



MICHIGAN REPORT

MACKINAC CENTER SAYS 'S.O.S.' WOULD HAVE 'MEANINGFUL RESTRAINT'

The Stop OverSpending constitutional amendment, which has been rejected from the November ballot, could have provided “meaningful restraint” to state spending while helping build up the state’s Budget Stabilization Fund, the Mackinac Center for Public Policy said in an analysis of the proposal.

The proposal was rejected from the ballot for a lack of petition signatures, though supporters said they will be back with an effort for the 2008 ballot.

It would have limited state and local spending to the rate of the inflation and the increase in population.

Local governments as well as the two top gubernatorial candidates opposed the proposal.

But the analysis argued that if the proposal had been enacted back in 1995 state spending levels would still largely be what they are now though somehow still \$9.6 billion less, plus taxpayers would have seen about \$8 billion returned to them.

In its analysis, the center criticized some of state spending, questioning its necessity and charging that some functions, like education, are being treated more as an enterprise. Reduced state spending would encourage state economic activity, the center argued. But opponents had charged the proposal would have forced major cuts in areas like law enforcement and fire protection.