

# Giant constitutional amendment accompanies plan

By TIM RICHARD  
STAFF WRITER

People call it "Engler's sales tax." Actually, the governor is proposing a massive constitutional amendment, possibly to be voted on by the people Feb. 8, to achieve the bulk of his school finance reform program.

As proposed, the amendment comprises a dozen constitutional changes. Voters would adopt or sink all of them with a single "yes" or "no."

Sen. David Honigmann, R-West Bloomfield, said the concept is good. "We need to lock this money into the constitution," said Honigmann, whose lakes area dis-

trict is extremely sensitive to rising property assessments.

The Legislature voted to cut school property taxes by some \$6.7 billion, which Engler wants to replace with \$6 billion in state tax hikes. But without a major constitutional amendment approved by voters, the state can raise only \$3.8 billion.

Many critics — Democrats in particular — want a new tax program in place by Dec. 31 before going to the ballot. No, said Engler last week. "We could pass the new taxes, but we couldn't spend them because of the spending ceiling in the state constitution. We'd have to rebate the money to

the people.

"Something has to go on the ballot. And that something has to raise almost \$2 billion because that's how much we have to raise above the current (constitutional) spending ceiling. We think the sales tax is the best to take to the ballot."

## Overloaded ballot?

Conventional political wisdom is that you don't overload a ballot question. But Engler is asking to rewrite major portions of the education and finance articles. Isn't there a political danger?

"The whole question," Engler said in an interview, "is do you want to change the way we fund schools? Do you want to change the educational system or opt for the status quo?"

"To try to divide it into five subsets — I think it ought to be put up together. I think it will pass. We should prepare for it as if it will pass."

"If it were to fail, the only op-

tions would be paying for schools by (1) further cutting the budget and (2) by allowing further property taxes.

"One of the spins of our proposal is that 94 percent of the school districts are out of the millage business — permanently," Engler said.

## The ballot plan

Here are the main points in Engler's ballot proposal as analyzed by the Treasury Department:

1. "Dedicate all net lottery revenue and interest to the School Aid Fund." Currently, lottery profits are earmarked only by statute.
2. "Dedicate all new tax revenues to the School Aid Fund." Without this, a future Legislature could divert the money into prisons, welfare or other uses.
3. "Dedicate 38.6 percent of the revenues from the existing income tax to replace the current General Fund contribution (\$300 million) and earmark credit sav-

ings."

4. "Impose a 16-mill statewide property tax on non-homestead property and dedicate all revenues to the School Aid Fund." This refers to commercial, industrial and second home property. Again, without this provision, the Legislature could divert revenues to other-than-school uses.

5. "Allow school districts spending more than \$6,600 in fiscal 1993-94 (current year) to increase spending by up to 1 percent in fiscal 1994-95." Only 35 of the state's 562 public school districts would be eligible to raise local millages.

6. "Reduce the 50-mill limit to coincide with the elimination of school operating taxes and increase in local local government allocated millages." First, this would remove the absolute 50-mill limit for counties, schools and townships. Second, this would change the way the 15-mill "winter" tax is allocated. Currently, schools get about eight mills. This amount would be divided between counties, cities and townships.

7. "Allow local units to levy property taxes to replace lost state revenue sharing payments with non-voted allocated millage." Counties, cities and townships couldn't automatically spend the freed-up eight mills (see above item); their local gov-

erning boards would have to vote it.

8. "Increase the sales and use taxes by 2 percent from March 25, 1993, through Dec. 31, 2000." Current rate is 4 percent.

9. "Sunset the increase in the sales and use tax rate in 2000 unless electors vote to extend the 2 percent increase."

10. Remove the state taxation limit, currently set at 9.49 percent of total personal income. This portion of the 1978 Headlee amendment limits the amount of new taxes the Legislature may raise to \$3.8 billion. (No official ballot language or Treasury explanation is available at this writing.)

11. "Reform the State Board of Education by electing regional members." (This will be discussed in a later story in this newspaper.)

12. "Select the state superintendent of public instruction by gubernatorial appointment subject to confirmation by the Senate." Currently, the State Board of Education hires the superintendent.

It will take a two-thirds vote of each chamber of the Legislature to place any amendment on the ballot.

At this writing, there is no resolution number for the governor's proposed constitutional amendment. Write to your state senator and representative in the State Capitol, Lansing 48913.

## Cultural diversity workshop set

An Oakland University Continuum Center workshop called "Dimensions of Cultural Diversity" will occur 9 a.m. to 4 p.m. Tuesday, Oct. 26, at Hampton Inn in Auburn Hills. Fee is \$79. Register by Oct.

22. Call 370-3033.

Students will learn about demographics, intercultural communication and reasons for developing pluralistic organizations.

**WAREHOUSE PIANO SALE**  
SAT. 10-5  
SUN. 12-5  
**SAVE UP TO 40%** ON SELECTED BRANDS & CONSOLES

**New & Used Pianos**  
Grands, Baby Grands, Consoles, Spinets,  
Choose from Yamaha, Kimball, Kawai, Baldwin, Wurlitzer, Weber & more.  
PIANO DISC AND PIANO/MATION PLAYER PIANOS

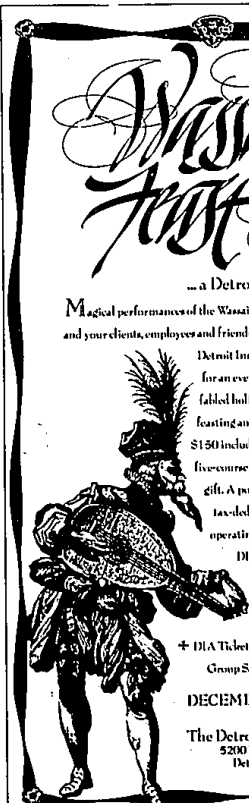
USED PIANOS	KORG Digital Pianos	NEW BABY GRANDS
\$595	\$1799	\$4995

**Midwest Piano Distributors**  
2350 Franklin Rd. Bloomfield Hills  
(313) 333-2800 1-800-357-4266


**joan vass, usa**  
the big SALE continues!!  
all fall colors now on sale: red-herb-bamboo storm-cloud-bark driftwood!!  
It's cold outside—so it's a perfect time for a new joan vass outfit on sale!!  
note: the spectacular new joan vass holiday collection has arrived!  
hurry in and save!!  
**tehhis time**



**Wassail Feast**  
... a Detroit Tradition  
Magical performances of the Wassail Feast await you and your clients, employees and friends. Join us at the Detroit Institute of Arts for an evening of fabbed holiday feasting and merriment. \* Tickets at \$150 include valet, cocktail reception, five-course feast, performance and gift. A portion of your ticket is tax-deductible and supports the operating fund of the DIA. \* Private receptions and premium seating available for parties of 40 or more.  
+ DIA Ticket Office (313) 833-4005  
Group Sales (313) 833-1925  
DECEMBER 9-11 & 16-18  
+  
The Detroit Institute of Arts  
5200 Woodward Avenue  
Detroit, MI 48202



**YOU'RE INVITED**  
TO OUR GRAND OPENING CELEBRATION  
FRIDAY-SUNDAY, OCTOBER 22-24



Our first-ever Talbots Intimates store in the Detroit area joins Talbots and Talbots Kids to offer you a complete selection of Talbots clothing at Somerset Collection.

SPECIAL PREVIEW BENEFIT TONIGHT  
Join us this evening, Thursday, October 21, from 6-8 p.m., at our new Talbots Intimates store for a benefit for The Susan G. Komen Breast Cancer Foundation's Detroit RACE FOR THE CURE™.

FRIDAY, AT TALBOTS INTIMATES  
9:50 A.M.—PRE-OPENING SHOPPING RECEPTION  
Enter our drawing for a chance to win one of three Talbots Gift Certificates and to participate in our Ribbon-Cutting Ceremony. Winners will be announced at 10 a.m. and must be present to win.

10 A.M.—GRAND OPENING RIBBON-CUTTING

FRIDAY-SUNDAY at Talbots Intimates:  
12 NOON-5 P.M. Enjoy informal modeling of our loungewear and sleepwear collection.  
2 P.M. "Classic Gifts for Special Occasions" fashion seminar.

FRIDAY-SUNDAY at Talbots:  
12 NOON-3 P.M. Informal modeling of our fall and holiday classic clothing and accessories for misses and petites.

SATURDAY AND SUNDAY at Talbots Kids:  
12 NOON-3 P.M. We're celebrating too with popcorn and balloons.

All weekend, enter our drawing for a chance to win one of five additional \$100 Talbots Gift Certificates. A portion of our Grand Opening Preview and weekend sales from Talbots Intimates will benefit Detroit's RACE FOR THE CURE™.

**Talbots INTIMATES**

OPENING FRIDAY, OCTOBER 22, AT SOMERSET COLLECTION—Street level, below Talbots, Big Beaver at Coolidge, Troy. Open Monday, Thursday, Friday 10 a.m.-9 p.m.; Tuesday, Wednesday, Saturday 10 a.m.-6 p.m.; Sunday 12 noon-5 p.m.  
Also visit our Talbots stores in Ann Arbor, Grosse Pointe, Livonia and Novi.