MICHIGAN **ITOL CONFIDENTIAL**

A publication of the Mackinac Center for Public Policy

A review of the votes and proposals of the Michigan Legislature - Vol. 2, No. 2 - March/April 2008

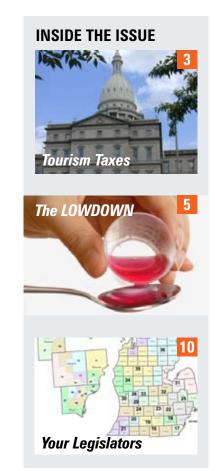
FEEDING THE BEAST "Temporary" business cost hikes get new life

Four types of fee increases Michigan businesses were set to expire last fall, with a total estimated relief of more than \$10.7 million for Michigan's job providers in 2008. The "temporary" increases, implemented by a previous Legislature, were given a sunset date of Sept. 30, 2007, at which point they were slated to reset to their previous lower level. But on the sunset date, bills creating fiveyear extensions of these fees were signed into law by Gov. Jennifer Granholm. The new sunset date for the "temporary" fee increases is Sept. 30, 2012.

The cost to taxpayers is in addition to the \$1.358 billion in tax hikes for 2008 that were signed by the governor on Oct. 1, 2007, to end a government shutdown and balance the fiscal 2008 budget primarily with tax increases (see "Blown Away...," Nov/Dec 2007 Michigan Capitol Confidential).

Approving extensions of supposedly "temporary" fees is a tool lawmakers are using with growing frequency during the budget process. One "fee," a 7/8ths-cent-per-gallon petroleum levy, has mostly morphed into a tax, with the proceeds dedicated See "FEEding," Page 5





TOTAL RECAL Michigan Tax Revolts: 1983 and Today

Anti-tax activists have an-nounced plans to petition for the recall of as many as 10 Michigan lawmakers this spring and summer, and Speaker of the House Andy Dillon, D-Redford Twp., may be one of the top targets. Leon Drolet, head of the Michigan Taxpayers Alliance and coordinator of several of the recall efforts, believes that recalling the leader of a state legislative chamber would be the first of its kind in the nation. Sizing up the challenge, Drolet announced: "We're ready to make history."

But it will be a tall order to eclipse the recall earthquake that re-routed Michigan history in 1983. That year saw two Democratic state senators dismissed from office, two Republicans take their place, and the balance of power in the senate switch to the GOP where it has remained ever since. Then-state Sen. John Engler, R-Mt. Pleasant, was elevated to Senate Majority Leader, making him the primary political rival to then-Gov. James Blanchard, a Democrat. Seven years later, in the 1990 campaign for governor, Engler would narrowly unseat Blanchard in a wildly improbable upset.

Then, as now, the fuse was lit with a tax increase. In 1983, it was an annual income tax hike of \$675 million. Adjusted for inflation, this equates to more than \$1.4 billion - close to the \$1.385 billion hike in annual taxes that was approved last fall.

Like Gov. Granholm in 2007, Gov. Blanchard in 1983 was coming off of a successful election campaign in which he had dodged the question of raising taxes. Candidate Blanchard had pledged that tax increases would be used See "Total Recall," Page 6

SPECIAL INTERESTS Automotive Production Expands – Elsewhere By Kenneth M. Braun and Michael D. LaFaive

Michigan's economy contin-ues to reel. It was the only state in 2006 to actually experience negative economic growth. It has the highest unemployment rate in the nation at 7.6 percent, and at least one forecast anticipates the loss of up to 51,000 more jobs through 2008. If true, it represents the longest string of year-to-year job losses since the Great Depression.

Based on these numbers, few would expect that the production of cars and trucks from American factories was actually up 4.3 percent from 2001 through 2005 See "Auto Production," Page 8

Are you new to Michigan Capitol Confidential?

Many of you have already e-mailed, written or phoned us to say that you'd like to remain on the mailing list for Michigan Capitol Confidential. If you haven't contacted us yet, but would like to remain on our mailing list, please let us know!

If you are reading this newspaper for the first time, thank you for taking the time to look over this news publication from the Mackinac Center for Public Policy. We selected you for this mailing because you have shown an interest in the public policy issues that we discuss. Inside, you will find a review and analysis of important state legislative policy issues that did not always receive attention from the general media. Every two months we send this publication to make it easier for you to keep tabs on your elected representatives in Lansing.

Subscriptions are FREE, but to remain on our mailing list you must let us know by sending your name and home address. Enclosed is a postage-paid business reply envelope to make this easier – just fill in your name and address and send it in! Even easier still – just put the same information in an e-mail and send it to MiCapCon@Mackinac.org.

When you write to us, please feel free to include the names and addresses of family and friends who you think will enjoy Michigan Capitol Confidential as much as you do.

Additionally, you can help us keep Michigan Capitol Confidential coming to households just like yours by joining the Mackinac Center for Public Policy. The Center is dedicated to providing a free-market perspective on public policy issues that impact the Michigan economy. We provide that perspective through timely policy studies, commentaries, interaction with media and policymakers, and events for targeted audiences throughout the state. Our issues are economic in focus, but as diverse as taxation; government budgeting; science, environment and technology policy; labor policy; privatization; property rights; and general economic education.

The Mackinac Center's mission is to educate Michigan residents on the value of entrepreneurship, family, community, private initiative and independence from government. We believe, as our country's Founders did, that liberty and sound policy can never be taken for granted. Their preservation requires vigilance during each generation from both us and citizens like you.

If you share this goal, we would welcome your generous contribution to the Mackinac Center in any amount. Even a \$40 donation is a tremendous help. The Mackinac Center is a 501(c)(3) educational institute, and your donation is deductible on your federal income taxes.

Thank you for any help you may be able to give us – and don't forget to let us know if you want to continue your FREE subscription to Michigan Capitol Confidential!



enneth M. Braun, Schior Managing Editor, MICHIGAN CAPITOL CONFIDENTIAL

MICHIGAN CAPITOL CONFIDENTIAL MiCapCon@Mackinac.org 989-631-0900

TOURISM TAXES APPROVED State and local tax burden approaching nation's ten worst

new state law would likely A new state law would have a further Michigan's status as having one of the nation's highest state and local tax burdens. House Bill 4261, now Public Act 25 of 2007, allows convention and tourism bureaus in Kent County and Lansing to levy a 2 percent hotel and motel rooms tax to support marketing and promotion programs. This would be on top of existing marketing levies. A referendum of lodging providers would be required if requested by least 40 percent of the owners of "transient facilities" subject to the tax.



Out-of-town visitors, staying overnight in Lansing, may soon be paying a 2 percent room tax.

The bill was first approved by the state House of Representatives on May 8, 2007. One month earlier, the Tax Foundation of Washington, D.C., released its annual ranking of state and local tax burdens. Though this was many months before the \$1.4 billion income and business tax hikes included in the fiscal 2008 budget, Michigan's tax burden ranking for 2007 had already climbed to 14th highest in the nation – sharply up from 30th highest in 2001. Neighbors Illinois and Indiana are just two of the 16 states that Michigan's tax burden has eclipsed during its rapid six-year ascent up this dismal ladder.

In a competitive race for the nation's most punishing tax policy, Michigan has been keeping up with the worst of them. The Tax Foundation asserts that state and local taxes for 2007 were consuming an average of more than 11 percent of personal income — a level not seen in more than 25 years. Michigan tax consumption was 11 percent of personal income in the 2006 ranking and climbed to 11.2 percent for 2007.

During committee testimony on House Bill 4261, the mayor of Grand Rapids asserted that the room tax was needed because the area had already approved tourism taxes up to the limit of their authority under existing state law. Additionally, he argued that a higher marketing tax is essential for attracting more convention and tourism business to the region. But with the backdrop of Michigan's overall tax burden relative to other states, it is a debatable point that more local taxes and spending - even for tourism promotion - is wise policy.

According to a Michigan House Fiscal Agency analysis, the lodging facilities within the tourism promotion district will receive one vote per room if a tax election is called. If a majority of the rooms within the assessment district vote in favor of the tax, then the tax will be implemented, with the proceeds becoming the "property of the private, non-profit corporation promoting convention and tourism business." Hotels and motels voting in opposition will be forced to fork over as much as 2 percent of the proceeds from each guest filling one of their rooms to a private entity that implements a marketing program that they do not want.

See "Tourism Taxes," Page 9

NOTES ON STATESMANSHIP

The Love of Power vs. the Power of Love

By Lawrence W. Reed

"We look forward to the time when the power of love will replace the love of power. Then will our world know the blessings of peace."

So declared British Prime Minister William Ewart Gladstone more than a century ago. His audience responded then the same way audiences would today — with nodding approval. But today's world seethes with hypocrisy. Though we say we prefer love over power, the way we behave in the political corner of our lives testifies all too often to the contrary.

Gladstone knew that love and power are two very different things, often at odds with each other. Love is about affection and respect; power is about control.

When real love is the motivator, people deal with each other peacefully. We use force only in self-defense. We respect each other's rights and differences. Tolerance and cooperation govern our interactions.

Suppose we want to influence or change the behavior of another adult, or want to give him something we think he should have. This person has done us no harm and is in full command of his faculties. Love requires that we reason with him, entice him with an attractive offer or otherwise engage him on a totally voluntary basis. He is free to accept or reject our overtures. If we don't get our way, we don't hire somebody to use force against him. We "live and let live."

A mature, responsible adult neither seeks undue power over other adults nor wishes to see others subjected to anyone's controlling schemes and fantasies. This is the rationale for limiting the force of government in our lives. In a free society, the power of love governs our behavior instead of the love of power.

But politics today provides a sad commentary on the ascendancy of the love of power over the power of love. We have granted command of 40 percent of our incomes to federal, state and local governments, compared to 6 or 7 percent a century ago. And more than a few Americans seem to think that 40 percent still isn't enough.

A mature, responsible adult neither seeks undue power over other adults nor wishes to see others subjected to anyone's controlling schemes and fantasies.

We don't trust the choices parents might make in a free educational marketplace, so we force those who prefer private options to pay twice — once in tuition for the alternatives they choose, and then again in taxes for a system they seek to escape.

Millions of Americans think government should impose an endless array of programs and expenses on their fellow citizens, from nationalized health plans to child day care to subsidized art and recreation. We've burdened our children and grandchildren, whom we claim to love, with trillions in national debt – all so that the leaders we elected and re-elected could spend more than we were willing to pay for. We claim to love our fellow citizens while we hand government ever more power over their lives, hopes and pocketbooks.

If you think these trends can go on indefinitely, or if you think power is the answer to our problems, or if you think loving others means diminishing their liberties, you're part of the problem. If you want to be part of the solution, then consider adopting the following resolutions:

- I resolve to keep my hands in my own pockets, to leave others alone unless they threaten me harm, to take responsibility for my own actions and decisions, and to impose no burdens on others that stem from my own poor judgments.
- I resolve to strengthen my own character so I can be the model of integrity that friends, family and acquaintances will want to respect and emulate.
- If I have a "good idea," I resolve to elicit support for it through peaceful persuasion, not force. I will not ask politicians to foist it on others just because I might think it's good for them.
- I resolve to offer help to others who genuinely need it by involving myself directly or by supporting those who are providing assistance through charitable institutions. I will not complain about a problem and then insist that government fix it at twice the cost and half the effectiveness.
- I resolve to learn more about the principles of love and liberty so that I can convincingly defend them against the encroachments of power. And I resolve to do whatever I can to replace the love of power with the power of love.

A tall order, to be sure. Let's get started. \blacksquare

Lawrence W. Reed is president of the Mackinac Center for Public Policy.

Michigan votes.org

Four bills to extend the the sunset dates on "temporary" business fee increases will cost Michigan job providers an additional \$10,761,000 per year. The amount of this total approved by each lawmaker is listed below. *The final passage votes for House Bills 4865, 4866, 5257 and 5258 were used for this tablulation. See MichiganVotes.org for a description of each bill and vote.*

| HOUSE REPL | JBLICANS | Elsenheimer (R) | \$10,761,800 | Knollenberg (R) | ZERO | Palmer (R) | ZERO | Stakoe (R) | \$3,832,500 |
|--------------------------------|-----------------------|------------------|--------------|-------------------|--------------|-----------------------------|---------------------|--------------------------------|--------------|
| Acciavatti (R) | \$10,761,800 | Emmons (R) | \$10,761,800 | LaJoy (R) | \$3,159,800 | Palsrok (R) | \$10,761,800 | Steil (R) | \$10,761,800 |
| Agema (R)* | SEE NOTES | Gaffney (R) | \$10,761,800 | Law, David (R) | ZERO | Pastor (R) | ZERO | Walker (R) | \$10,761,80 |
| Amos (R) | ZERO | Garfield (R) | ZERO | Marleau (R) | ZERO | Pavlov (R) | \$10,089,100 | Ward (R) | \$6,929,30 |
| Ball (R) | \$10,761,800 | Green (R) | \$10,761,800 | Meekhof (R) | \$10,089,100 | Pearce (R) | \$10,761,800 | Wenke (R) | \$10,761,80 |
| Booher (R) | \$10,761,800 | Hansen (R) | \$10,761,800 | Meltzer (R) | ZERO | Proos (R) | \$10,761,800 | | |
| Brandenburg (R)* | SEE NOTES | Hildenbrand (R) | \$10,761,800 | Moolenaar (R) | \$6,929,300 | Robertson (R) | \$3,832,500 | | |
| Calley (R) | \$10,761,800 | Hoogendyk (R) | ZERO | Moore (R) | \$10,761,800 | Rocca (R) | \$10,761,800 | | |
| Casperson (R) | \$10,761,800 | Horn (R) | \$10,761,800 | Moss (R) | \$4,300,000 | Schuitmaker (R) | \$10,761,800 | | |
| Caswell (R) | \$10,761,800 | Huizenga (R) | \$10,761,800 | Nitz (R) | \$10,089,100 | Shaffer (R) | \$10,761,800 | | |
| Caul (R) | \$10,761,800 | Hune (R) | ZERO | Nofs (R) | \$10,761,800 | Sheen (R)* | SEE NOTES | | |
| DeRoche (R) | ZERO | Jones, Rick (R) | \$6,929,300 | Opsommer (R) | \$6,929,300 | Stahl (R) | ZERO | | |
| HOUSE DEM | OCRATS | Condino (D) | \$10,761,800 | Gonzales (D) | \$10,761,800 | Leland (D) | \$10,761,800 | Sheltrown (D) | \$10,761,80 |
| Accavitti (D) | \$10,761,800 | Constan (D) | \$10,761,800 | Griffin (D) | \$10,761,800 | | \$10,761,800 | | \$10,761,80 |
| Angerer (D) | \$10,761,800 | Corriveau (D) | \$10,761,800 | Hammel (D) | \$10,761,800 | Lemmons (D) Lindberg (D) | \$10,761,800 | Simpson (D) Smith, Alma (D) | \$10,761,80 |
| Bauer (D) | \$10,761,800 | Coulouris (D) | \$10,761,800 | Hammon (D) | \$10,761,800 | Mayes (D) | \$10,761,800 | Smith, Virgil (D)* | SEE NOTE |
| Bennett (D) | \$10,761,800 | Cushingberry (D) | \$10,761,800 | Hood (D) | \$10,761,800 | McDowell (D) | \$10,761,800 | Spade (D) | \$10,761,8 |
| Bieda (D) | \$10,761,800 | Dean (D) | \$10,761,800 | Hopgood (D) | \$10,761,800 | Meadows (D) | \$10,761,800 | Tobocman (D) | \$10,761,8 |
| Brown (D) | \$10,761,800 | Dillon (D) | \$10,761,800 | Jackson (D) | \$10,761,800 | Meisner (D) | \$10,761,800 | Vagnozzi (D) | \$10,761,80 |
| Byrnes (D) | \$10,761,800 | Donigan (D) | \$10,761,800 | Johnson (D) | \$10,761,800 | Melton (D) | \$10,761,800 | Valentine (D) | \$10,761,8 |
| Byrum (D) | \$10,761,800 | Ebli (D) | \$10,761,800 | Jones, Robert (D) | \$10,761,800 | Miller (D) | \$10,761,800 | Warren (D) | \$10,761,8 |
| Cheeks (D) | \$10,761,800 | Espinoza (D) | \$10,761,800 | Lahti (D) | \$10,761,800 | Polidori (D) | \$10,761,800 | Wojno (D) | \$10,761,80 |
| Clack (D) | \$10,761,800 | Farrah (D) | \$10,761,800 | Law, Kathleen (D) | \$10,761,800 | Sak (D) | \$10,761,800 | Young (D) | \$10,761,80 |
| Clemente (D) | \$10,761,800 | Gillard (D) | \$10,761,800 | LeBlanc (D) | \$10,761,800 | Scott (D)* | SEE NOTES | Toung (D) | φ10,701,00 |
| | <i>Q</i> 10,7 0 1,000 | | \$10,701,000 | | \$10,701,000 | 300 (D) | SEL NOTES | | |
| SENATE REPUBLICANS Jelinek (R) | | Jelinek (R) | \$10,761,800 | SENATE DEMOCRATS | | Prusi (D) | \$10,761,800 | | |
| Allen (R) | \$10,761,800 | Kahn (R) | \$10,761,800 | Anderson (D) | \$10,761,800 | Schauer (D) | \$10,761,800 | | |
| Birkholz (R) | \$10,761,800 | Kuipers (R) | \$10,761,800 | Barcia (D) | \$10,761,800 | Scott (D) | \$10,761,800 | | |
| Bishop (R) | \$10,761,800 | McManus (R) | \$10,761,800 | Basham (D) | \$10,761,800 | Switalski (D) | \$10,761,800 | | |
| Brown (R) | \$10,761,800 | Pappageorge (R) | \$10,761,800 | Brater (D) | \$10,761,800 | Thomas (D) | \$10,761,800 | | |
| Cassis (R) | ZERO | Patterson (R) | ZERO | Cherry (D) | \$10,761,800 | Whitmer (D) | \$10,761,800 | | |
| Cropsey (R) | \$10,761,800 | Richardville (R) | \$10,761,800 | Clark-Coleman (D) | \$10,761,800 | | | | |
| Garcia (R) | \$8,132,500 | Sanborn (R) | ZERO | Clarke (D) | \$10,761,800 | | | | |
| George (R) | \$10,761,800 | Stamas (R) | \$10,761,800 | Gleason (D) | \$10,761,800 | *NOTES: Rep. Age | ma did not cast a f | inal passage vote on a | any of |
| Gilbert (R) | \$10,761,800 | Van Woerkom (R) | \$10,761,800 | Hunter (D)* | SEE NOTES | the four bills. Reps | . Sheen and Scott | and Sen. Hunter miss | ed two |
| Hardiman (R) | \$10,761,800 | | | Jacobs (D) | \$10,761,800 | of the four votes. R | eps. Brandenburg | and Virgil Smith miss | ed one |
| · · | | I | | Olshove (D) | \$10,761,800 | vote each. | | | |

FEEding

from Page One

to other state spending. Originally created for and dedicated to a clean-up fund for leaking underground fuel tanks, both the fund and fee had mostly accomplished their goal as they approached a Sept. 30, 2004, statutory sunset.

Unwilling to make cuts to other spending, lawmakers and the governor approved a six-year extension of the sunset for the fuel tank clean-up fee and its fund, and spent the money on unrelated programs. This fee extension continues to cost Michigan motorists as much as \$60 million each year. In 2007, as part of a deal to avoid spending cuts in the rest of the budget that year, another \$70 million was raided from the stillactive and fee-collecting "storage tank" fund.

Below are the recently extended fee increases on Michigan businesses:

- Public Act 82 of 2007 (formerly House Bill 4865) retains the "temporary" license fee increases on investment advisors and stockbrokers. The estimated additional cost to these Michigan job providers is \$4.3 million for 2008.
- Public Act 83 of 2007 (formerly House Bill 4866) retains the "temporary" price increase for the fees that accompany the annual reports required of all foreign and domestic corporations. The estimated additional cost to these Michigan job providers is \$2.6 million in 2008.

• Public Act 86 of 2007 (formerly House Bill 5258) retains the "temporary" price increase for the fees that must accompany the annual reports required of all limited liability corporations. The estimated additional cost to these Michigan job providers is \$3.1 million in 2008.

Approving extensions of supposedly "temporary" fees is a tool lawmakers are using with growing frequency during the budget process.

• Public Act 87 of 2007 (formerly House Bill 5257) retains the "temporary" price increase for the fees that must accompany the annual reports required of all non-profit corporations. The estimated additional cost to these Michigan job providers is \$672,700 for 2008.

Each bill was approved overwhelmingly in both chambers of the Legislature, with 118 of the 148 lawmakers voting to extend the life on at least \$10 million worth of fee increases. However, 15 lawmakers voted in opposition to all four bills. The name of each state lawmaker and the amount of fee increases that they voted to retain are in the box at left.

FOR FURTHER READING: Links to the legislative analysis of these bills is available at www.mackinac .org/9312.

Michigan Capitol Confidential

Editor: Michael D. Jahr Senior Managing Editor: Kenneth M. Braun Graphic Designer: Daniel E. Montgomery

Michigan Capitol Confidential is published bimonthly by the Mackinac Center for Public Policy, a nonprofit, nonpartisan, tax-exempt research and educational institute devoted to analyzing Michigan public policy issues. Michigan Capitol Confidential is distributed to Michigan residents who have expressed an interest in public policy matters, as well as members of the media and lawmakers and policy staff in the Michigan House, Michigan Senate and Office of the Governor. All rights reserved. Permission to excerpt or reprint is hereby granted provided that Michigan Capitol Confidential, the author and the Mackinac Center for Public Policy are properly cited.

140 West Main Street, Midland, Michigan 48640 989-631-0900 • www.mackinac.org • MichiganVotes.org

THE LOWDOWN

PARKING VIOLATIONS

The Oct. 23, 2007, edition of the MIRS Capitol Capsule (www.mirsnews.com — subscription required) reported that state representatives John Stahl, R-North Branch, and Mike Nofs, R-Battle Creek, were stripped of their climatecontrolled underground parking spots beneath their legislative office building and relocated to outdoor surface parking spots behind the capitol building across the street.

With regard to Rep. Stahl, the article speculated that the change of assignment was made because the lawmaker did not support "some elements" of the budget agreement that passed with great acrimony just over three weeks earlier, and that Speaker of the House Andy Dillon, D-Redford Twp., was removing the parking spot as an act of retribution.

A spokesman for the Speaker's office was asked about the matter by MIRS and declined to comment.

SICKO

Public school teachers in the Jackson County area take an average of eight days off for illnesses or personal leave, according to a Jan. 20, 2008, feature story in the Jackson Citizen-Patriot (www.citpat.com). The paper notes this is nearly twice the rate for other professions nationally and 4.3 percent of their required work days. Labor contracts in most of the districts examined allow for twelve such absences per teacher annually. The analysis did not examine additional days taken for long-term paid illnesses, maternity leave, or those for business and union-related purposes.

The Jackson County-area absentee rate is slightly lower than the national average of nine-to-10 sick days annually for teachers, according to a recent National Bureau of Economic Research report cited in the

article. At just under 10 days per teacher each year, the Jackson Public Schools had the highest rate of any district in the survey. The district superintendent is quoted as saying that some of his younger teachers have come to view these days as alternative vacation days and speculates that they might be less likely to use them if they had to ask for permission from a supervisor rather than use automated telephone and Internet-based systems to announce that they are not coming to work.

A teachers' union official interviewed for the article cited the prevalence of greater illness among so many young children, which places teachers at greater risk of infection, as a likely culprit for the additional sick days. One teacher, an instructor for second graders in the Jackson Public Schools, is quoted as saving, "We don't get paid for (not taking) them, I might as well use a few of them." The paper states that the Jackson Public Schools racked up 4,448 sick and personal leave days during the 2006-07 school year, at a cost of \$419,337 to pay for substitute teachers.

BIG GAME POLITICS

State Rep. Lorence Wenke, R-Richland, fancies himself a "Republican problem solver, not an ideologue," according to MIRS. To this end, the lawmaker has a gray model of a rhino perched atop his desk on the floor of the state House of Representatives. The article states that Wenke is sometimes tagged as a RINO – Republican In Name Only - and the model could symbolize the perception that the lawmaker sometimes doesn't fit in with either the Democratic "donkeys" or the Republican "elephants."

Wenke says the prop represents hypocritical fiscal conservatism on the elephants' side of the aisle. Noting that a bill proposal of his that would pare back legislator health benefits and over time could potentially save more than a billion dollars, the lawmaker expressed disappointment that his bill has only seven or eight signatures from Republicans who he says "talk about really saving taxpayer money."

The rhino was a present from Rep. Chris Ward, R-Brighton, who had received it from his staff after he was accused of being a RINO following a vote in favor of an income tax increase last fall.

PRICEY PROMISES

"Michigan faces a substantial bill coming due for health care benefits for retired state employees, and even greater costs are likely to emerge for retired teachers," according to a 50-state analysis of states' retiree benefit obligations produced by the Pew Charitable Trusts. The report, titled "Promises with a Price," notes that Michigan's setaside for non-pension benefits such as retiree health care was more than 99 percent unfunded as of 2006. With a bill coming due of more than \$8 billion, the state had socked away just \$60 million.

The Kaiser Family Foundation's 2007 Annual Survey of Employer Health Benefits reveals that providing a health insurance benefit to employees who have retired is rare in the private sector. Of large firms that offer health insurance to their current employees — those with 200 or more employees — just 33 percent also extend health insurance to their former workers. The figure is just 5 percent for smaller firms with fewer than 200 employees.

The Michigan Public School Employee Retirement System includes a post-retirement health care benefit. The MPS-ERS benefits Web site refers to it as "one of the best public pensions around."

TOTAL RECALL

from Page One

only as a last resort, yet before serving a full month in office he would propose a 38 percent hike in the state income tax. Gov. Granholm would wait only slightly longer, proposing her tax increase in early February 2007.

As was also the case with 2007, there was a "budget crisis" in 1983 - a period in which state government revenues were expected to be lower than the desired level of spending. Both times, the governors of the day appointed a panel of advisors to suggest solutions. Each panel recommended a mix of tax increases and cost reductions.

THE TAX HIKE

After hearing from his budget advisory panel, Gov. Blanchard proposed an income tax increase. Democrats controlled both chambers of the state Legislature, and the leaders of the House and Senate each praised the Blanchard tax plan. Indeed, while the governor's eventual proposal would cut spending \$225 million, the two lawmakers had earlier endorsed balancing the budget entirely with tax increases.

In 1983, it was an annual income tax hike of \$675 million. Adjusted for inflation, this equates to more than \$1.4 billion close to the \$1.385 billion hike in annual taxes that was approved last fall.

On Jan. 28, 1983, the governor announced the release of a poll suggesting that 66 percent of voters supported tax hikes. Lawmakers who supported his plan, the governor asserted, would not be "purged" for doing so. Less than a week later, former GOP Gov. William Milliken announced that he would help Blanchard in a "bipartisan" effort to promote the tax increase. Both men would later co-chair the panel that recommended a tax increase to Gov. Granholm in 2007.

With Democrats ruling the governor's office and the entire Legislature in 1983, Republicans were powerless to stop any bill that the majority party was united behind. Nonetheless, Republican Senate Minority Leader John Engler did not automatically renounce tax hikes. He hinted that his party would be inclined to support a temporary increase, rather than the permanent one the governor was asking for. A Senate GOP proposal for a "1-year only" tax hike was later voted down.

By March 25, 1983, a tax hike was sitting on the governor's desk. Except for Sen. Harry DeMaso, R-Battle Creek, every legislative Republican voted against it. The governor predicted that this partisan divide would not have lasting consequences, declared the tax debate over and pronounced it time to move on to "other issues."

THE REBELLION

Several weeks before the final tax vote in 1983, an estimated 700 protesters gathered in front of the capitol, threatening recalls. The rhetoric exceeded anything yet seen in the 2007 tax revolt. One protester held a sign calling Gov. Blanchard "the political anti-Christ" who was ushering in an "economic Auschwitz." Another held up a hangman's noose, along with a note reading "hang the traitors." A recall petition against the governor would fail to force an election; but, because of the publicity it generated, two of the legislative "traitors" would not be so fortunate.

The modern tax opponents held a more muted capitol rally during the spring of 2007. Demonstrators wore stickers with the slogan "Recall 1983?" This event also featured the debut of "Mr. Perks," an eight-foot-tall, pink foam pig mounted atop a trailer. Property of Drolet and the Michigan Taxpayers Alliance, Perks has been used as an intimidating symbol of government largesse.



"I am the ghost of tax hikes past!"

the gallery overlooking the House of Representatives. The tax hike that was a 50/50 prospect in May still hadn't occurred by mid-September. Eventually, on Sept. 30, 2007, the \$1.385 billion tax increase was approved.

Lawmakers who supported his plan, the governor asserted, would not be "purged" for doing so.

While the 2007 tax revolt was more successful in delaying the tax hike, it greatly benefited from the lesson provided by the 1983 example. The 1983 tax revolt had no such precedent to point to. While this made it much tougher to hold off the tax vote at that time, it did not stop opponents from trying. Before the final vote on the tax hike in March 1983, Dan Powers, then a 25-year-old GM assembly line worker from Sterling Heights, presented Sen. David Serotkin, D-Mt. Clemens, with a statement signed by 6,000 of his constituents opposing the tax increase. When the senator voted for the tax anyway, the autoworker - who says he voted to elect Serotkin the preceding November — became the leader of 10 volunteers seeking a recall. "We are out to reduce taxes," he would later say, "and the recall is the only way to do that."

As of this writing, the modern recall movement is still collecting names on petitions. To what degree it will relive the remainder of the 1983 drama remains unclear.

On July 26, 1983, an Oakland county arm of the tax revolt working against Sen. Phil Mastin, D-Pontiac, made history with the first-ever filing of signatures in support of a recall election to remove a state lawmaker. The group had collected 28,360 names within 90 days — 42 percent more than the minimum necessary. The signatures were certified as valid and the date for the first legislative recall election in Michigan history was set for Nov. 22, 1983.

On Sept. 21, 1983, Powers and his group submitted 23,400 signatures in support of a recall election against Serotkin, exceeding the required number by 27 percent. Serotkin's election would be on Nov. 30.

THE RECALLS

Both politicians disputed that they could or should be removed over a single vote. Failing to

districts of lawmakers suspected of supporting higher taxes – at least one Republican and one Democrat. Both large Detroit newspapers covered the travels of Perks, and a TV news reporter from the Detroit area did part of his story about the MTA while riding along on Perks' trailer. Meanwhile, the MTA and another group, Americans for Prosperity, paid for anti-tax phone messages to be patched in to voters living in two-dozen legislative districts. During this same period, Drolet - a former state representative who was term-limited out in 2006 - announced that he was drawing up a list of recall targets based upon lawmakers' tax votes, and he began hosting seminars to train recall activists. Comparisons to the 1983 recalls were explicit and pervasive.

The pig was towed through the

This pressure worked — for a while. On May 22, 2007, Dillon predicted a 50 percent chance that a vote to hike taxes would take place that very week. But the next day, a Lansing newsletter carried the headline "Recall Threats Heat Up, Dems Freaked Out." Much of the spring and into the summer, Perks was parked on the capitol lawn, and Drolet was perched in



Mr. Perks of the Michigan Taxpayer's Alliance

convince judges on the legal merits of this theory, it became the theme of their campaigns. "The main issue is not taxes," Serotkin said shortly before the election. "The principle issue is what is [the] appropriate use for recalls. Is it appropriate to recall an official on the basis of one vote?"

Mastin thought media scrutiny of the extraordinary situation would bring his supporters out, and that many who signed the petitions against him would ultimately not bother to vote. With no other name on the ballot to contrast with them, each lawmaker also believed in stressing their entire record. Mastin explained this strategy: "There have been a number of things that I've done that have sort of built a total, broader record that I hope the people will judge me by."

But recall proponents believed that the tax vote was the only issue that mattered, and relentlessly stuck to their theme. "I am a capitalist and I feel that Blanchard, Mastin and the others are a bunch of socialists," said Mick Steiner, head of the Mastin recall effort, less than two weeks before the election. "They want to take from the haves and give to the have-nots."

An adviser to both pro-recall campaigns thought little of the theory that petition signers would stay home, claiming that it "means something when people put their name on the line." On this basis, both recall teams focused their comparatively limited resources on contacting and mobilizing the people who had signed the petitions.

On Nov. 22, 1983, Mastin became the first Michigan lawmaker and - at that time only the third state legislator in American history to be recalled. It wasn't even close. The prorecall side's strategy of mobilizing their 28,360 petition signers was resoundingly vindicated in the 26,700 people who voted for removal. There were 15,990 votes to retain the senator.

"I am a capitalist and I feel that Blanchard. **Mastin and the** others are a bunch of socialists," said Mick Steiner, head of the Mastin recall effort.

Eight days later, similar lopsided results were inflicted on Serotkin, who spent \$105,404 to save his job. His opponents spent less than \$10,000 to take it away from him. Comparable finance figures applied to the Mastin recall.

The recall had become a referendum on government performance, as Serotkin described it after his defeat. The strategy of trying to change the subject to the entirety of the lawmakers' records and the propriety of the recall elections may have been fatally counterproductive.

AFTERMATH

While the tax revolt continued to try and remove more lawmakers

 and the governor — they did not succeed in forcing any more recall elections.

Serotkin did not go quietly. Still a legislator until the votes were certified, he opted to resign before certification was complete. While a recalled lawmaker is disqualified from running in the special election to fill the vacancy, Serotkin argued that a resignation before he was technically removed from office would nullify the recall and allow him to be a candidate to fill the vacancy that resulted from his "resignation." Then-Lt. Gov. Martha Griffiths accepted Serotkin's abdication, saying: "I hope it means that you'll be coming back." That wish went unfulfilled as Attorney General Frank Kelley ruled against the gambit two days later.

The drama then turned back to taxes.

The law creating the higher income tax rate in 1983 dictated a partial rollback of \$150 million effective on Jan. 1, 1984. But during the final weeks of 1983, just after the recalls, Senate Democrats were anxious to douse the recall fires and hoping to salvage their majority by winning one or both of the special elections slated for January. With state coffers estimated to take in a surplus above what would be needed for the automatic rollback, the majority party proposed an additional tax reduction of \$150 million.

Citing an ongoing cash deficit inherited from the previous administration that he maintained was a more prudent use for the projected surplus, Gov. Blanchard promised to veto any bill offering additional tax relief. Then, stating that the tumultuous events of the preceding months had left the Legislature panicked and confused, he pleaded with them on Dec. 9 to adjourn for the year and go home.

Republicans won both of the special elections to replace the recalled senators and had a 20-18 majority in the senate on Feb. 6, 1984. By this time, Gov. Blanchard had proposed an additional \$130 million in tax relief starting with the 1985 fiscal year. But the new Senate majority was looking for more relief - and sooner. On March 27, almost the one-year anniversary of the 1983 income tax hike, the Senate approved an additional \$119 million in tax relief for 1984 and a total of \$296 million for 1985. Sen. Patrick McCullough, D-Dearborn, had voted for the 1983 tax hike, but with a recall effort still pending against him, he voted this time for the more aggressive tax reduction schedule. Gov. Blanchard again promised a veto.

By July 1984, the governor and Legislature had come to an agreement that reduced taxes \$183 million more for 1985 and also scheduled a gradual but total phase-out of the entire 1983 tax hike by Oct. 1, 1987. Senate Majority Leader Engler deemed this compromise "inadequate," but better than nothing.

Two members of the GOP Sen-

ate majority voted against the tax cut compromise, but for far different reasons. DeMaso, the only Republican legislator to vote for the original 1983 tax hike, opposed giving any of it back, maintaining that there was "nothing wrong with having a surplus in the state treasury for a change."

The other GOP "no" vote was Serotkin's replacement: Sen. Kirby Holmes, R-Utica. Owing his new job to the tax revolt, one of the first bills he introduced proposed to immediately repeal the entire 1983 tax increase. It was this bill that was amended and turned into what Engler referred to as the 'inadequate' compromise.

In a telling sign of how much had changed over the previous year, Holmes decided to vote against his own bill because it no longer cut taxes enough.



Then tell us to keep it coming!

like to keep receiving Michigan Capitol Confidential, we need you to e-mail us at micapcon@mackinac.org or call 989-631-0900 to let us know that we should keep sending it. That's it!

If you have friends or family who would enjoy Michigan Capitol Confidential, please send us their names as well

If you haven't contacted us yet but would To help us publish and mail this newspaper, the Mackinac Center accepts donations in any amount. We foundation, and your donation is 100 percent tax-deductible on your federal income tax form.

We look forward to hearing from you!

AUTO PRODUCTION

from Page One

and that other manufacturing sectors have enjoyed robust growth. So why is the automobile capital of the world stumbling?

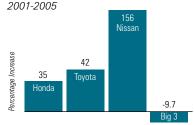
One contributing factor is the state's labor climate. For too long, Michigan has nurtured a culture of protectionism and xenophobia that chases away foreign investment, jobs and opportunity. Indeed, the state's long decline may have had its inflection point in a single, violent event: the murder of Vincent Chin by two laid-off Detroit autoworkers that occured 25 years ago last summer. The murder stood as a stark message to outsiders: You (and your investment) are not welcome in Michigan.

Michigan has carefully built and continues to maintain a culture of decline that is overtly hostile to outsiders and fearful of their competition.

A few domestic motor vehicle production statistics published by the Michigan Senate Fiscal Agency are revealing. From 2001 to 2005, U.S. automotive production from the Big Three domestic automakers — those who make up virtually all of Michigan's vehicle production — fell by 9.7 percent. The Big Three drop for Michigan was 14.1 percent. So if the mass layoffs and factory closures are unique to the Great Lakes State, who is enjoying the car boom?

Foreign automakers operating in the United States have been manufacturing automobiles at a blistering pace. Honda's American autoworkers boosted production by 35.3 percent during those five years; Toyota was up nearly 42 percent and has just replaced Ford as the world's number two automaker; and Nissan was up 156.4 percent.

As a whole, the foreign nameplates making cars with American



U.S. Automobile Production

Source: Michigan Senate Fiscal Agency

autoworkers increased their annual unit production by nearly 47.6 percent between 2001 and 2005 — an increase of more than 1.3 million vehicles annually.

Toyota, now just shy of being the world's largest automaker, was not making cars in the United States at the time of Vincent Chin's murder. Even three years later, in 1985, Honda, Toyota and Nissan combined were producing only about 2.6 percent of all the vehicles made in America.

The Big Three commanded 94.6 percent of domestic unit production. But that would soon change: The Japanese were looking to build cars in America, and they would decide that the automotive capitol of the world was not a welcoming place for their investment. By 2005, the "Japanese Big Three" would be building more than 22.1 percent of all the vehicles made in America — and still more were being produced by Subaru and numerous non-Asian brands.

Many of the winners in this boom have been southern states with voluntary unionism. Toyota manufacturing plants, for example, are in places such as Alabama, Mississippi, Texas and Kentucky. It is probably not a coincidence that nine of the top 10 states ranked by population growth from July 2006 to July 2007 do not have compulsory unionism laws.

These are powerful economic development tools, but a state need not have a right-to-work statute to attract manufacturers. Honda, one of the earliest Japanese companies to put down the biggest bets on American autoworkers starting shortly after the Vincent Chin case — decided to do so in Ohio, a unionized state literally in Michigan's back yard. Since then, Honda's Ohio presence has grown to six production facilities making cars, trucks, motorcycles and parts. They have expanded to six other states — including Indiana in 2008 — but still not to Michigan.

Meanwhile, back in Michigan, it still isn't hard to find animosity against foreign cars on the rear bumpers and in the letters to the editor. In the 2006 gubernatorial election, a major theme of the winning candidates' advertising strategy was to denounce her rival for business investments in Asia.

Michigan has carefully built and continues to maintain a culture of decline that is overtly hostile to outsiders and fearful of their competition. The outsiders got the message. The rest of the country is getting the jobs. We are suffering the consequences.

Michael D. LaFaive is director of the Morey Fiscal Policy Initiative and Kenneth M. Braun is a fiscal policy analyst at the Mackinac Center for Public Policy.

FOR FURTHER READING: Hyperlinks to the Michigan Senate Fiscal Agency's 2007 report on automotive production and other material related to this topic may be found online at www.mackinac .org/9312.

WHY WE GIVE PARTY AFFILIATIONS:

The Legislature is managed as a partisan institution. Lawmakers segregate themselves by party in matters from daily meetings to seating. They have separate and taxpayer-financed policy staffs to provide them with research and advice from differing perspectives. As such, gaining a full understanding of the vote of an individual lawmaker requires knowing his or her partisan affiliation.

Dear Michigan Capitol Confidential

Thank you for your insightful and helpful publication. I am wondering if it is possible to include bills that will be coming up for a vote so we readers may contact [legislators] to let them know our views.

I am particularly interested in HB5100. I know it has gone through the House, but is there still time to contact the Senate before they take it up for a vote? Has it already been voted on?

Thank you, Karen Kruske ------

Ms. Kruske:

Thank your for your kind words and your questions.

As of the week after the Jan/Feb 2008 issue of Michigan Capitol Confidential was mailed to your home, the state Senate had not yet taken up House Bill 5100. So, in that instance, there was still time to let members of the Senate know your thoughts about the bill before they voted on it.

But be advised that while we publish every two months, either chamber of the Legislature can move many bills from inactive to final passage within hours. If you have an opinion on a bill that you wish to share, then my advice as a former legislative staff person would be that you not be deterred from contacting your lawmaker merely because the legislation has already been voted on. There will doubtlessly be other bills on similar subjects in the future, and it is helpful for your lawmakers to know whether you agree or disagree with their decisions.

Always remember: They work for YOU!

To get timely information about the status of all bills before the state Legislature, I strongly recommend checking out our free Web site, www.MichiganVotes.org.

Finally, we provide in every issue the office contact information for all 148 state legislators (located on pages 10-11 of this issue).

Thank you for your interest in Michigan Capitol Confidential.

Ken Braun Senior Managing Editor

How do you use Michigan Capitol Confidential? Please write us and let us know! MICAPCON@MACKINAC.ORG

Check Michigan votes.org

Legislators who voted IN FAVOR of the local tourism tax:

| Senate roll call vote 190 on House Bill 4261 | | | | | | | | | |
|--|--|-------------|---|--|---|--|-------------------------------|--|--|
| SENATE REPUBLICANS (18) | | | | | | | | | |
| Allen (R) Birkholz (R) Bishop (R) Brown (R) | Birkholz (R)Garcia (R)Bishop (R)George (R) | | Hardiman (R) Jansen (R) Jelinek (R) Kahn (R) | | Kuipers (R) McManus (R) Pappageorge (R) Richardville (R) | | Stamas (R) Van Woerkom (R) | | |
| SENATE DEMOCRATS (17) | | | | | | | | | |
| Anderson (D) Barcia (D) Basham (D) Brater (D) | Cherry (D) Clark-Coleman Clarke (D) Gleason (D) | (D) Ja O | Hunter (D) Jacobs (D) Olshove (D) Prusi (D) | | Schauer (D) Scott (D) Switalski (D) Thomas (D) | | Whitmer (D) | | |
| House roll call vote 148 on House Bill 4261 | | | | | | | | | |
| HOUSE REPUBLICANS (17) | | | | | | | | | |
| Ball (R) Booher (R) Brandenburg (R) Calley (R) | Emmons (R) Gaffney (R) Green (R) Hansen (R) | | Hildenbrand (R) Horn (R) Huizenga (R) Jones, Rick (R) | | Meekhof (R) Opsommer (R) Pearce (R) Stakoe (R) | | Steil (R) | | |
| HOUSE DEMOCRATS (47W) | | | | | | | | | |
| Accavitti (D) Bauer (D) Bennett (D) Bieda (D) Byrnes (D) Byrum (D) Cheeks (D) Clack (D) | Iter (D)Condino (D)Condino (D)Inett (D)Constan (D)Constan (D)Ida (D)Coulouris (D)HInes (D)Cushingberry (D)Ium (D)Dean (D)HIteks (D)Donigan (D) | | Farrah (D) Gillard (D) Gonzales (D) Hammel (D) Hammon (D) Hood (D) Hopgood (D) Jackson (D) | |)) ert (D))) (D))) | Meadows (D) D) Meisner (D) Melton (D) Miller (D) Polidori (D) Sak (D) Scott (D) Sheltrown (D) | | Smith, Alma (D) Smith, Virgil (D) Tobocman (D) Vagnozzi (D) Warren (D) Wojno (D) Young (D) | |

Legislators who voted AGAINST the local tourism tax:

| | vote 190 on Sena | ate Bill 4261 | | | | | | | |
|---|--|---------------------------|---|-------------|--|--|--|--|--|
| SENATE REPUBLICANS (3) Cassis (R) | | Patterson (R) | | Sanborn (R) | | | | | |
| SENATE DEMOCRA | ATS (NONE) | | | | | | | | |
| House roll call vote 148 on House Bill 4261 | | | | | | | | | |
| HOUSE REPUBLICANS (34) | | | | | | | | | |
| Acciavatti (R) Agema (R) Amos (R) Caswell (R) Caul (R) DeRoche (R) | gema (R) Garfield (R) nos (R) Hoogendyk (R) aswell (R) Hune (R) aul (R) Knollenberg (R) | | Nitz (R) Nofs (R) Palmer (R) Palsrok (R) Pastor (R) Pavlov (R) | | Proos (R) Robertson (R) Rocca (R) Schuitmaker (R) Shaffer (R) Sheen (R) | | Stahl (R) Walker (R) Ward (R) Wenke (R) | | |
| HOUSE DEMOCRA | TS (9) | | | | | | | | |
| Angerer (D) Brown (D) | Corriveau (D) Espinoza (D) | Griffin (D) McDowell (| Simpso D) Spade | | () | | alentine (D) | | |
| Legislators who DID NOT VOTE: | | | | | | | | | |

Rep. Casperson (R)

Rep. Dillon (D)

Rep. Law, Kathleen (D)

DO YOU LIKE WHAT YOU'RE READING?

Then tell us to keep it coming!

If you haven't already contacted us and would like to keep receiving Michigan Capitol Confidential, we need you to e-mail us at MICAPCON@MACKINAC.ORG or call 989-631-0900 to let us know that we should keep sending it. *That's it!*

TOURISM TAXES

from Page 3

An advisory committee of five to nine members will be elected to draft a marketing plan that is submitted to the "voters" along with the tax proposal. This committee would need only one representative from a smaller hotel or motel – defined as a facility with fewer than 120 guest rooms. With voting rights proportional to number of rooms, owners of small facilities will have a small voice regarding whether these taxes are assessed on them and also little say in whether the funds taken from them are used for their benefit. The law allows dissidents to seek repeal of the tax only once every two years, and again subject to the "one room, one vote" rule.

Aside from the injustice of forcing business owners to pay for advertising that they may not want or need, there is also an economic concern over whether higher hotel taxes will lead to fewer hotel guests. The HFA analysis of the bill speculates that the proposal could actually depress consumer spending, leading to other consequences: "It is unknown what the effect of increasing hotel and motel costs by 2 percent would have on visitors' stays and other hotel/ motel-related revenue. To the extent the additional costs were accommodated by shorter stays, shifts to less expensive lodging, reductions in food or other visitor-related purchases, the bill could affect a wide variety of other State and local revenue."

On May 8, 2007, the state House of Representatives voted 64-43 in favor of approving the local tourism tax authority, with 17 Republicans joining 47 Democrats voting for the bill. On June 20, 2007, the state Senate concurred on a vote of 35-3, with 18 Republicans joining 17 Democrats voting "yes." Gov. Granholm signed House Bill 4261 into law on June 28, 2007. The Michiganvotes.org tally for the bill is displayed at left. ■

FOR FURTHER READING:

For additional information about this bill and the rankings of state tax burdens, please visit www.mackinac.org/9312.

Michigan otes.org



Your state legislators cast many important votes that are rarely covered by the press or discussed by the lawmakers themselves. Many of these votes are on bills and amendments that could impact your freedom, your pocketbook and your family. Somebody is watching the lawmakers, however, and placing their entire record at your fingertips just a mouseclick away: **MichiganVotes.org**.

This free, user-friendly service lets you:

- Read brief, plain-English descriptions of every bill and amendment, and how each lawmaker voted on them.
- Research all of the votes cast and all of the bills introduced by every Michigan lawmaker back to 2001.
- Easily research bills and votes of interest to you by keyword, topic, date and more!
- Receive automatic e-mail updates when legislative action is taken on bills and issues that are of interest to you.
- Participate in the lively MichiganVotes.org online message boards, debating with others what your lawmakers are doing.

Information appears as follows: State Senate District Last Name, First Name: Party Location Phone E-mail

01 Clarke, Hansen: D 710 Farnum Building 517-373-7346 SenHansenClarke@senate.michigan.gov

02 Scott, Martha G.: D 220 Famum Building 517-373-7748 SenMScott@senate.michigan.gov

03 Clark-Coleman, Irma: D 310 Famum Building 517-373-0990 SenIClark-Coleman@senate.michigan.gov

04 Thomas III, Samuel Buzz: D S-9 Capitol Building 517-373-7918 SenBThomas@senate.michigan.gov

05 Hunter, Tupac A.: D 915 Famum Building 517-373-0994 SenTAHunter@senate.michigan.gov

06 Anderson, Glenn S.: D 610 Farnum Building 517-373-1707 SenGAnderson@senate.michigan.gov

07 Patterson, Bruce: R 505 Famum Building 517-373-7350 SenBPatterson@senate.michigan.gov

08 Basham, Raymond E.: D 715 Farnum Building 517-373-7800 SenRBasham@senate.michigan.gov

09 Olshove, Dennis: D 920 Famum Building 517-373-8360 SenDOlshove@senate.michigan.gov

~.

B

0

KIN

NO

Ď

6

0

10 Switalski, Michael: D 410 Famum Building 517-373-7315 SenMSwitalski@senate.michigan.gov

11 Sanborn, Alan: R S-310 Capitol Building 517-373-7670 SenASanborn@senate.michigan.gov

12 Bishop, Michael: R S-106 Capitol Building 517-373-2417 SenMBishop@senate.michigan.gov

13 Pappageorge, John: R 1020 Farnum Building 517-373-2523 SenJPappageorge@senate.michigan.gov

14 Jacobs, Gilda Z.: D 1015 Farnum Building 517-373-7888 SenGJacobs@senate.michigan.gov

15 Cassis, Nancy: R 905 Farnum Building 517-373-1758 SenNCassis@senate.michigan.gov

16 Brown, Cameron: R 405 Farnum Building 517-373-5932 SenCBrown@senate.michigan.gov

17 Richardville, Randy: R 205 Farnum Building 517-373-3543 SenRRichardville@senate.michigan.gov

18 Brater, Liz: D 510 Farnum Building 517-373-2406 SenLBrater@senate.michigan.gov

19 Schauer, Mark: D S-105 Capitol Building 517-373-2426 SenMSchauer@senate.michigan.gov 20 George, Thomas M.: R 320 Farnum Building 517-373-0793 SenTGeorge@senate.michigan.gov

21 Jelinek, Ron: R S-324 Capitol Building 517-373-6960 SenRJelinek @ senate.michigan.gov

22 Garcia, Valde: R S-132 Capitol Building 517-373-2420 SenVGarcia@senate.michigan.gov

23 Whitmer, Gretchen: D 415 Famum Building 517-373-1734 SenGWhitmer@senate.michigan.gov

24 Birkholz, Patricia L.: R 805 Famum Building 517-373-3447 SenPBirkholz@senate.michigan.gov

25 Gilbert II, Judson: R 705 Famum Building 517-373-7708 SenJGilbert @ senate.michigan.gov

26 Cherry, Deborah: D 910 Farnum Building 517-373-1636 SenDCherry@senate.michigan.gov

27 Gleason, John: D 315 Famum Building 517-373-0142 SenJGleason@senate.michigan.gov

28 Jansen, Mark C.: R 520 Farnum Building 517-373-0797 SenMJansen@senate.michigan.gov

29 Hardiman, Bill: R 305 Famum Building 517-373-1801 senBHardiman@senate.michigan.gov **30** Kuipers, Wayne: R 1005 Farnum Building 517-373-6920 SenWKuipers@senate.michigan.gov

31 Barcia, Jim: D 1010 Farnum Building 517-373-1777 SenJBarcia@senate.michigan.gov

32 Kahn, Roger MD: R 420 Farnum Building 517-373-1760 SenRKahn@senate.michigan.gov

33 Cropsey, Alan L.: R S-8 Capitol Building 517-373-3760 SenACropsey@senate.michigan.gov

34 VanWoerkom, Gerald: R 605 Famum Building 517-373-1635 SenGVanWoerkom@senate.michigan.gov 35 McManus, Michelle: R S-2 Capitol Building 517-373-1725 SenMMcManus@senate.michigan.gov

36 Stamas, Tony: R 720 Farnum Building 517-373-7946 SenT Stamas@senate.michigan.gov

37 Allen, Jason: R 820 Farnum Building 517-373-2413 SenJAllen@senate.michigan.gov

38 Prusi, Michael: D 515 Farnum Building 517-373-7840 SenMPrusi@senate.michigan.gov



Congratulations to David Nicholas of Chesterfield, Mich. Mr. Nicholas won the original Henry Payne cartoon that appeared on the front page of the Nov./Dec. issue of Michigan Capitol Confidential.



To find out which lawmakers represent you and to view interactive legislative district maps, please point your web browser to www.mackinac.org/9313.

If you do not have internet access, then you may obtain copies of legislative district maps by calling 989-631-0900 or by sending a written request to us at: Mackinac Center for Public Policy, c/o MiCapCon District Maps 140 West Main Street, Midland, MI 48640

Members of the Michigan House and Senate are the second highestpaid state legislators in the United States, behind California.

Base member annual pay: \$79,650

Additional annual expense allowance: \$12,000

Supplements are paid to the following 12 legislative officers:

- Speaker of the House: \$27,000 Majority leader in the Senate: \$26,000
- Minority leaders in both House and Senate: \$22,000
- Majority floor leaders in both House and Senate: \$12,000
- Minority floor leaders in both House and Senate: \$10,000
- Chair of Appropriations Committee in both House and Senate: \$7,000
- House speaker pro tempore and Senate president pro tempore: \$5,513

In more than 30 states, the position of state legislator is a part-time job with a salary of \$30,000 or less. Texas — the second most populous state and second largest geographically — pays lawmakers \$7,200 per year.

Some pay much less: New Hampshire legislators are paid a salary of \$200 for a two-year term of office, Alabama pays \$10 per day and New Mexico offers no salary at all — just expenses.

CAPITOL CONFIDENTIAL

Information appears as follows: State House District Last Name, First Name: Party Location / Phone E-mail

HOB = House Office Building CB = Capitol Building

001 Gaffney, Edward: R S 0585 HOB / 517-373-0154 edwardgaffney@house.mi.gov

002 Lemmons Jr., LaMar: D S 0586 HOB / 517-373-0106 lamarlemmonsjr@house.mi.gov

003 Scott, Bettie Cook: D S 0587 HOB / 517-373-1776 bettiecookscott@house.mi.gov

004 Young II, Coleman: D S 0588 HOB / 517-373-1008 colemanayoungii@house.mi.gov

005 Johnson, Bert: D S 0589 HOB / 517-373-0144 bertjohnson@house.mi.gov

006 Cheeks, Marsha: D S 0685 HOB / 517-373-0844 marshacheeks@house.mi.gov

007 Smith, Virgil: D S 0686 HOB / 517-373-0589 virgilsmith@house.mi.gov

008 Cushingberry Jr., George: D S 0687 HOB / 517-373-2276 georgecushingberry@house.mi.gov

009 Jackson, Shanelle: D S 0688 HOB / 517-373-1705 shanellejackson@house.mi.gov

010 Leland, Gabe: D S 0689 HOB / 517-373-6990 gabeleland@house.mi.gov

011 Hood III, Morris: D N 0690 HOB / 517-373-3815 morrishood3rd@house.mi.gov

012 Tobocman, Steve: D 155 CB / 517-373-0823 stevetobocman@house.mi.gov

013 Farrah, Barbara: D N 0692 HOB / 517-373-0845 barbarafarrah@house.mi.gov

014 Clemente, Ed: D N 0693 HOB / 517-373-0140 edclemente@house.mi.gov

015 Polidori, Gino: D N 0694 HOB / 517-373-0847 ginopolidori@house.mi.gov

016 Constan, Bob: D N 0695 HOB / 517-373-0849 bobconstan@house.mi.gov

017 Dillon, Andy: D 166 CB / 517-373-0857 andydillon@house.mi.gov 018 LeBlanc, Richard: D N 0697 HOB / 517-373-2576 richardleblanc@house.mi.gov

019 Pastor, John: R N 0698 HOB / 517-373-3920 johnpastor@house.mi.gov

020 Corriveau, Marc: D N 0699 HOB / 517-373-3816 marccorriveau@house.mi.gov

021 LaJoy, Philip: R S 0785 HOB / 517-373-2575 phillajoy@house.mi.gov

022 Hopgood, Hoon-Yung: D S 0786 HOB / 517-373-0852 hoon-yunghopgood@house.mi.gov

023 Law, Kathleen: D S 0787 HOB / 517-373-0855 kathleenlaw@house.mi.gov

024 Brandenburg, Jack: R S 0788 HOB / 517-373-0113 jackbrandenburg@house.mi.gov

025 Bieda, Steve: D S 0789 HOB / 517-373-1772 stevebieda@house.mi.gov

026 Donigan, Marie: D N 0790 HOB / 517-373-3818 mariedonigan@house.mi.gov

027 Meisner, Andy: D N 0791 HOB / 517-373-0478 andymeisner@house.mi.gov

028 Wojno, Lisa: D N 0792 HOB / 517-373-2275 lisawojno@house.mi.gov

029 Melton, Tim: D N 0793 HOB / 517-373-0475 timmelton@house.mi.gov

030 Rocca, Tory: R N 0794 HOB / 517-373-7768 toryrocca@house.mi.gov

031 Miller, Fred: D N 0795 HOB / 517-373-0159 fredmiller@house.mi.gov

032 Acciavatti, Daniel: R N 0796 HOB / 517-373-8931 danielacciavatti@house.mi.gov

033 Meltzer, Kim: R N 0797 HOB / 517-373-0820 kimmeltzer@house.mi.gov

034 Clack, Brenda: D N 0798 HOB / 517-373-8808 brendaclack@house.mi.gov

035 Condino, Paul: D N 0799 HOB / 517-373-1788 paulcondino@house.mi.gov

036 Palmer, Brian: R S 0885 HOB / 517-373-0843 repbrianpalmer@house.mi.gov

037 Vagnozzi, Aldo: D S 0886 HOB / 517-373-1793 aldovagnozzi@house.mi.gov 038 DeRoche, Craig: R 167 CB / 517-373-0827 craigderoche@house.mi.gov

039 Law, David: R S 0888 HOB / 517-373-1799 davidlaw@house.mi.gov

040 Moss, Chuck: R S 0889 HOB / 517-373-8670 chuckmoss@house.mi.gov

041 Knollenberg, Marty: R N 0890 HOB / 517-373-1783 martyknollenberg@house.mi.gov

042 Accavitti Jr., Frank: D N 0891 HOB / 517-373-0854 frankaccavitti@house.mi.gov

043 Amos, Fran: R N 0892 HOB / 517-373-0615 franamos@house.mi.gov

044 Stakoe, John: R N 0893 HOB / 517-373-2616 johnstakoe@house.mi.gov

045 Garfield, John: R N 0894 HOB / 517-373-1773 johngarfield@house.mi.gov

046 Marleau, Jim: R N 0895 HOB / 517-373-1798 jimmarleau@house.mi.gov

047 Hune, Joe: R N 0896 HOB / 517-373-8835 joehune@house.mi.gov

048 Hammel, Richard: D N 0897 HOB / 517-373-7557 richardhammel@house.mi.gov

049 Gonzales, Lee: D N 0898 HOB / 517-373-7515 leegonzales@house.mi.gov

050 Hammon, Ted: D N 0899 HOB / 517-373-3906 tedbammon@house mi gov

051 Robertson, David: R S 0985 HOB / 517-373-1780 davidrobertson@house.mi.gov

052 Byrnes, Pam: D S 0986 HOB / 517-373-0828 pambyrnes@house.mi.gov

053 Warren, Rebekah: D S 0987 HOB / 517-373-2577 rebekahwarren@house.mi.gov

054 Smith, Alma: D S 0988 HOB / 517-373-1771 almasmith@house.mi.gov

055 Angerer, Kathy: D S 0989 HOB / 517-373-1792 kathyangerer@house.mi.gov

056 Ebli, Kate: D N 0990 HOB / 517-373-2617 KateEbli@house.mi.gov

057 Spade, Dudley: D N 0991 HOB / 517-373-1706 dspade @house.mi.gov 058 Caswell, Bruce: R N 0992 HOB / 517-373-1794 brucecaswell@house.mi.gov

059 Shaffer, Rick: R N 0993 HOB / 517-373-0832 rickshaffer@house.mi.gov

060 Jones, Robert: D N 0994 HOB / 517-373-1785 robertjones@house.mi.gov

061 Hoogendyk, Jacob: R N 0995 HOB / 517-373-1774 jackhoogendyk@house.mi.gov

062 Nofs, Mike: R N 0996 HOB / 517-373-0555 mikenofs@house.mi.gov

063 Wenke, Lorence: R N 0997 HOB / 517-373-1787 lorencewenke@house.mi.gov

064 Griffin, Martin: D N 0998 HOB / 517-373-1795 martingriffin@house.mi.gov

065 Simpson, Mike: D N 0999 HOB / 517-373-1775 mikesimpson@house.mi.gov

066 Ward, Chris: R 141 CB / 517-373-1784 chrisward@house.mi.gov

067 Byrum, Barb: D S 1086 HOB / 517-373-0587 barbbyrum@house.mi.gov

068 Bauer, Joan: D S 1087 HOB / 517-373-0826 joanbauer@house.mi.gov

069 Meadows, Mark: D S 1088 HOB / 517-373-1786 markmeadows@house.mi.gov

070 Emmons, Judy: R S 1089 HOB / 517-373-0834 judyemmons@house.mi.gov

071 Jones, Rick: R N 1090 HOB / 517-373-0853 rickjones@house.mi.gov

072 Steil Jr., Glenn: R N 1091 HOB / 517-373-0840 glennsteil@house.mi.gov

073 Pearce, Tom: R N 1092 HOB / 517-373-0218 tompearce@house.mi.gov

074 Agema, David: R N 1093 HOB / 517-373-8900 daveagema@house.mi.gov

075 Dean, Robert: D N 1094 HOB / 517-373-2668 robertdean@house.mi.gov

076 Sak, Michael: D 251 CB / 517-373-0822 representativesak@house.mi.gov

077 Green: Kevin: R N 1096 HOB / 517-373-2277 kevingreen@house.mi.gov 078 Nitz, Neal: R N 1097 HOB / 517-373-1796 nealnitz@house.mi.gov

079 Proos, John: R N 1098 HOB / 517-373-1403 johnproos@house.mi.gov

080 Schuitmaker, Tonya: R N 1099 HOB / 517-373-0839 tonyaschuitmaker@house.mi.gov

081 Pavlov, Phil: R S 1185 HOB / 517-373-1790 phillippavlov@house.mi.gov

082 Stahl, John: R S 1186 HOB / 517-373-1800 johnstahl@house.mi.gov

083 Espinoza, John: D S 1187 HOB / 517-373-0835 johnespinoza@house.mi.gov

084 Brown, Terry: D S 1188 HOB / 517-373-0476 terrybrown@house.mi.gov

085 Ball, Richard: R S 1189 HOB / 517-373-0841 richardball@house.mi.gov

086 Hildenbrand, Dave: R N 1190 HOB / 517-373-0846 rephildenbrand@house.mi.gov

087 Calley, Brian: R N 1191 HOB / 517-373-0842 briancalley@house.mi.gov

088 Sheen, Fulton: R N 1192, HOB / 517-373-0836 fultonsheen@house.mi.gov

089 Meekhof, Arlan: R N 1193 HOB / 517-373-0838 arlanbmeekhof@house.mi.gov

090 Huizenga, Bill: R N 1194 HOB / 517-373-0830 billhuizenga@house.mi.gov

091 Valentine, Mary: D N 1195 HOB / 517-373-3436 maryvalentine@house.mi.gov

092 Bennett, Doug: D N 1196 HOB / 517-373-2646 dougbennett@house.mi.gov

093 Opsommer, Paul: R N 1197 HOB / 517-373-1778 paulopsommer@house.mi.gov

094 Horn, Kenneth: R N 1198 HOB / 517-373-0837 kennethhorn@house.mi.gov 095 Coulouris, Andy: D N 1199 HOB / 517-373-0152 andvcoulouris@house.mi.gov

096 Mayes, Jeff: D S 1285 HOB / 517-373-0158 jeffmayes@house.mi.gov

097 Moore, Tim: R S 1286 HOB / 517-373-8962 timmoore@house.mi.gov

Moolenaar, John: R S 1287 HOB / 517-373-1791

Caul, Bill: R S 1288 HOB / 517-373-1789

Hansen, Goeff: R S 1289 HOB / 517-373-7317

goeffhansen@house.mi.gov

101 Palsrok, David: R S 1385 HOB / 517-373-0825 davidpalsrok@house.mi.gov

Booher, Darwin: R S 1386 HOB / 517-373-1747 darwinbooher@house.mi.gov

Sheltrown, Joel: D S 1387 HOB / 517-373-3817 joelsheltrown@house.mi.gov

Walker, Howard: R S 1388 HOB / 517-373-1766

howardwalker@house.mi.gov

Elsenheimer, Kevin: R S 1389 HOB / 517-373-0829

kevinelsenheimer@house.mi.gov

Gillard, Matthew: D S 1485 HOB / 517-373-0833 matthewgillard@house.mi.gov

S 1486 HOB / 517-373-2629 garymcdowell@house.mi.gov

Casperson, Tom: R S 1487 HOB / 517-373-0156 tomcasperson@house.mi.gov

Lindberg, Steven: D S 1488 HOB / 517-373-0498 stevenlindberg@house.mi.gov

Lahti, Michael: D S 1489 HOB / 517-373-0850

mikelahti@house.mi.gov

McDowell, Gary: D

billcaul@house.mi.gov

iohnmoolenaar@house.mi.gov

098

099

100

102

103

104

105

106

107

108

109

110

Who is Your Lawmaker? www.mackinac.org/9313

STREET, STREET,



SENATE BILL 879 (Establish in law official state "Children's Day")

Introduced by state Sen. Valde Garcia, R – Howell

Establishes in law that henceforth the third Sunday in September shall be designated as the official State of Michigan "Children's Day."

HOUSE BILL 5661 (Extend biodiesel and ethanol tax subsidies)

Introduced by state Rep. Jeff Mayes, D – Bay City

Extends a lapsed tax-break subsidy on the sale of biodiesel and E-85 ethanol fuels. Under current law, the motor fuel tax on these fuels is 3-cents lower than other fuels as long as the Legislature reimburses the forgone transportation budget money from the state general fund. The Legislature did not do that in 2007, so the tax break ended on Jan. 1, 2008. This bill would reinstate it, and also increase from \$2.5 million to \$6 million the cap on the amount of foregone motor fuel tax revenue allowed by the 2006 law that authorized the tax subsidy. When that cap is reached the tax break would end.

SENATE BILL 1036

(Ban hand-held cell phone use while driving)

Introduced by state Sen. Ray Basham, D – Taylor

Bans the use of a hand-held cell phone while driving. The bill would not ban the use of a hands-free cell phone while driving.

Michigan votes.org

A sampling of proposed state laws, as described on MichiganVotes.org

HOUSE BILL 5370 (Authorize Council for Arts and Cultural Affairs specialty plate) Introduced by state Rep. Fran Amos,

R – Waterford

Authorizes a specialty license plate recognizing the Michigan Council for Arts and Cultural Affairs, and gives the net revenue generated from sale of the plates to that entity.

SENATE BILL 640

(Authorize "In God We Trust" specialty plate) Introduced by state Sen. Cameron Brown, R – Fawn River Township

Authorizes a specialty license plate with the motto, "In God We Trust," with the extra money charged for the plate going into the state general fund.

HOUSE BILL 5210 (Require insurance discount to adequate drivers)

Introduced by state Rep. Coleman Young, D – Detroit

Require auto insurers to give a 10 percent discount to individuals who have had not more than four tickets or at-fault accidents in the past four years.

HOUSE BILL 5683 (Mandate secretary of state branch office in certain communities)

Introduced by state Rep. Andy Coulouris, D – Saginaw

Requires the secretary of state to maintain a branch office in any city with a population greater than 60,000. If the city is contiguous with a community that is covered by federal Voting Rights Act oversight provisions, the branch office could be in either community. The bill was introduced following a controversy regarding the secretary of state's decision to close a branch in Buena Vista township in Saginaw County (which is subject to Voting Rights Act oversight provisions).

HOUSE BILL 5637 (Ban Wal-Mart bank)

Introduced by state Rep. Richard Ball, R – Bennington Township

Revises the status of certain Utah banks in Michigan statute (specifically, "Industrial Loan Companies" or ILCs) in a way that would prohibit Wal-Mart from using its own Utah bank (ILC) to process credit card transactions at its Michigan stores.