

Michigan governor slashes \$54 million more from school funding

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21 October 2009

Michigan Governor Jennifer Granholm on Monday vetoed \$54 million more from public school funding in a bid to help meet the state's \$2 billion budget deficit. The cut comes on top of a \$165-per-student cut enacted in a temporary budget passed earlier in the month, which is now effective for the year.

The additional cuts would affect 39 school districts in the state, 26 of them grouped in the three southeastern Michigan counties of Oakland, Macomb, and Wayne, around metropolitan Detroit.

The districts were targeted for additional cuts due to a special exemption that had previously allowed them to spend more per student than other schools in the state because of their relatively large property tax bases.

These are hardly "rich" school districts. Most of them are in largely working class suburbs of Detroit that have already been devastated by the Obama administration's forced bankruptcy of the US auto industry.

The Detroit suburbs of Livonia and Dearborn would each lose \$4.9 million in funding if Granholm's veto holds. Wayne County would see 10 districts lose money. The Detroit public school system, already in a state of collapse, would not suffer additional cuts.

Granholm claims she vetoed the funding in order to force lawmakers to come up with additional forms of revenue to meet the budget deficit. But there is little chance the funding will be restored. "Those lines the governor vetoed will simply be unfunded," a spokesman for Republican Senate Majority Leader Mike Bishop said. "If the governor wants to veto parts

of this budget, we will not refund them."

The affected school districts were shocked by the news. Northville Schools Superintendent Leonard Rezmierski called Granholm's veto "a horrific amount of reduction after we've started school."

Heidi Nanse, president of the Livonia Parent Teacher Student Association, told the *World Socialist Web Site* the cuts would be "devastating." She said that rather than driving down funding for school districts like Livonia, the state should be increasing funding for poorer districts, such as those in Detroit proper. "This decision is very bad for our children, and children are our future," Nance said.

"It's going to be devastating," Trenton public schools Superintendent John Save told the *Detroit Free Press*. "We had no idea this was coming down."

"We feel totally abandoned.... It puts us in an almost impossible position," said Tim McAvoy, a spokesman for the Troy public schools, noting that the school district must now cut an additional \$3 million on top of \$2 million in cuts it must put in place resulting from the state's per-pupil funding cuts, and having already slashed \$7 million from its budget this year. "To slash these funds when we are well into our fiscal year is unconscionable. It puts us [in] an extremely difficult position."

Granholm and the state legislature waited until the last minute to pass the education funding bill, which was required to be in place by Tuesday morning. The state's ongoing budget crisis had left school districts without necessary state money to fund ongoing

operations such as employee payroll.

The bill also cuts \$8 million in funding to small rural high schools, \$16.3 million to intermediate schools, \$3 million to vocational education, and \$2 million to adult education.

This may only be the beginning. Funding reductions to Michigan's public education system will, by all indications, be intensified in a matter of weeks.

The cut of \$165-per-student funding was based on the assumption that the state could raise an additional \$100 million in revenue. While the legislature failed to appropriate the \$100 million, tax revenues for public education have eroded still further. The state treasury has just revealed that projected sales tax revenues have plummeted beyond expectations, leaving collections for school aid \$264 million further in the red.

As a result, "Granholm may have to order cuts later this fall that school officials say could amount to reductions of about \$300 per student," according to the *Detroit News*. The treasury indicated that still more cuts would follow over the next five years.

"If this school aid bill were a check drawn on a bank, it would be returned for insufficient funds," Granholm declared. "To bring the budget into balance, I have vetoed \$54 million in appropriations. But even these reductions will not fully resolve the shortfall."

Meanwhile, Michigan's budget crisis continues, with Granholm, House Democrats, and Senate Republicans bickering over equally reactionary measures to meet the state's estimated \$2 billion shortfall.

All are in agreement that spending on social programs and education, and the jobs and benefits of state workers, must be savagely cut. None propose any increases in income taxes on the wealthy or the financial institutions that have preyed on the state's industry and workers.

In addition to spending cuts, Granholm favors increased forms of regressive taxation that target workers' purchases, while Republicans and Democrats

in the state legislature have resisted any new forms of taxation. Republicans call for blocking a tax credit to low-income workers, while Democrats demand a 3 percent surtax on doctors' gross sales receipts, which would inevitably be passed on to health care consumers.



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