



Crunch time

State budget solution must come now

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Lansing's politicians are nearly out of time to clean up the state's fiscal mess, and the public should be out of patience, too.

Unless lawmakers adopt a budget and taxes to cover a \$1.8-billion shortfall for the fiscal year beginning Oct. 1, this crowd will claim a record for partisanship and ineptitude rivaling any we can recall.

More dire, however, would be the consequences for Michigan, as the state's prospects with a crippled government would be found in the same place as these officeholders' reputations.

There is no mystery on what lawmakers and the governor's office must accomplish. Months ago a committee of esteemed capital veterans, led by two former governors, outlined the basic path for Lansing's long-term financial stability. The three-part formula consists of spending cuts, a tax increase and local and state government reforms to both reduce costs and improve efficiency.

In case lawmakers had forgotten to bring this crib sheet upon returning to work after a wasted summer, that financial advisory panel, headed by former Govs. William Milliken and James Blanchard, reiterated its message Wednesday.

"Real and projected revenue to the state has declined since our Feb. 2 report. Wall Street has downgraded Michigan's bond ratings. State government's cash flow is precarious. K--12 school districts, colleges, universities, local governments, and other institutions cannot plan and manage budgets until adoption of the state's 2007--08 budget," the group noted precisely.

But such statesman-like appeals haven't had much sway in the Legislature this year, particularly in the Republican-run Senate, which minimally wants to feign opposition to a tax increase and then gain political advantage from one that's passed.

For its part, the Democratic-run House has passed department budgets for which it has yet to vote taxes. And Gov. Jennifer Granholm, after her services-tax plan was dead on arrival in February, seems to be letting surrogates carry the ball for her.

But with schools back in session, recess should be over for this bunch as well, as Michigan's future can't afford more games-playing.

Therefore, we hope we're right in sensing a budget deal might be in sight. It would include an immediate income tax increase, which voters later could choose to keep or replace with a 1-cent boost in the state sales tax. Concessions by Democrats on public employee health plans, including those for teachers, should be part of the mix to produce savings.

Such a package would give all sides something, and more importantly fund crucial services at levels where higher education becomes more affordable and health care programs are maintained.

While passing a responsible budget is only a start to getting this troubled state's house in order, it's the foundation that would make other improvements possible.

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