

## MMA Endorsement Survey 2010

**Preview: I have read the “MMA’s 2010 Structural and Economic Reform Agenda for Michigan”. There are few, if any, proposals that I could not support. Some I could use more information about, such as DRIC, as there appears to be resistance from some of my conservative friends, but I withhold judgment, as I don’t know sufficient detail to make an informed judgment now. I welcome in-depth discussions concerning the options on this and many other issues once elected.**

- 1) Recognizing that manufacturing remains, by far, the largest sector of Michigan’s economy, contributing 21% of the state gross product, twice as large as the next largest sector, what changes in tax policy do you believe will improve Michigan’s competitiveness for manufacturers?

**Answer: The comprehensive tax reform proposed in the Michigan FairTax, with its elimination of the MBT, property tax on personal property, etc, would be my first choice, but I see this dramatic change unlikely to happen. Short of that, the piece by piece approach in the “Reform Agenda” makes sense.**

- 2) Other states jealously covet our industrial economic assets. They work aggressively to lure away these job creating investments with lucrative incentives in the form of tax breaks, upfront cash, land and even equipment. Recognizing that we can’t stop other states from offering incentives. What should Michigan do to compete effectively in retaining and attracting new manufacturing jobs and the high economic multiplier effect inherent in industrial capital investments?

**Answer: My focus is improving the business climate to create jobs. As such, the comprehensive approach in the Reform Agenda makes sense, recognizing that there is no single “silver bullet”, similar in many ways to the Business Leaders for Michigan’s “Michigan Turnaround Plan”, which shares many common proposals.**

**My preference is to make Michigan’s business climate so attractive that we do not need the MEGA tax credits and other tax abatements, as I don’t believe the Lansing bureaucrats are very good at picking the winners from the losers. As long as we are willing to remain poor or mediocre, they may be needed, but we can do better. In addition to the tax reform discussed in the prior answer, making Michigan a Right to Work state would also trumpet to the world that “Michigan is open for business.”**

- 3) While total state tax revenues hover at 1964 levels, state spending continues to grow, creating a long term chronic structural deficit in Michigan. How would you address Michigan’s chronic structural deficit?

**Answer: Again, many things are needed. I favor reform of PA 312 to require arbitrators to consider the ability of the municipality to pay. I believe the Urban Cooperation Act needs to be revised to encourage, not discourage, consolidation of our multiplicity of governmental units.**

**Public sector employee unions' wage and benefit packages need to be brought into line with comparable private sector levels. I especially like the savings that can be obtained by the statewide pool for health insurance for all state employees and school district employees, because I prefer to save money instead of simply shift the costs (which the proposals that the employees pay 25% of the cost does).**

**I support privatization of support services in our schools, and also in our corrections facilities. When I was at Adrian Public Schools, we could have saved \$800,000 per year by privatizing our custodians, but my mere researching the option soon put me crosswise with the Superintendent and School Board. I also favor elimination of the "prevailing wage" requirements, as I saw our costs about 20% higher when we needed to comply with that requirement when I was a school business manager at Adrian and Harper Woods.**

- 4) To be competitive and improve our economy Michigan must measure itself against our competitor states. Would you support implementing a performance benchmarking system for the state? If so, what performance benchmarks would you measure and what other states would you benchmark against?

**Answer: I have no special expertise to second guess the list on page 6 of the Reform Agenda. I really don't know which states to compare with, but Indiana may be one, as that state seems to have adopted a set of policies which makes it more competitive, despite being a Rust Belt state.**

- 5) State regulatory requirements increase the cost of products and become anti-competitive when they exceed the federal standard, because other states do not impose those costs on job providers. Michigan has an unfortunate history of adding expensive regulatory burdens beyond those required of other states, such as a state specific mercury program and a proposal to set ergonomics requirements. Would you support constraining regulatory agencies from creating regulations that exceed federal standards, without the explicit prior request of the legislature?

**Answer: Yes! Part of our problem is a regulatory system with the attitude that if some company wants to do something, they MUST be trying to get away with something. I don't mind clear regulatory hurdles, but once they are met, and the process is time-bound or the permit is issued, the permit should be issued. We do not need more stringent requirements if we are truly focused on PUTTING MICHIGAN BACK TO WORK!.**