MASB LeadStrong
Michigan Association of School Boards

MEA
Michigan Education Association

Middle Cities
EDUCATION ASSOCIATION

MASA
Michigan Association of School Administrators

maisa
michigan association of intermediate school administrators
Leadership Innovation Results

aft

MEMSPA
The Principal is the Key

massp
Leadership Lives Here.
Michigan Association of Secondary School Principals

MEMORANDUM

To: Members of the Senate Committee on Finance

From: Michigan Association of School Boards
Michigan Education Association
Middle Cities Education Association
Michigan Association of School Administrators
Michigan Association of Intermediate School Administrators
AFT Michigan
Michigan Elementary and Middle School Principals Association
Michigan Association of Secondary School Principals

RE: Senate bills 142-143 and their effects on the School Aid Fund

Date: June 12, 2013

We write today in opposition to Senate Bills 142 and 143 which would revise the definition of prewritten computer software for the purposes of the use and sales tax because of its negative impact on the School Aid Fund. The Senate Fiscal Agency estimated similar legislation last session would result in a reduction in state revenue of $5-8 million and that number could increase in future years. As you know, over 70% of the revenue from sales and use taxes is dedicated to the School Aid Fund.

Our concerns lie in the bigger picture. While this particular bill may seem to be only a small decrease to the SAF, when added to the many other policies recently passed and being considered, they continue to erode the school aid fund and add up to a significant amount of money over time.

We urge you to look very closely at this bill and similar ones and the collateral damage they have over time. Our schools will continue to see cuts if the school aid fund does not receive the revenue necessary to support our students and communities.

We urge you to oppose this bill until the SAF is held harmless by the cuts proposed. If you have any questions, please feel free to contact any of us in the education community listed.