



Mackinac Center Policy Expert  
**RECOMMENDATIONS**  
2017-2018



## Fiscal Policy

Experts:



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### **Close all defined-benefit pension plans to new employees at the state and local level**

Politicians and bureaucrats at all levels of government have demonstrated that they cannot properly fund or manage defined-benefit pensions systems. As a result, taxpayers are on the hook for almost \$40 billion of unfunded pension liabilities. The only way to start to improve this situation is to stop digging a bigger hole and that can only be done by closing these failed pensions systems to new employees and offer them competitive defined-contribution, 401(k)-style retirement plans instead.

[mackinac.org/pensions](https://mackinac.org/pensions)



### **Roll back Michigan's personal income tax**

Michigan taxpayers were promised in 2007 that the 11.5 percent income tax hike to 4.35 percent was only going to be "temporary" and the rate would fall back to 3.9 percent. Fulfilling this promise would help fuel Michigan's economic comeback, create jobs and honor hard-working Michiganders by letting them keep and spend or save a larger share of their income.

[mackinac.org/22810](https://mackinac.org/22810)



### **Eliminate the Michigan Economic Development Corporation and related corporate welfare programs**

Policymakers have made a lot of positive reforms to these types of programs in recent years, but there is still no convincing empirical evidence to suggest that handing out select subsidies to politically favored industries and businesses has any meaningful effect on the state's overall economic performance. Michigan's economy would be better off if the tax code operated on a "fair field with no favors" principle.

[mackinac.org/10896](https://mackinac.org/10896)



### **Review and reduce or eliminate occupational licensing requirements that do not protect public health and safety**

Lawmakers made strides towards this end recently, but more needs to be done. Michiganders shouldn't have to get permission from the government to pursue their dreams or make a living. Some occupational licenses are beneficial, but far too many provide no benefit to the public and simply limit competition, artificially raise prices and make it more difficult for entrepreneurs and hard-working Michiganders to earn a living.

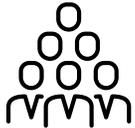
[mackinac.org/v2016-08](https://mackinac.org/v2016-08)

## Labor Policy

Expert:



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### **Grant government employees the right to vote on their union representation every two years**

Most government workers and school employees have never had the opportunity to vote on whether or not they want to be represented by the union operating in their workplace. Policymakers should require government unions to hold a certification election once every two years so that workers have a voice in who represents their interest at the bargaining table.

[mackinac.org/22234](https://mackinac.org/22234)



### **Worker's Choice: Allow workers who opt out of unions to represent themselves**

As a result of right-to-work protections for workers, unions often complain that they are forced to provide services to so-called "free riders," people who opt out of paying union dues. And workers who opt out often don't want to be represented by the union they've declined membership in. A solution to this problem is Worker's Choice.

[mackinac.org/S2015-03](https://mackinac.org/S2015-03)



### **Eliminate taxpayer-funded union release time**

Dozens of school districts around the state provide their local unions with a taxpayer-funded, inappropriate benefit: they "release" union officials from their teaching duties and allow to work entirely on union-related issues. This is a misuse of tax dollars, and lawmakers should outlaw the practice.

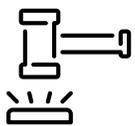
[mackinac.org/21722](https://mackinac.org/21722)



### **Eliminate union leader pension spiking**

Union officials for the Michigan Education Association are improperly spiking their public pensions through a scheme that allows the union to set the level of their taxpayer-funded pension. This is a slap in the face to school employees who play by the rules and deserve every penny of their pension. Lawmakers should end this scheme.

[mackinac.org/21051](https://mackinac.org/21051)



### **Repeal the state's Prevailing Wage Law**

Artificially higher costs are forced on Michigan's school districts and municipalities through the Prevailing Wage Law. These entities exist to provide services to taxpayers, not pad the wallets of union laborers.

[michcapcon.com/19352](https://michcapcon.com/19352)

## Education Policy

Expert:



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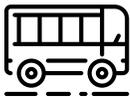
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### Fix the state's school ranking system

Parents, taxpayers and school officials deserve to know how well our public schools are performing, but the state's current system of measuring school performance is too blunt, constantly in flux and difficult to understand. A better system would put more weight on individual student growth and be easy for parents to comprehend and use.

[michcapcon.com/20682](http://michcapcon.com/20682)



### Create transportation voucher pilot program

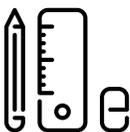
Hundreds of thousands of Michigan families benefit from the limited amount of choice available to them. But for thousands of others, the opportunity to attend a better school is out of reach, because the cost of providing their own transportation is too high. The state should create a pilot program in Detroit that makes transportation vouchers available to low-income families, so that they too may have the opportunity to find a better fit for their children's educational needs.



### Equalize higher education funding

The amount of state funds public universities receive is arbitrary and unfair. All public universities should be treated equally, and the simplest way to achieve that is to base state appropriations on the number of students universities enroll.

[mackinac.org/21239](http://mackinac.org/21239)



### Eliminate "count days" and target school funding to real student needs

Michigan's school districts are paid based on how many students they enroll on just two days of the school year. This creates a disincentive for schools to enroll students after these count days. Instead, funding should be based on a rolling average daily attendance, which would allow districts to be paid for the students they actually serve, not just the ones in a desk on one of the two count days.

[mackinac.org/v2012-29](http://mackinac.org/v2012-29)



### Create real ramifications for school districts that violate state law

Far too many school districts are currently violating state law by bargaining over prohibited subjects, refusing to reward great teachers with merit pay, and ignoring state laws that allow right-to-work and ban union dues deductions. Districts that enter into illegal contracts should have their foundation allowance docked by at least 5 percent.

[michcapcon.com/s2014-02](http://michcapcon.com/s2014-02)

## Criminal Justice Policy

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### Eliminate civil forfeiture

Even with recent improvements, Michigan still fails to protect the property and due process rights of its residents. Michiganders can still have their property seized and forfeited to government without ever being convicted of or even charged with a crime. Law enforcement agencies should only be able to forfeit someone's property to the government after they have been convicted of a crime.

[mackinac.org/forfeiture](https://mackinac.org/forfeiture)



### Loosen restrictions on former offenders' ability to obtain a license to work

Most Michigan occupational licenses are unobtainable by former offenders, even if their offense was not in any way related to the occupation they seek to be licensed in. Recidivism rates are reduced when former offenders are legally employed, and Michigan should make it easier for former offenders to find work.

[mackinac.org/v2016-25](https://mackinac.org/v2016-25)



### Reallocate resources to recidivism reduction efforts

Nearly a third of the people entering Michigan prisons are there not because they committed a crime, but because they broke a rule of their probation or parole. Instead of incarcerating people for noncriminal behavior, we should expand the Michigan Swift and Sure Sanctioning Program for Probationers. The program helps probationers learn accountability and reduces their likelihood of reoffending by 36 percent.

[mackinac.org/22834](https://mackinac.org/22834)



### Expand the Safe and Secure Cities partnership and community policing

Michigan's Safe and Secure Cities partnership has used a theory known as "community policing" – putting more officers on the streets to patrol, investigate problems and build relationships with community members. After instituted in Saginaw and Flint, violent crime rates dropped by more than 40 percent since 2012. Preventing crimes before they happen offers huge savings, both in fiscal terms and to society.

[mackinac.org/23019](https://mackinac.org/23019)

## Energy and Environmental Policies

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### **Eliminate the state's renewable energy mandate**

Michigan should be neutral about energy generation sources – markets do a better job of allocating these scarce resources than government planners can. Mandates on the use of certain types of energy sources create higher electricity prices and distort the market signals energy producers need in order to make efficient investments in generation.

[mackinac.org/23191](https://mackinac.org/23191)



### **Expand energy choice**

Since Michigan returned near-monopoly control of electricity provision to the state's two big public utilities, electricity rates have risen quickly and we now have some of the highest rates in the Midwest. But it wasn't always this way – when the electricity market was open to competition, Michigan was a regional leader in keeping prices low. Choice and competition benefit customers, and electricity markets are no different.

[mackinac.org/v2015-13](https://mackinac.org/v2015-13)



### **Rein in the power of the DEQ**

Michigan business and land owners often complain about the DEQ overexerting their regulatory power. Many states forbid their environmental agencies from creating rules that are more stringent than federal regulations. Michigan should adopt this standard and only allow elected officials to create environmental regulations that go above and beyond federal standards.

[mackinac.org/6956](https://mackinac.org/6956)

## Government Transparency

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### Improve Freedom of Information Act

Under Michigan's current FOIA law, government agencies can delay responding to a FOIA almost without end and without consequence. This law should be tightened and clarified, so that taxpayers can receive information in a timely manner about how their taxpayer dollars are being spent.

[mackinac.org/v2016-22](https://mackinac.org/v2016-22)



### Require full transparency for corporate welfare schemes

Michigan taxpayers have a fundamental right to know which companies have been granted special tax breaks and credits, as these deals are paid for either through higher taxes or reduced government revenues and public services. Every public dollar that is gifted to select businesses should be reported publicly, consistently and clearly.

[mackinac.org/21742](https://mackinac.org/21742)



If you have any questions or seek further clarification about these policy recommendations, please contact the experts at their email addresses listed above.