

REPLACE DON'T ERASE

April 18, 2012

Kevin Konarska

Kent County Intermediate School District Superintendent:

Kent County Schools serve more than 100,000 students in twenty (20) local districts every day. Providing a quality education to each student has never been more important. But at a time when education is critical to drive our economic recovery, revenue needed to operate our schools and meet the needs of students continues to be reduced. Schools can't handle another funding cut!

Eliminating the Personal Property Tax (PPT) without fully replacing the lost revenue will hurt ALL students. It will especially hurt special education students, our neediest students, as Special Education funding across the state would be reduced significantly. In Kent County, we serve 15,000 special needs students. Our schools alone will lose \$4.4 million in special education funding. The loss of special education revenue across the state will be approximately \$36 million. Special Education programs are mandated by law so local districts will be forced to pull additional dollars out of depleted General Funds to keep special education programs afloat. Eliminating the Personal Property Tax (PPT) will reduce funding for Career Technical Education programs in Kent County as well. We serve more than 2,000 students every day in our Career Tech Center. Students there receive training that makes education relevant and often starts them on a successful career path which is so important for our economic recovery.

Eliminating the Personal Property Tax (PPT) would mean nearly a \$1 million cut to Kent ISD's Career Technical Education revenue and deep cuts to these programs that so many students depend on. Many homeowners will soon realize the negative consequences of eliminating the Personal Property Tax (PPT). There are 421 local communities with outstanding bonds that will see a tax increase. This is because millages will automatically increase to ensure that bonds are paid off on time and create an additional tax burden that will be carried by local homeowners. Now is not the time to add an additional \$65 million tax burden on individuals.

Legislators need to understand that local school districts cannot absorb another hit to their budget. Districts have already made millions of dollars of cuts to cope with the largest school funding reductions in Michigan's history. The elimination of the PPT siphons additional dollars from the school aide fund. This will lead to additional reductions in the foundation grant on top of last year's devastating cuts. School's per pupil funding has already been reduced to 2005-06 levels. Last year there were \$47 million in funding cuts in Kent County Schools. Elimination of the Personal Property Tax (PPT) must be constitutionally replaced in full. Schools cannot continue to be put into a position of guessing what their revenue will be from year to year. Schools have done a great job to reduce costs, increase efficiencies and maintain programs during these tough economic times.

This is another hit our students don't deserve. Our students have suffered enough – already class sizes are the largest we can recall and critical programs are being eliminated. Legislators must fully replace the personal property tax with revenues that are guaranteed to fund essential local services and schools. This is the ONLY solution that assures revenue continue going directly to our local school districts and communities.

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