



This is a printer friendly version of an article from **Lansing State Journal**. To print this article open the file menu and choose Print.

Published January 18, 2008

### I at a glance

The Michigan Fiscal Responsibility Project report looked at state spending between fiscal year 2001 and the current fiscal year. It found that:

- State funding for universities declined by 10.5 percent.
- Revenue-sharing to local governments fell by 31 percent.
- Funding for Community Health jumped 62 percent, almost entirely because of increased Medicaid case loads and costs.

On the Web

- Michigan Fiscal Responsibility Project: [www.mitaxtruth.com](http://www.mitaxtruth.com)

## State keeps tight hold on its spending, report says

State cutbacks, higher college tuition cited as reasons to hold firm on taxes

Chris Andrews

Lansing State Journal

The idea that state taxes and spending are out of control is a myth and an impediment to getting Michigan's economy back on track, a group representing universities, cities and nonprofit agencies said Thursday.

Rather, personal income has outpaced state spending, and investments in programs critical to the

state's welfare have been slashed, the group said. Cuts to colleges have meant students pay more for tuition and cuts to cities have resulted in fewer police patrolling the streets.

Total spending from state resources has risen 10 percent since fiscal 2001, while personal income is up 19 percent, according to the report by the Michigan Fiscal Responsibility Project.

"It's pretty hard to make the argument that state government spending is out of control," said David Waymire, who prepared the report.

The group isn't advocating higher taxes, but it hopes to head off further efforts to cut taxes.

The report looked at state spending between fiscal year 2001 and the current fiscal year. It found that:

- State funding for universities declined by 10.5 percent.
- Revenue-sharing to local governments fell by 31 percent.
- Funding for Community Health jumped 62 percent, almost entirely because of increased Medicaid caseloads and costs.

Michael Boulus, executive director of the Presidents Council of State Universities, said Michigan has been at the back of the pack when it comes to investing in higher education since the start of the decade.

At Michigan State University, that means students are paying much more in tuition and fees. The cost for a typical freshman has gone from \$5,170 in 2000 to \$9,560 this year.

In Lansing, revenue-sharing cuts have led to cuts in police staffing. The number of authorized positions has declined from 264 in 2000 to 243 this year.

Cuts to nonprofit groups have forced them to reduce staff and services, said Kyle Caldwell, president of the Michigan Nonprofit Association.

Lansing's BoarsHead Theater has seen its state grant cut from about \$80,000 a decade ago to \$18,000 last year.

Another \$2,000 reduction this year is forcing it to take its Shakespeare in the Schools program to fewer schools.

"You can't put much of a program together for \$16,000 when you talk about putting a troupe of actors together, paying for their transportation, costumes, etc.," managing director Marlene Shelton said.

The Michigan Fiscal Responsibility Project says the state should look hard at reforms to rein in the Department of Corrections and Medicaid costs. It also said that lawmakers who propose tax cuts should identify which programs they would cut.

State Sen. Alan Cropsey, R-DeWitt, said that because of the loss of good-paying manufacturing jobs and the increase in unemployment, the state can't afford the same level of government it had in the past.

"Hard looks need to be taken at government spending all across the board, including Corrections," he said. "Somebody ought to be doing that with higher education, too."

Contact Chris Andrews at 377-1054 or [candrews@lsj.com](mailto:candrews@lsj.com).

---

Copyright 2008 Lansing State Journal Use of this site signifies your agreement to the Terms of Service (updated August 2006)

[\[Back\]](#)