



Michigan League for Human Services

May 21, 2008

Honorable Jennifer M. Granholm
Governor of Michigan
State Capitol Building
P.O. Box 30013
Lansing, MI 48909

Dear Governor Granholm:

On behalf of the Michigan League for Human Services, I am writing to urge your continued strong support and leadership in maintaining the state's enacted, but not yet implemented, Earned Income Tax Credit (EITC). Your commitment to this critical benefit for low-income residents will be crucial as the FY2009 budget development continues with the newly identified reduced level of revenues. Efforts will likely be made to halt implementation of the state EITC on the basis that the state can no longer afford it. As you are well aware, low-income families are really struggling to meet their basic needs during these tough economic times, when food and fuel prices are at record highs. The state EITC will provide an important support to those who qualify.

There are other alternatives to program cuts in the face of the reduced revenue projections. I am attaching a list of tax loophole closures that you and/or the Legislature have supported in the past. I would encourage you to pursue these options, which benefit only a few businesses, in favor of protecting programs that serve the broad common good. I would also encourage you to carefully review the state option of decoupling from the bonus depreciation clause included in the federal stimulus package. Michigan is the **only** Great Lakes state that has not decoupled from the federal law to protect state revenues.

Past program cuts have taken their toll on all aspects of our quality of life. We support you in not allowing Michigan's quality of life to be compromised any further.

Sincerely,

Sharon Parks
Interim President and CEO

Encl.

cc: Michigan League for Human Services Board of Directors
Robert Emerson, State Budget Director
Robert Kleine, State Treasurer

1115 SOUTH PENNSYLVANIA AVENUE • SUITE 202 • LANSING, MICHIGAN 48912

517.487.5436/PHONE • 517.371.4546/FAX • WWW.MILHS.ORG

A UNITED WAY AGENCY