

Elected, Not Appointed, Officials Should Decide Tax Rates, Fees

A statewide task force studying local tax policy has recommended that elected fiscal court magistrates – rather than members appointed to special boards – make decisions about raising taxes and increasing fees.

Politicians are reacting to the recommendations with concern, suggesting that raising taxes and fees would become more difficult if locally elected officials were forced to vote on increases. Hooray!

As it now stands, members of special taxing boards, including groups that oversee local fire departments and libraries, are not being held accountable even though they are determining fiscal policy. Since these board members are not elected, they "... tend to be a little less circumspect in raising taxes," according to Sen. Damon Thayer, who served on the task force that included 20 lawmakers and other government officials.

It bodes well for local taxpayers if locally elected bodies must establish tax rates. Voters have the opportunity to hold these officials accountable at the ballot box in the next election.

More accountability usually means better government. When elected leaders decide how tax dollars are spent, they must answer to voters. Unelected, appointed board members who dole out taxpayers' hard-earned cash answer to no one.

Public Policy comment by the Bluegrass Institute

'We Have to Unleash the Entrepreneurial Spirit'

JAMES H. Johnson is the William Rand Kenan, Jr. Distinguished Professor of Management at the University of North Carolina at Chapel Hill. Dr. Johnson recently made a presentation in Lexington to the 77th Kentucky League of Cities Annual Convention and Expo regarding the "growing" and "graying" of the U.S. population. Following his presentation, *The Lane Report* talked with him about his work in educating children with immigrant and minority backgrounds.

EL: In 2000, you were selected by *Fast Company* magazine as one of the "17 brightest thinkers and doers in the new world of work." Can you briefly describe two of your most innovative ideas?

JJ: One is the research we are doing at UNC on structural changes in the American economy, globalization, and our ability to compete as individuals, companies, and communities in the years ahead.

The second is the practical things we are doing in our community. As you know, I teach in a business school. Ten years ago, we actually started our own after-school weekend and summer program for kids in the six most economically distressed neighborhoods in nearby Durham, North Carolina.

Demographically, a majority of the kids in the education pipeline are of immigrant and minority backgrounds and concentrated in these racially isolated schools. We started these after-school programs so we could be engaged in education with this segment of our school-aged population. A local philanthropist invested about \$10 million in the initiative to guarantee college access for about 180 kids (from sixth grade to high school graduation, and then we paid their way through college).

EL: How did you select the children for the program?

JJ: We had six neighborhoods and conducted a random lottery for 30 slots each year. A student and his or her family enters into a contract that says the student is going to participate in after-school, weekend and summer programs from grade six through high school graduation. Each one of those years, the program spends \$5,500 per family and then they qualify for a \$10,000 college scholarship. Every kid gets a summer experience somewhere in the United States. We learned in the process that after-schools were necessary but not sufficient to encourage kids to succeed.

So, we designed our own K-8 school. It is being built on entrepreneurial principles focusing on creativity, innovation, wellness, character education, the arts and global education. So basically we have asked the question, "What tools does this kid need to compete in this highly volatile economy?"



James H. Johnson

We are not talking about preparing a student for a particular job because, quite frankly, I can't tell you what that job would be. We want to prepare kids to compete because they are agile and think outside the box. The laboratory school we are building is going to be a beta test site for new ideas and innovations while educating the poorest kids in our society. We want to build a franchiseable model of education. I like the idea of a franchise because you can't be a franchisee with Burger King and say "I like the patty but I don't like the bun."

EL: If you do franchise, who may buy a school?

JJ: We would sell a franchise to anybody – public school systems, churches, corporations or individuals who want to buy the model.

EL: And you'd be able to use statistical data based on your success?

JJ: Yes. We prepare the specifications for everything in the franchise system. You are going to do it this way. You don't have any leeway. This is what we know works. We can monitor each school in a process way and make adjustments along the way.

EL: How key is the public educational system in America's future?

JJ: It's very important. We have to re-engineer the public educational system in order to enhance the competitiveness our young people in the market place.

EL: How important is entrepreneurship in helping economically distressed cities, areas, or ethnic groups move out of poverty?

JJ: We have to unleash the entrepreneurial spirit and acumen that exists in communities and people if America is going to compete in the years ahead. Right now, our society is stifling creativity. America has always been a country of innovation, but we may be losing our edge now in part because America is not creating the environment for our kids to be entrepreneurs.

EL: Even though entrepreneurship is a business concept, does this process need to extend to the arts, government, science and technology?

JJ: Yes, that's right. You have a lot of brilliant scientists coming up with new ideas everyday, and they don't have a clue of how you take the concept and commercialize it. So we are talking about taking those brilliant minds and adding a little entrepreneurial acumen so that the technology commercialization process works better. You've got an idea, and commercialization is the process of taking it to the next level.

Passing Lane

Commentary on Life in Kentucky

Leaders in Public Television Visit KET

THE top leadership in public television, including (L to R) Wilbur H. "Skip" Hinton, president of the National Educational Telecommunications Association (NETA); Cynthia Fenneman, president and CEO of American Public

PBS; participated in a media roundtable and meetings at KET's Network Center in Lexington.

PBS, headquartered in Arlington, Va., is a nonprofit media enterprise owned and operated by the nation's 348 public television stations, which provides programming and related services to hundreds of noncommercial stations.

APT is a prime source of programming for the nation's public television stations.

NETA is a professional association and programming distributor that serves public television licensees and educational entities.

APTS is a nonprofit membership organization established to represent the interests of the nation's public television stations.

The meeting of America's top public broadcasting officials at one venue at the

same time is a rare occasion. We congratulate KET for setting up and hosting this important event in Kentucky.



Television (APT); John Lawson, president and CEO of the Association of Public Television Stations (APTS); and Paula Kerger, president and CEO of

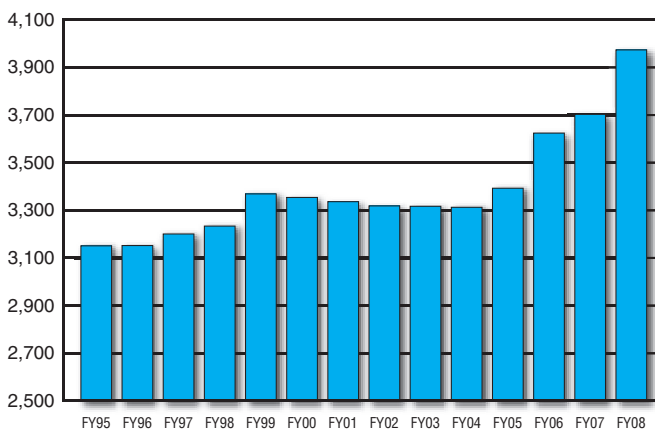
Missing In Aachen

LAST month's two-page photo spread of the FEI World Equestrian Games in Aachen, Germany didn't include a picture of Jack Kelly, president of the Alltech FEI World Equestrian Games Kentucky 2010.



After some effort, we found a photo of Jack Kelly meeting with marketing specialist Diana DeRosa at Kentucky's booth in Aachen. We're confident our readers will be seeing a lot of his face in the near future.

State of Kentucky - Aggregate General Fund Education Spending (Inflation adjusted, in millions)



The governor's recommended budget for FY07 included \$26 million more than was enacted. The enacted budget for FY08 included \$116 more than the governor's recommended budget for that year.

Source: Office of State Budget Director

Kentucky Boasts Best Restrooms on I-75

IT seems like every publication is ranking something – the richest, the best business environment, the best dressed.

Kentucky can proudly proclaim its Artisans Center in Berea has the "cleanest and best-designed restrooms along the entire I-75 corridor," according to Dave Hunter, publisher of *Dave's Travel Tips*. Based on limited experience, our first impression was that it wouldn't be too hard to win the "best bathroom" award along I-75.

But Dave Hunter says his credibility is at stake and Kentucky is the best. After learning that the Artisan Center puts freshly cut flowers in vases in its restrooms, we think Dave has flushed out the appropriate winner.

