

THE JACOBS CAPITOL REPORT

GILDA Z. JACOBS
MICHIGAN SENATE
Democratic Caucus Chair
FOURTEENTH DISTRICT

For Immediate Release
April 20, 2007

Contact: Matt Levin
(248)-943-6975

HOUSE DUMPS TAXES, TALKS TRASH

Budget Balanced with Garbage Fees, University Cuts

House Democrats finally tackled the \$686 million budget hole with a plan built upon a one-time, \$150 million bump in Michigan's dumping charge.

In addition to the tipping fee increase, the House added some higher education cuts and "loophole closings" to the list of fixes the governor and Senate Republicans had already signed on to.

The cuts spared revenue sharing, public transportation, the 21st Century Jobs Fund, and welfare recipients. The House also avoided public health reductions that would impact recipients. Instead, a cut was applied to doctors who take Medicaid patients, slicing their state reimbursement rate 6.5 percent.

Also under the House plan, Michigan's 15 universities would have their entire August payment from the state delayed and have their 3 percent increase for FY 2007 taken away.

"This is a serious attempt at trying to do our part to head off the budget crisis," said House Majority Floor Leader Steve Tobocman (D-Detroit).

The next step is for House and Senate leaders to sit down with Governor Jennifer Granholm and negotiate between each branch's plan to fix the state's remaining fiscal shortfall. Governor Granholm, Senate Majority Leader Mike Bishop (R-Rochester), and House Speaker Andy Dillon (D-Redford Twp.) are expected to meet soon.

So far, the three leaders have only agreed to \$344 million in budget cuts (to the 2006-2007 fiscal year), which leaves \$686 million in shortfalls.

PETERS TO RESIGN IN AUGUST

Popular Lottery Commissioner to Join CMU

Former state senator Gary Peters will resign as lottery commissioner on August 10 to become the third Griffin Endowed chair in American Government at Central Michigan University.

The position involves teaching two political science seminars and organizing two forums each year to address public policy and political issues. Since the lottery commissioner cannot work simultaneously for pay

at another institution, Peters has to resign in order to accept the new opportunity.

“I have enjoyed combining my business and public policy experience in running the state Lottery and I am proud of the Lottery's contribution to funding our public schools,” Peters said. “When I leave my position in three and a half months, I will leave a Lottery that is stronger than at any other time in its history and is on track to continue its record setting performance.”

Governor Granholm appointed Peters to the position on April 9, 2003, shortly after he lost the 2002 attorney general's race to Mike Cox. Since Peters has been at the helm, lottery sales have increased by more than \$600 million a year from \$1.68 billion to more than \$2.3 billion. Among other successes, Peters can take credit for the blossoming of Michigan's Keno game, which has proved popular in bars and restaurants across the state.

SENATE APPROPS: TROOPER MONEY OKAY **Union Donation Prevents 20 Layoffs**

The Senate Committee on Appropriations accepted a \$400,000 donation from the Michigan State Trooper Association (MSPTA) to prevent 29 state troopers from being laid off.

Senate Appropriations Chairman Ron Jelinek (R-Three Oaks) called the donation “generous,” and cautioned against any expectation of a future reimbursement from the state.

“[The MSPTA] put this money forward without strings attached and unless we find that pot of gold at the end of the rainbow, I doubt we're going to be offering to repay them any time in the near future,” he said.

On April 6, the MSPTA announced it had approved the measure to contribute enough money to the State of Michigan to pay the salaries of 29 Michigan State Police troopers originally scheduled to be laid off on April 8.

“This is the right thing for us to do for our State Police family,” said MSPTA President Mike Moorman. “The Association's Executive Board made a tough decision to take care of our own. This is troopers taking care of troopers so that troopers can take care of the people of Michigan.”

The measure will cover the salary and benefits for the 29 troopers through June 2, 2007.

“We understand this is a temporary fix but we believe this is enough time for Lansing to solve the state's budget crisis,” said Association Vice President Chris Luty. “We hope our action adds to the urgency to resolve the problem and save Michigan jobs. Our example of shared sacrifice is a model for the decisions to be made by our elected officials.”

The 29 troopers were two days away from turning in their badges and uniforms to their respective Post Commanders.

WIT, WISDOM, ETC . . .

Quotables

“This world is a comedy to those who think, a tragedy to those who feel.”
~Horace Walpole

“There are many things in life that are more important than money. And they all cost money.”
~Fred Allen

Quote of the Week: Dennis Miller

"I think, on most things I'm liberal, except on defending ourselves and keeping half the money. Those things I'm kind of conservative on."

All Michigan legislation can be tracked at
<http://www.legislature.michigan.gov/> .

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State Senator Gilda Jacobs represents the 14th Senate District, which includes Beverly Hills, Bingham Farms, Farmington, Farmington Hills, Ferndale, Franklin, Hazel Park, Huntington Woods, Lathrup Village, Oak Park, Pleasant Ridge, Royal Oak Township, Southfield, and Southfield Township. She is the Minority Vice Chair of the Families & Human Services Committee and the Campaign & Election Oversight Committee. She also serves on the Finance, Economic Development & Regulatory Reform, and Health Policy Committees.

Constituents of the 14th District may contact Senator Jacobs at
sengjacobs@senate.michigan.gov
or toll-free at 1-888-937-4453.

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