



WEEKEND

Michigan State University's independent voice | www.statenews.com | East Lansing, Mich. | Friday, October 10, 2008

MICH. BUDGET CRISIS: 1 YEAR LATER

Legislators, residents reflect on last year's state shutdown, what has changed since then

2007-08 Budget and tax changes

Income tax increases from 3.9 percent to 4.35 percent

Single Business Tax replaced with Michigan Business Tax and 22 percent surcharge

Education increases by 1 percent; goal was 2.5 percent

\$435 million cut from to state departments between Oct. 1 and Nov. 1 of 2007

State Legislature's budget increases 2.9 percent

SOURCE: THE ASSOCIATED PRESS, THE STATE NEWS

By Zack Colman
THE STATE NEWS

"It almost brought the whole institution down," recalled state Rep. Steve Bieda, D-Warren. "All of us — even the good actors in that process — shudder when we look back at that." It's been one year since the state shut down while trying to solve a \$1.75 billion budget shortfall as it failed to adopt a state budget for the 2007-08 fiscal year. The shutdown would have rendered the Secretary of State and other government offices out of order, state employees would have been laid off and alcohol and cigarette sales would have ceased. Although the state eventually approved a budget after receiving a one-month extension on Oct. 1, 2007, Michigan is not out of the dark yet, as more problems could be looming for the 2009-10 budget.

To get the 2007-08 budget approved and keep the state breathing, state legislators and officials shacked up all weekend in the Capitol from Sept. 29 until Oct. 1.

But the process is intensified when both sides of the aisles are "at each other's throats," as state Sen. Mickey Switalski, D-Roseville, said.



Granholt

Republicans and Democrats were gasping for air, while a state in debt to the tune of \$1.75 billion was in hot water.

Devin Brent, an interdisciplinary studies in social science junior, said last year's budget ordeal was just another problem piled onto the state.

"We're already in a one-

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"That Legislature will decide what the rules will be for the next 10 years. If things go right (with the budget), one side will take credit. If they go wrong, it will turn into the blame game."

Douglas Roberts, director of MSU's Institute for Public Policy and Social Research and a former state treasurer

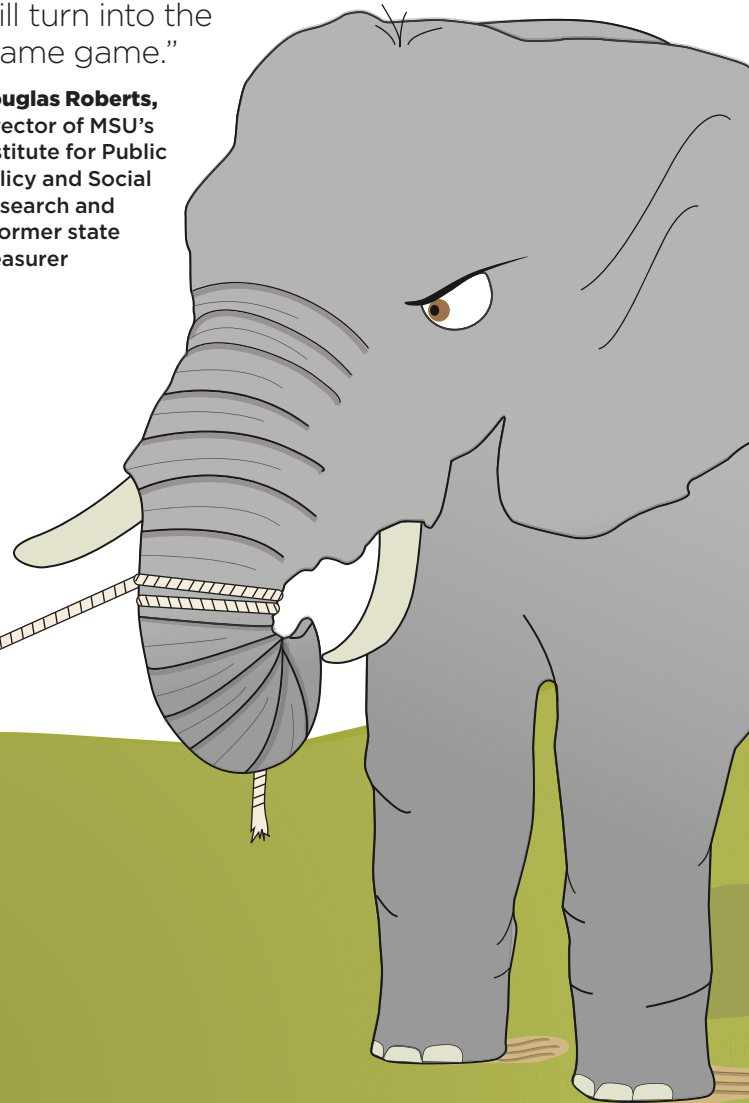
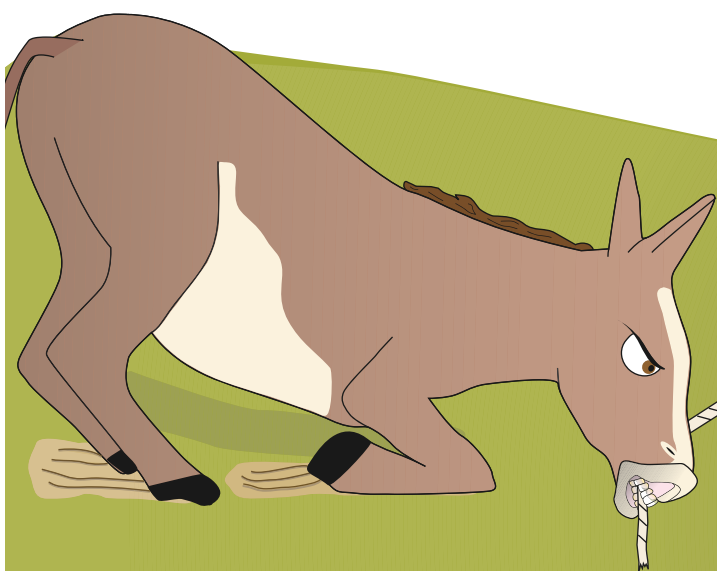


ILLUSTRATION BY CHELSEA MCGORISK / THE STATE NEWS



you oughta know

ELECTION Mich. Secretary of State accused of voter purging

The New York Times reported Thursday that Michigan's Secretary of State violated federal voting laws by removing voters from the rolls within 90 days of an election.

The Michigan Secretary of State has denied the allegations.

It is illegal for states to purge voter files within 90 days before an election unless the voters have died, notified the Secretary of State they have moved or been deemed unfit to vote.

But according to The Times, Michigan removed about 33,000 voters during that time period, about 21,500 more than have died or left Michigan since Aug. 1.

For more on this story, see page 3A.

ECONOMY Dow Jones industrials drop to lowest level in five years

New York — Stocks plunged Thursday, sending the Dow Jones industrials down 679 points — more than 7 percent — to its lowest level in five years. Stocks took a nosedive after a major credit-rating agency said it might cut its rating on General Motors and Ford.

The Standard & Poor's 500 index also fell more than 7 percent.

The Dow has lost 5,585 points, or 39.4 percent, since closing at 14,164.53 on Oct. 9, 2007. The S&P 500, meanwhile, is off 655 points, or 41.9 percent, since recording its high of 1,565.15. U.S. stock market paper losses totaled \$872 billion Thursday.

THE ASSOCIATED PRESS

MUSIC Ann Arbor indie folk rock band headlines show at Mac's Bar

The Great Lakes Myth Society, an indie folk rock band, will headline a show at 9 p.m. Friday at Mac's Bar, 2700 E. Michigan Ave., in Lansing.

The Ann Arbor-based group released its first self-titled album in April of 2005 and its most recent album, "Compass Rose Bouquet" in July of 2007.

GLMS is known for writing many songs about Michigan and the state's myths. It has been featured in the College Music Journal Top 100, on CNN and NPR.

Tickets are \$8. Only adults 18 and over will be admitted. For more information call (517) 484-6795 or go to www.macsbar.com.

DAN FAAS

FOOTBALL State News reporters issue mid-season progress report

With the season halfway through, The State News' football team takes a look back and dishes out grades for each unit.

Senior running back Javon Ringer earned an A+ for his dominance through six weeks, and his teammates at linebacker also received high marks. But how do the defensive line, wide receivers and special teams units stack up?

Ringer and the Spartans will get the second half of the season started Saturday, when they take on the undefeated Northwestern Wildcats at Ryan Field in Evanston, Ill. Kickoff is set for 3:45 p.m.

For more on this story, see page 1B.