



## Groups not shy about offering Gov. Snyder ideas

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LANSING, Mich. - The Michigan Chamber of Commerce wants Gov. Rick Snyder to propose lowering taxes on business equipment and spending more money on roads in his second annual State of the State address, while a coalition of workers' rights groups asks for less help for business, more money for schools and more weeks of unemployment benefits.

As Snyder readies for his Wednesday night address, there's been no shortage of proposals for what needs attention.

Retailers on Tuesday pressed the governor to make companies such as Amazon pay sales tax on purchases, while children's advocates called for spending more on early childhood education.

"Jobs and the economy are clearly going to be a key part of the address, but we hope Governor Snyder also will talk about his plans for investing in the young people who will be our future workers and leaders," Jack Kresnak, head of the advocacy group Michigan's Children, said in a statement. "With indicators showing an uptick in our economy, we now have the means to invest in areas that will help create a prosperous future for Michigan."

State budget director John Nixon said last week that there's an unanticipated surplus of \$457 million left over from the fiscal year that ended Sept. 30. Proposals for spending part of the surplus are expected when the Snyder administration rolls out its next budget plan Feb. 9, but the cautious governor is unlikely to see eye-to-eye with a number of special interest groups on how the money should be spent.

The Michigan Chamber had pushed for years to raise more money to fix roads and bridges, but so far lawmakers haven't acted on Snyder's suggestion that registration fees be hiked or the tax on gasoline and diesel sales restructured to raise extra cash.

"We're hopeful the governor will mention the need for transportation investment," Chamber CEO Rich Studley told reporters Tuesday. "We've got to squeeze more money out of the system, but in the end, you can't get there with just efficiencies and reforms. We have to double our state's investment over the next few years, invest more and more wisely in our transportation system."

Todd Cook of We Are the People, which has fought Republican efforts to cut state unemployment benefits from 26 to 20 weeks, tax retiree income and cut money for K-12 schools and higher education, joined with labor and equality groups on a conference call urging the first-term GOP governor to change course.

"At last year's State of the State, Governor Snyder famously said, 'Job one is jobs.' But instead of working together to actually create good jobs that pay a fair wage, the Legislature decided to attack our students, seniors and working families," Cook told reporters. "We need the right priorities to get our economy moving in the right direction, and we hope Governor Snyder will lay out an agenda tomorrow that protects Michigan's middle class families."

Erin Knott of Michigan Citizen Action said on the call that the Snyder administration in its first year had hurt the poor by cutting back on the Earned Income Tax Credit for low-income workers, removing 11,000 families — including 30,000 children — from the welfare rolls because they'd hit a 60-month federal time limit and eliminating state income tax breaks for donations to food banks and homeless shelters.

"Michigan has pulled the rug out from under our struggling citizens," Knott said. "We call on the governor to begin restoring these cuts that are hurting our families."

Business leaders, however, said what the state really needs is to eliminate a personal property tax businesses pay on equipment such as computers and manufacturing machines. The tax falls most heavily on big manufacturers, but eliminating it would cut tax payments to schools and local governments by more than \$1 billion.

Snyder has said he supports getting rid of the tax since it could lead to job growth, but argues it would have to be phased out over a period of years. Local government groups say they want a guarantee in the state constitution that any money lost would be made up by the state.

The governor is expected to emphasize making government and schools run better, not by pumping in more money but by coming up with ways to measure how well they're doing and require they improve. Given the number of groups that want more spending, the governor may not meet a lot of wish lists in his annual address.

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Associated Press Writer Tim Martin contributed this report.

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