the cigarette tax, Cushingberry said he didn't believe it would raise any more revenue.

"I think you get to the point where it becomes counterproductive," said Cushingberry. "I don't think it would bring in money."

#### **Michigan Factoid:**

The Mackinac Bridge is one of the longest suspension bridges in the world. Connecting the upper and lower peninsulas of Michigan, it spans five miles over the Straits of Mackinac, which is where Lake Michigan and Lake Huron meet. The Mighty Mac took three years to complete and was opened to traffic in 1957.

- Source: *Michigan Fast Facts*

#### **The Week Ahead**

Expect another relatively slow week with legislative work not expected to resume in earnest until targets are announced by leaders.

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