

# School Spending bridging the gap

## Education: An equal shot for all?

By Doug Funke  
Staff Writer

There will be no summer vacation for those interested in the future of Michigan's public schools. After more than two years of legislative debate, it now will be up to voters to decide on the critical issue of public school finance reform.

The long-running resentment between rich and poor public school districts, and among taxpayers will now be taken from the halls of government to the support table.

"There's no question there is a very critical problem," said state Rep. Maxine Berman, D-Southfield, who sits on the House taxation committee.

"Everyone has a stake in equality," said Berman. "No one knows where the next medical school graduate is coming from. We are dependent on an educated society."

**EDUCATION ALREADY** is big business in Michigan.

Public schools statewide collected \$5.7 billion for grades kindergarten through 12, adult education and special education programs during academic year 1988-87.

That figure, according to Wallace Beggs, a state education department financial consultant, breaks down to:

- \$3.7 billion in locally generated property taxes.
- \$1.8 billion in state aid.
- \$234 million in federal dollars.

There are major differences in how individual districts raised that money.

**SOME SCHOOL DISTRICTS**, such as Birmingham and Farmington, receive almost all their operating revenue from local property taxes. Others, like Ferndale, count on state aid as a major revenue source.

Those districts who receive most of their revenue from property taxes also include Bloomfield Hills, Southfield, Troy, Rochester, West Bloomfield and Walled Lake.

Districts spent different amounts per pupil, too.

Ferndale spends \$3,807 per student, while Birmingham spends \$7,270, according to recent figures. But Ferndale outpaces Birmingham 44,490 mills to 28.33 mills.

Some argue that the quality of education shouldn't depend on

and the question remains: Is the dollar a reliable barometer of educational opportunity?

"People tell me dollars don't make a difference," said Donald Bemis, superintendent for public instruction in Michigan. "Then let's take from the rich district and give to the poor. They'd scream like murder."

**DOES SPENDING** more money produce better-educated children? How much money is enough? How do the schools currently spend their money?

"We have to take the dollars we have now and use them better," Bemis said.

Should the federal role in public education be expanded, or should it even have a role? The U.S. Constitution is silent and for all his talk about being the "education president," George Bush isn't promising many new spending initiatives.

Are state policy makers wrong to link property tax reform to school financing reform?

State Rep. William R. Keith, D-Garden City, chairman of the House Education Committee, doesn't think so.

"Everyone's going to say, 'what's in it for me?'" he said. "People with no kids in school may vote for it (a sales tax increase) if they get property tax relief."

Studies indicate that a majority of households within any district don't have children in the public schools, Ignatovich said.

Keith pegged that figure at 80 percent.

So what's the interest of those people in school finance reform? Observer & Eccentric reporters and editors attempt to answer some of these same questions in this series.

They find that while the problem is readily apparent, solutions aren't.

Staff writers Judith Berna and Sandra Armbruster contributed to this story.

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— State Rep. Maxine Berman

where students live. Others question whether equity is even a realistic goal.

Still others argue social factors not pertinent to spending, play a greater role in whether students succeed or fail in the classroom. A recent study of Michigan school districts concludes that student achievement is affected more by family income and education levels than by teacher salaries, class sizes and other educational costs.

**DEMAND FOR** property tax reform further complicates the entire school financing question.

"Reliance on property tax to fund education is the cause of inequity; however, there is nothing wrong with the formula. There's not enough money to fund it," Berman said.

The two ballot questions reflect the inability of the Legislature and the governor to reach a consensus on a reform school financing/property tax package.

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JERRY ZOLYNSKY/staff photographer

Detroit Public Schools third grader Audria Mireo has little room for her belongings in the overcrowded, no frills classroom of 34 students.

# School aid reform issue now goes to voters

By Tim Richard  
staff writer

Only one can pass. And the major supporters must decide which they will push.

Voters on Nov. 7 will decide which — if either — of two state school money proposals to support.

"We're telling our people not to oppose either one. We've supported both in the past," said Larry Chunovich, the former Southfield math teacher who heads the Michigan Education Association, the largest teachers' union.

MEA delegates will decide Aug. 5 whether to support Plan 1, a half-cent increase in the sales tax worth \$400 million to public schools, or Plan 2, a two-cent increase worth \$400 million for public schools and \$1.1 billion for property tax relief.



Larry Chunovich  
MEA president

**THE HANDFUL** of state legislators from Oakland County who supported putting the pair on the ballot must make similar choices.

"I'll probably support both," said Rep. Wilfred Webb, D-Hazel Park, who is the official sponsor of the first plan in the legislative history books.

"I'm going to support the half-cent," said Rep. Maxine Berman, D-Southfield, who dislikes the tax-base sharing in Plan 2.

"I approve of both," said Rep. Ja. Dolan, R-Farmington Hills. Of her fellow legislators who argued two years before voting to put anything on the ballot, the freshman lawmaker said, "They've got to get off their butts. The problems are not just here but statewide."

groups — the Michigan State Chamber of Commerce, Associate Builders and Contractors of Michigan, Michigan Association of Home Builders, Michigan Merchants Council and National Federation of Independent Business.

**POLITICAL EYES** will be on the MEA when its 60-member board meets in Sault Ste. Marie to decide where to concentrate not only its money but its member power. There is one board member for every 2,000 teachers plus others to represent higher education and support staff.

"We're looking at the polling data. We're looking at the (state aid) distribution formula," Chunovich said Monday.

"If they (local units) have a tendency to back one, we say, 'Don't oppose the other.' We need one to pass. We have to find out which."

By law, if both are approved, the one with the most yes votes will take effect next Jan. 1. A voter-approved amendment to the state constitution is required to raise the sales tax rate.

**CHUNOVICH DECLINED** to say how much money the MEA would put into the campaign. We look to a lot of groups," he said, citing associations of school boards, school administrators, manufacturers and a coalition called Equal Partners composed of 28 groups such as the FFA.

The MEA will provide the most field workers. "We are probably the only organization with members in every precinct," Chunovich said. "It will be similar to a millage effort — 568 local efforts."

Blanchard is expected to support Plan 1, which came out of a committee he called together. He considers Plan 2 to have no chance of voter approval.

Chunovich estimated the total campaign would cost "in the neighborhood of \$3 million. We look to a lot of groups," he said, citing associations of school boards, school administrators, manufacturers and a coalition called Equal Partners composed of 28 groups such as the FFA.

**BERMAN, A FOURTH-term** lawmaker, would have preferred a one-cent sales tax increase with all of it going into the state school aid formula. "It's palatable and very necessary," she said.

But Plan 2 involves levying part of the school operating property tax

statewide — in effect, commercial and industrial tax base sharing. Berman's territory has two major out-of-formula school districts, Southfield and Birmingham, with large tax bases.

"The concept that all property belongs to everybody is socialism at best, communism at worst," she said.

Under Plan 2, all school districts would come "in formula" — that is, receive state aid. "That places Southfield and Birmingham at the whim of the state. The Legislature, which has brought to determine that formula, is going to come after us."

She said Plan 3 has too little property tax relief for her district — 10 percent for homeowners at a time

when assessments are rising about the same amount.

**WEBB, A FORMER** school superintendent whose district includes part of Troy, said Plan 1 is most likely to pass.

"Having two proposals bothered me, but it was the only thing we could get a two-thirds vote on. I'm afraid they'll both go down," he said.

Webb said Plan 2, with its provision for tax-base sharing, "is really a Republican proposal." It's the so-called Nye-Ozender plan, named for two outstate GOP representatives. It's strongly supported by House minority leader Paul Hillegonds, R-Holland.

Webb is bothered by the unequal resources of different school sys-

tems. His House district includes two wealthy districts, Troy and L'Anapere, and two poorer ones, Hazel Park and Madison Heights. L'Anapere can spend more than \$7,200 per pupil on 28.5 mills, while Madison Heights spends \$3,600 and levies nearly 42 mills.

**DOLAN'S HOUSE** floor seat is close to that of Michael Nye, R-Litchfield, and several outstate lawmakers and exposes her to problems of rural Michigan that metropolitan residents fail to grasp.

"I understand where they're coming from. Outstate has some real problems we don't appreciate. Detroit's not the only one with problems. I'm up there with a different perspective."

## What plans would do...

**Plan 1** on the Nov. 7 ballot would raise the 4-percent sales tax to 4.5 percent and earmark all the new money for kindergarten through 12-grade public schools.

**Plan 2** would raise the sales tax to 6 percent, paying \$400 million into schools and \$1.1 billion into property tax relief. There is how area school districts would have been affected if this plan had been in effect in the current fiscal year. Remember that if Plan 2 passes, these numbers are a year but of date, but they were the only ones available from the state.

**Ann Arbor** — per pupil resources raised 6 percent to \$4,952. Current property tax rate of 33.95 mills would be cut 31 percent for homeowners and 16.5 percent for business.

**Birmingham** — per pupil resources raised 3.6 percent to \$7,204.

**Current property tax rate** of 28.33 mills would be cut 7.2 percent for homeowners, business unchanged.

**Bloomfield Hills** — per pupil resources raised 3.7 percent to \$6,200. Current property tax rate of 37.9 mills would be cut 48 percent for homeowners, business unchanged.

**Clareceville** — per pupil resources raised 10.3 percent to \$3,635. Current property tax rate of 37.9 mills would be cut 48 percent for homeowners and 33 percent for business.

**Farmington** — per pupil resources raised 4.4 percent to \$6,676. Current property tax rate of 30.65 mills would be cut 18.1 percent for homeowners, business unchanged.

**Rochester** — per pupil resources raised 7 percent to \$4,538. Current property tax rate of 31.53 mills would be cut 32 percent for homeowners and 17.3 percent for business.

**Southfield** — per pupil resources raised 3.6 percent to \$7,125. Current property tax rate of 32.23 mills would be cut 10.1 percent for homeowners, business unchanged.

**Troy** — per pupil resources raised 5.9 percent to \$5,147. Current property tax rate of 23.83 mills would be cut 21.6 percent for homeowners and 4 percent for business.

**Warren Consolidated** — per pupil resources raised 5.6 percent to \$5,332. Current property tax rate of 33.69 mills would be cut 22.7 percent for homeowners, 9 percent for business.

**West Bloomfield** — per pupil resources raised 9.2 percent to \$5,513. Current property tax rate of 32.71 mills would be cut 22.3 percent for homeowners, 0 percent for business. Source: State Senate Finance Agency.