

POINTS OF VIEW

Decide on policies before district is shown the money



JUDITH DONER BERNE

People are upset that the Rose Bowl, the revered granddaddy of all college bowls, next year will have a sponsor. I found it tacky to see scoreboards emblazoned with commercial logos when I followed the University of Michigan football team to a game last fall at Spartan Stadium.

But just last Thursday, I discovered that commercialism may be moving to still another level of the sports world. "Nike wants logo on Clarkston uniforms" read the headline of the lead story in the Clarkston Eccentric.

It seems the Clarkston School District is building a new high school. And, commercial advertising giants are clamoring for contracts that would put their logos and monikers on the scene, administrator Linda Nestor told the Clarkston school board.

Nike, Adidas, Pepsi and Coca-Cola are vying to directly provide vending and soft drink machines and school athletic uniforms, bypassing the local vendors Clarkston has used in the past. In return for exclusive contracts, bonuses for cafeteria, athletic field and arena signage are being offered.

Entering into a direct contract with any one or more of these international marketers would undoubtedly result in substantial financial savings for the district. Administrators tick off the probability of "donated" big ticket items; larger discounts on athletic uniforms and shoes than they receive from local vendors; and even college scholarships for Clarkston students. Plus the savings might allow the district to add boys' and girls' sports programs it can't afford now.

Although no decisions were made, school board members appeared to have no problem with awarding exclusivity on vending machines. But they clearly were not of one mind on the "Swooshing" of their athletes, according to the story written by reporter Jan Baker.

"I don't think we can sit here and be so unrealistic about the things this could provide for our district..." said board vice president Mary Ellen McLean. "I'm not sure that the fact that we have a Nike logo on our uniforms is compromising anyone's morality in the district."

Board secretary Sheila Hughes spoke of being "on the cutting edge — because the money is not always going to be flowing like it is now from the state."

"I don't think we're on the cutting edge of this,"

board treasurer Kurt Shanks disagreed. "I think we're the last tiny kingdom out there trying to protect ourselves... I'm going to be highly resistant to any commercialism in our schools, beyond recognizing donations and contributions and things like that."

"I have a real problem with using our children for billboards," echoed trustee Janet Thomas. "I have that problem, too. Although I'm told that, by law, school uniforms logos can't be any larger than 1/2 by 1 1/2 inch, which is hardly overwhelming."

Nestor did propose that the board adopt some parameters before deciding to participate in any commercial contracts. But at least one of her suggestions — observing advertising limits like those in the college and professional athletic leagues — doesn't seem protective enough of young students.

Clarkston appears to be the first area school district to wrestle with commercialism on this scale. But I dare say it won't be the last. Suburban schools, whose budgets were trimmed when Proposal A evened out the economic playing fields, are hard at work attempting to come up with new revenue streams. And previous barriers may get repositioned.

A good example is Bloomfield Hills Schools, which just opened its once tightly shut doors to almost 400 non-resident students, who would pay from \$8,000-\$10,000 a year to attend their schools. Bloomfield Hills also has recently adopted a policy that permits commercial sponsorships of special events, although they have not been directly approached, according to assistant superintendent Dan White. Signs can spell out the sponsor's name, but they must be temporary and can only be displayed while the event is taking place.

Clarkston, which has been shown the money, must decide in the heat of battle what strategy will best serve their students. It certainly would be a good idea for other school districts to revisit their policies before they are thrust into the game.

Judith Doner Berne, a West Bloomfield resident, is former managing editor of the Eccentric Newspapers. You can comment on this column by calling (313)953-2047, Ext. 1997 or by writing to or faxing, (810)644-1314.

Closed bus lines impact workers

Public transportation in Michigan, the home of the automobile, has always had a tough time making (ahem) a go of it.

Back in the 1920s, the City of Detroit ran the DSR (Department of Street Railways) in the city and for a few miles out into the suburbs.

There's strong evidence that General Motors in the 1930s actively connived to squash public mass transit in the Detroit area. The thought, evidently, was that people who could get to work on streetcars wouldn't be good customers for cars.

In the 1950s and 1960s, transit needs of the booming suburbs were served by a patchwork of private bus companies — Bee Lines, Martin, Great Lakes and so forth. But the service routes were unconnected, the equipment shabby and, given the car-buying ambitions of most customers, profits were thin.

But the fact remained. People without cars absolutely need public transit to get to and from work.

So in the mid-1960s, Gov. George Romney and the Legislature created SEMTA (Southeastern Michigan Transit Authority), a seven-county body that was supposed to develop plans for a coordinated public transit system, including rapid rail transit, to serve the entire region.

Hopes of merging Detroit's system, by then called D-DOT, with the suburban system crashed. SEMTA was chronically underfunded, while D-DOT was supported by city general fund revenues.

Finally, in the mid-1980s, the region's Big Four — Detroit's Mayor Coleman Young, Oakland County Executive Dan Murphy, Wayne Executive William Lucas and the chair of the Macomb County board — decided to create a suburban transit system, designated SMART (Suburban Mobility Authority — Rapid Transit). The idea was to let Detroit operate its own system and fit it together with inter-suburban routes served by SMART.

Eventually, under the leadership of deputy Wayne County Executive Mike Duggan, voters agreed to a one-third mill tax support for SMART. The taxes were collected for the third and last time in December bills. Counties will need to renew them in 1998 to keep SMART going.

So when D-DOT last week decided it would no longer run buses outside the city and, therefore, to shut down 14 suburban bus routes, the decision was just one more in a



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long, sad and tangled history. SMART officials say they have no plans to duplicate the canceled routes.

Workers without cars, mostly living in Detroit, are now unable to get to and from their jobs in the suburbs at shopping malls such as Twelve Oaks in Novi and in office corridors such as along Big Beaver in Troy.

At the Montgomery Ward store in Livonia's Wonderland shopping center, manager Phil Hanson said: "The whole mall is feeling this. I have employees with 30 years of service who will now have a very hard time getting to work."

Suburban job recruiters, already facing the tightest labor market in generations, will now find it even tougher to find qualified workers.

"Transportation is the 'to in 'Welfare to Work,'" says D-DOT director Al Martin. "Our economy is moving away from a manufacturing economy to a service economy. These service positions don't pay as high as some manufacturing jobs. Many of these workers cannot afford an auto."

In the complicated mix of money (remember the SMART millage up for renewal), an election year (politicians love to squeal against taxes), turf (suburban communities versus Detroit) and history, it's hard to pin down just who's at fault.

The only hope I have in this sad and outrageous situation is that people will finally get so fed up with poor public transit as to realize that everybody is better off with one integrated system and sit down to put it together.

If you believe that, I've got a nice big bridge I can sell you. Cheap.

Phil Power is chairman of HomeTown Communications Network, Inc., the company that owns this newspaper. He welcomes your comments, either by voice mail at (734) 953-2047, ext. 1880, or by e-mail at ppower@oonline.com

Keeping track of tax cuts. . .

Reader asks: "You write about these 24 state tax cuts. Where are they?"

Short answer: In your wallet.

Medium-sized answer: Five will take effect in 1998. You won't see them until you file your 1998 income tax return. Some may not apply to you at all. Those include:

- An increase in the exemption on your personal income tax from \$2,500 to \$2,800 per person.
- An additional \$600 personal exemption for each child up to age 6 and \$300 for each child aged 7-12.
- An increase in the college tuition tax credit to 8 percent of tuition, to a maximum of \$375 provided the college limits its tuition increase to the rate of consumer price index (CPI) inflation.
- For senior citizens, an increase in the deduction of interest, dividends and capital gains from \$3,500 to \$7,500 on a single return; on a joint return, from \$7,000 to \$15,000.
- No more intangibles tax. It produced around \$120 million annually on income from stocks and bonds and was widely considered "double taxation."

Those tax cuts will reduce the Department of Treasury's intake by \$224 million a year.

Gov. John Engler boasts of cutting taxes a total of 24 times. The revenue cost is \$2 billion a year. That's about 12 percent below what revenues would have been. The state still takes in \$17.2 billion (estimated for fiscal 1998).

Here's the list since 1991, the Engler years, as supplied last week by the Treasury Department:

- Property tax: frozen temporarily; permanent cut from Proposal A, including both rate cuts and assessment caps.
- Single business tax: filing threshold raised; lower SBT alternative tax passed; filing threshold raised a second time; alternative tax rate cut; overall SBT rate cut; some factors removed from SBT base; apportionment formula changed; SBT small business credit added.
- Inheritance tax: repealed.
- Unemployment comp tax: cut.
- Income tax: rates cut, pension exemption increased, personal exemption increased, college tuition credit passed and then increased.

Many working folks won't see many of the tax cuts if they don't have kids in college, don't own stocks, don't hire others, don't die and bequeath



TIM RICHARD

property, and so on.

Most intriguing to me was the inheritance tax cut. Engler talked about that back in 1985, when he was a state senator. The idea was to compete with Florida's zero tax to keep people in Michigan, where they would underpin northern rural economies with their purchases of homes, visits to restaurants, hospital stays, and purchases from local stores.

One can argue that the boom in northern Michigan real estate is due, in some part, to people who don't transfer their permanent residences to the sunbelt.

Most complex answer: Some revenues have gone up.

- Sales tax rate up 2 percent to 6 percent.
- Cigarette taxes up astronomically.
- Some voted property taxes are up — public transit, school construction and renovation, school technology.
- Fuel tax: up 4 cents a gallon.
- Fees. Those are a sore point. Engler doesn't figure the fee increases for college tuition, vehicle licenses, occupational licenses, state park entries, and nauticum.

Engler and Republicans argue that the reduced cost of government has made Michigan more attractive to "job providers," as the chamber of commerce calls buses, to the point that we have an unemployment rate below 4 percent. Democrats argue the credit goes to President Clinton's handling of the national economy.

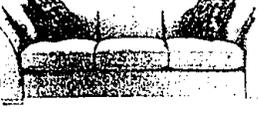
Take your pick. But next time, please ask an easier question.

Tim Richard reports on the local implications of state and regional events. His Touch-Tone voice mail number is (734) 953-2047, Ext. 1881.

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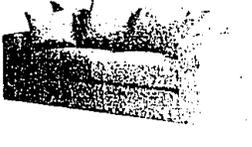
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