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Centerpiece

GCSintel recently had the opportunity to ask current Lt. Gov. John Cherry a number of questions about the state's current fiscal situation and his take on the Legislature's ability to resolve issues dealing with structural reform of the state's tax system.

Q. You've been around Lansing awhile now during your career. This idea of sort of modernizing the state's tax system, what kind of window actually exists for lawmakers to enact that before the climate in Lansing becomes toxic next year due to the 2010 elections?

A. I'm not convinced that the Legislature is capable of dealing with it. I think the most valuable route, if we're serious about it, is going with some ballot question. At the same time, if a ballot question comes out of the Legislature, there maybe a pretty jaundiced attitude about it.

You do see players out there right now. The education community is absolutely frantic about the long-term prospects, the per-pupil spending and they know that's a factor of revenue so they may do something. You've got business people who are talking about the tax system in a broad way and saying that it needs to be redone and they're not looking at it in terms of a revenue piece; they're looking at it as an equity economic driver consideration. They may come up with something.

In the end it's all about whether those groups think they can be successful in the Legislature.

Q. Now when you say the Legislature isn't capable of solving it . . .

A. I just don't think the votes are there.

Q. So you don't think they're capable of putting something on the ballot?

A. They've certainly had those options in 2007, they have those options today, and in that context maybe they are more risk adverse than in the past. But they don't seem inclined; I'm not seeing any movement.

Q. So then it would have to come from the grassroots?

A. Yeah.

Well, this is the flip side of that. There are a lot of people that are uncomfortable with a constitutional convention but the question is on the ballot -- and if there's not an alternative there, people may turn to that.

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Q. Do you support a constitutional convention?

A. Not at this time.

Q. Are you wavering?

A. I'm watching to see if/whether we tackle the issue. I'm quoted in the Pew Study, I don't think their conclusions are the result of my quote but we happen to be in the same place -- that Michigan's tax system is a product of the 1960s and that a manufacturing economy just doesn't exist today. And so, it's just not going to service the state and that's not a reflection about more or less revenues; it's simply that the growth off the revenue stream doesn't even keep pace with inflation, let alone with the spending trends.

Q. Do you think you and the Governor are going to have to be involved in helping draft something to go on the ballot or to help to actually get it on the ballot?

A. I think we can be helpful, but I think the most valuable thing we can do is be supportive of an effort. I think the public is a bit jaundiced at Lansing solutions right now.

I haven't really looked at it from a polling perspective, but one thing they are frustrated about is a lack of will to deal with it. They watch what's going on so they're going to be very concerned whether any product is a false choice or a product of partisanship, because they see partisanship as the biggest impediment right now to progress.

Q. Are you talking mainly about extending sales tax to services?

A. I'm just talking in general, not about any specific proposal. I'm just saying that the Legislature has not been successful in dealing with it. It would seem if you're looking at what's likely to be successful, it's going to be some ballot proposal brought to the public by an organization.

If that doesn't happen, I think increasingly the public will look at this constitutional convention question on the ballot.

People are not happy with the capacity of state government to solve problems right now.

Q Is that all term limits?

A. I think term limits are part of it.

I think a lot more people today believe that than used to. You don't have to eliminate term limits to solve it. You can give longer terms. Even when we didn't have term limits, the average tenure was around 10 years.

GCSEye On The Capitol

Gov. Says No Legislative Experience Hurt Her Tenure

Gov. Jennifer Granholm said in an interview with WLNS that a lack of legislative experience going into the executive office hurt her.

Granholm described that lack of experience as "my biggest flaw. That's been my biggest liability."

When asked about serving or working in the Legislature, Granholm admits she doesn't know if she'd want to work there and that she's "more comfortable in the executive branch."

Legislation Could Result In Education Negligence Charge Against Parents

Legislation introduced on Wednesday -- the only day of session this week -- would allow the state to deem a failure to attend school as educational neglect.

HB 5610 sponsored by House Education Committee Chair Tim Melton (D-Auburn Hills) would amend the state's Child Protection by including in the definition of neglect:

Failure to ensure the child's regular attendance at school or failure to ensure that the child's attendance complies with the district's or school's attendance policy unless the child is being home schooled.

Unemployment At 15.1% But Job Numbers Up 39,000

Michigan's unemployment number hovered around 15 percent again in October, but the measure economists use to determine the expansion or contraction of the economy showed some positive signs, according to state numbers released today.

The state's monthly jobs survey found that 39,000 payroll jobs were added in October, 25,000 in the professional and business services sector, 11,000 in the education and health services area and 5,000 in construction, according to the Department of Energy, Labor and Economic Growth (DELEG).

October also represented the fourth consecutive month that manufacturing jobs edged up.

Despite the good news, Gov. Jennifer Granholm said she's not breaking out the champagne. She said it's an uptick but not a "definitive turn yet."

Michigan Factoid:

The Ambassador Bridge was named by Joseph Bower, the person credited with making the bridge a reality. He thought the name "Detroit-Windsor International Bridge" as too long and lacked emotional appeal. Bower wanted to "symbolize the visible expression of friendship of two peoples with like ideas and ideals."

— *Michigan Fast Facts and Trivia*

The Governor said the hemorrhaging in the auto supply sector is still a problem in the state's economy made worse by that sector's inability to secure capital from lending institutions.

The Week Ahead

Look for Lansing to get real quiet next week with no legislative session scheduled due to the Thanksgiving holiday.

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