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MANAGEMENT

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Gov's Long Time Lobbyist Wants Term Limits Out

“Centerpiece”

After solving the budget, getting rid of term limits needs to be priority numero uno according to Gov. Jennifer Granholm's top budget lobbyist, Lynn Owen.

“I think a lot of people are starting to say, ‘Yeah, I voted for term limits. It was a mistake,’” Owen said.

Before joining Granholm's staff, Owen served in the Legislature for 15 years.

“When I came up here, we had adult supervision,” Owen said, meaning that experienced legislators, rather than young staff and lobbyists, were running the show. A consistent group of five or six leaders who had worked with one another for years ran the body. Legislators were not anointed a committee chair if they didn't have at least 12 years of experience, he said.

Now inexperienced leaders who don't trust each other are in charge. Owen called Rep. Steve Bieda (D-Warren) out as being one of the body's most successful leaders.

“He caught on very quick, but he worked around the clock — seven days a week — to get there,” he said.

Lack of trust caused the budget debacle of 2007, a process that Owen referred to as “deeply flawed.” Often participants came out of meetings with completely different interpretations of what was said and aired their grievances in the media.

“The governor herself had times where things didn't go as they should have,” he said.

If term limits aren't extended, Owen said it will be “very difficult” to get any significant reform through the Legislature.

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To move the state forward, individuals also need to start investing in the state rather than advocating for cuts. When Owen talks about “investment” he isn’t referring to the \$600 rebate the federal government is sending to taxpayers. He wants a former president Dwight Eisenhower-type investment that will create jobs and improve infrastructure.

“We need to get shovels in the ground and start reinvesting that way,” he said.

Owen said this absolutely shouldn’t include bribing companies with economic incentives to come to Michigan. However, if the state doesn’t offer these incentives, companies will move to states that are offering incentives.

“It creates winners and losers, but when everyone’s doing it, you have to,” he said.

Owen said he expects the state to rebound “in a big way.” He said people need to spend more time looking at the jobs that have been created, which can be challenging since they’re not being created as quickly as manufacturing jobs are being lost.

GCSEye On The Capitol

MBT \$3 Million Short

First quarter revenues from the new Michigan Business Tax (MBT) are \$3 million less than last year’s Single Business Tax (SBT) collections.

But, that doesn’t necessarily mean that lower collections will become a trend. House Fiscal Agency (HFA) Director Mitch Bean ticked off several reasons for the lower revenues.

He said voters are still getting used to the tax and businesses that haven’t had to pay the tax in the past will need some adjustment time. He also said those who overpaid the SBT can claim a refund and annual returns for the 2008 MBT tax year won’t be filed until April 2009.

Math Improving, Social Studies Low

The Michigan Education Assessment Program (MEAP) results show that overall the state’s students are making improvements in math but are scoring lower in social studies.

The most recent MEAP scores don’t show any major differences from previous scores, however. Seventh-grade math scores did show a sizeable improvement. Seventy-three percent of this year’s seventh graders were proficient compared to 64 percent in the fall of 2006.

In general, younger students do better on the standardized tests. Gov. Jennifer Granholm said this is because the younger kids have been exposed to the new education standards and the other students have not.

DHS Settlement Could Cost State \$400 Million a Year

The Department of Human Services (DHS) is nearing a court settlement that could cost the state \$400 million a year.

The DHS is looking to settle with the Children's Rights advocacy organization, which sued the state foster care system for severely underfunding its child welfare programs for years.

DHS Director Ismael Ahmed said the DHS is working on a deal he believes will save the state hundreds of millions of dollars and will also result in new child welfare standards.

GOP Driven Site Said To Cost \$150M

A government spending search engine the House Republicans want to create could cost the state \$100 to \$150 million over two to three years, according to the Department of Information Technology (DIT).

House Republicans argue that a financial and spending tracking system would give more transparency in government. This plan is conveniently being revealed right in time for the 2008 elections.

Democrats argue that the state already has plenty of accessible oversight data online including budgets, contract lists and annual financial reports.

The Week Ahead

House And Senate Return Next Week

House Speaker Andy Dillon and House leadership are working behind the scenes to get the Michigan Chamber of Commerce on board its proposal to limit the amount of competition in the electric industry. The Chamber is finding itself in a sticky situation in that it has members who benefit from electric choice, but they also want to get the best deal possible for its members on the companion legislation that deals with energy efficiency programs and alternative energy standards.

Michigan Factoid:

Former U.S. Senator and Michigan Territory Gov. Lewis Cass ran for president in 1848 as a Democrat against Zachary Taylor. He was not successful.

Also, the House and Senate will begin reviewing the second half of the Fiscal Year (FY) 2009 budget. The House wants to pass its legislation that put a stronger emphasis on businesses not hiring documented workers, but at least one business group is concerned the Democrats are using this populist piece of legislation to slip in prevailing wage rules.

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