

STATE SENATOR • IRMA CLARK-COLEMAN • 3RD DISTRICT

Clark-Coleman Press Release

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SEN. CLARK-COLEMAN REJECTS GOV. GRANHOLM'S EXECUTIVE ORDER

Says: "Detroit and other urban districts will be devastated by cuts"

LANSING - Sen. Irma Clark-Coleman (D-Detroit) today voted against Governor Jennifer M. Granholm's Executive Order that calls for \$304 million worth of cuts to the FY 2009 budget. She cites the devastating effect the cuts will have on the cities of Detroit, Dearborn, and River Rouge, their vulnerable residents and the Detroit Medical Center - the state's largest provider of medical care to those without health insurance.

"After learning the depth of the cuts and their impact on Detroit I could not, in good conscience, approve Gov. Granholm's EO," Sen. Clark-Coleman said. "I support the Governor and appreciate the hard task before her; however, the impact on Detroit - the nation's poorest city - will be grave."

Under the approved cuts, Detroit will lose \$7.3 million in revenue sharing, which pays for police, fire and public safety protection. In other parts of her Senate district Dearborn will lose \$387,379 and River Rouge will see a \$49,681 decrease in revenue payments.

Detroit City officials have reported a \$3 million budget deficit. Revenue sharing cuts will increase that amount to more than \$10 million. Further, the Detroit Medical Center will lose \$10 million as a result of the four percent reduction in Medicaid payments, which threatens the ability of the uninsured to receive medical treatment.

"I never thought I would see our state in such a demoralized condition," Sen. Clark-Coleman said. "I thought I could support the painful cuts because I know what the alternative would be. But the pain and suffering that will grip Detroit, Dearborn, and River Rouge because of the cuts are equally egregious."

Contributing factors to the state's weakened economy is a 20 percent decline in personal income tax that is exacerbated by a two-thirds job loss in the auto industry and related businesses. Additionally, casino revenues are expected to be down by 14 percent and lottery revenues by five percent.

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