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July 19, 2007

**Opinion****Brief income tax increase would solve budget crisis**

State could close deficit, invest in people and attract jobs

**Rep. George Cushingberry**

Michigan's budget crisis, brought on by President George W. Bush's failed economic policies and bad trade deals, endangers education, health care, and safe and stable communities -- the very services that are most likely to attract the good-paying jobs of the future.

As a result of these economic challenges, our great state is faced with a momentous choice: Do we invest in our people and make Michigan a magnet for 21st-century jobs, or sit still with the hope that business as usual just works everything out?

It's imperative that we invest in our people, our schools, our colleges and universities, and other effective programs that we know will draw emerging industries and good-paying jobs to Michigan.

**Repeal 1990s tax cuts**

That's why I have sponsored legislation to temporarily repeal the tax cuts made in the 1990s until 2012, and restore the state's income tax rate to 4.6 percent, up from the current 3.9 percent.

To jumpstart Michigan's economy and steer the state through its unprecedented budget crisis, we must invest in our state and our people. The restored tax rate of 4.6 percent would stay in effect until Jan. 1, 2012. After that date, the income tax rate would return to the current 3.9 percent. My plan also would increase the personal tax exemption to \$3,630 for the tax year beginning after 2006.

In the '90s, our economy was booming. The governor and the Legislature at the time made a series of income tax cuts to 3.9 percent -- effectively disinvesting in our people. What's the result? Tuition costs have skyrocketed, making paying for a college education more and more difficult. Our public schools have been locked in a perpetual budget crisis that causes a never-ending threat of teacher layoffs and cuts to important educational programs.

Funding for our state's public universities also has declined. Since 2001, we've decreased state appropriations to our 15 public universities from 50 percent down to almost 30 percent, which causes higher tuition rates that are shifted onto our students and their families.

The rate for tuition and fees for resident undergraduates at the University of Michigan in Ann Arbor has gone from about \$6,900 in 2001 to more than \$10,000 in 2007. The rate at Wayne State University also has climbed, from more than \$4,200 to more than \$7,300.

**Work force needs investment**

We must build the best, most-skilled and most-educated work force in the nation to draw new businesses to our state. That means we must invest in our universities and make it easier for our middle-class families to get the skills they need to compete in the 21st-century economy. Companies move to states that invest in their workers. Internet giant Google chose to set up shop in Ann Arbor because of the highly trained work force and infrastructure.

Our numbers of police officers and firefighters on the streets are decreasing, making our communities less safe. Since Sept. 11, 2001, we have decreased our number of police officers on the streets from 23,150 to 21,517. This is a deterrent to businesses looking to relocate in Michigan.

We are faced with two choices: To go backward as a state or to move forward. Some are content to sit still and do nothing, allowing Michigan to become the backwater of the Midwest. I won't allow this to happen. We must invest in our people and make Michigan a pioneer in the emerging industries of the future.

*State Rep. George Cushingberry, D-Detroit, is chairman of the Michigan House Appropriations Committee. Mail letters to The News, Editorial Page, 615 W. Lafayette, Detroit, MI 48226, fax them to (313) 222-6417 or e-mail them to [letters@detnews.com](mailto:letters@detnews.com).*

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