

Michigan ROUNDUP

January 22, 1993

Legislative and Political News

- Alleged financial misdeeds in the state **House Fiscal Agency (HFA)** competed with the presidential inauguration for front-page space in Michigan newspapers this week. The HFA director, John Morberg, and his chief assistant, James Heckman, have been suspended while the attorney general's office investigates possible misuse of the legislature's "imprest cash" account, an emergency petty-cash fund. The *Detroit News* first published allegations triggering the investigation; a subsequent *Detroit Free Press* story alleged that former House Speaker Lew Dodak and his chief of staff inappropriately used funds from the same account to cover personal expenses for Dodak and other legislators.
- Whatever the truth of the charges, one of their major effects to date has been to strip the powerful **House Appropriations Committee** chairmanship from Rep. Dominic Jacobetti (D-Negaunee). The state's longest serving lawmaker, Jacobetti presided with a legendarily firm hand over the key committee post for 18 years. Critics say he infrequently convened the panel charged with overseeing HFA operations and is thus stuck with blame for at least the perception of impropriety. Following House Democratic leader Curtis Hertel's (Detroit) announcement that Jacobetti would be replaced, capitol speculation on his replacement centered on veteran Democrat James O'Neill, a fourteen-term legislator and longtime Appropriations Committee member from Saginaw. Meanwhile, under the shared committee leadership plan earlier agreed to by the chamber, Republican Rep. Donald Gilmer (Augusta) is mentioned as the likely nominee for co-chair.
- Gov. John Engler proposes to present a **biennial budget** to the legislature and hopes for an additional month of preparation time before unveiling it on March 19. Gongwer News Service quotes Management and Budget Director Patricia Woodworth as noting that although Engler does not need legislative approval to submit a two-year spending plan, the chambers would have to formally change the existing February 12 date set for Engler's budget presentation to the House and Senate Appropriations Committees. Woodworth said the governor's budget recommendations would respond to an estimated current-year deficit of about \$400 million through a combination of executive order cuts, negative supplemental appropriations, and spending transfers.
- Ending a pitched political battle begun in 1991, the Michigan Supreme Court this week upheld gubernatorial authority to **transfer department funds** without legislative approval. Governor Engler's use of the State Administrative Board to transfer social services funding, effectively eliminating general assistance welfare, was challenged by Democrats; earlier decisions in circuit court and the court of appeals held that the governor lacked statutory authority for the action. These rulings were overturned by the high court on a 4-3 vote on the matter.
- The Senate's **special election** to fill two vacant seats has drawn a field of 13 candidates, mostly political newcomers. One incumbent lawmaker, Rep. Philip Hoffman (R-Horton), will face two other Republicans in a primary contest for the 19th District seat vacated by U.S. Rep. Nick Smith. A Democratic challenger has entered the race, but six-term incumbent Hoffman has the advantage in a district with a 68 percent Republican majority in the last senatorial election. In the 34th District—where Rep. Tom Alley (D-West Branch) decided not to risk his House seat in a bid for U.S. Rep. James Barcia's former spot—a seven-way Democratic primary winner will face the victor in a two-man Republican primary contest.
- While House committee membership rosters are being fine-tuned this week, **Senate committees** were announced. Joanne Emmons (R-Big Rapids) will chair the Finance Committee, succeeding Nick Smith. Agriculture and Forestry, the other committee chaired by Smith, will not have a leader named until after the March 15 special Senate elections, according to Senate Majority Leader Dick Posthumus (R-Alto). Except for Posthumus replacing Phil Arthurhultz (R-Whitehall) as chair of the Government Operations Committee (Arthurhultz becomes vice-chair), there were no other changes in Senate committee leadership.
- Many notable Michigan political figures attending **presidential inauguration** events didn't make headlines, while one who stayed home did. Citing the predicted cold weather, Detroit Mayor Coleman Young passed up his party's party, renewing speculation over his health and whether he will seek another term as mayor of Michigan's largest city.

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