



*Legislative Week in Review*

- A **school finance reform** plan proposed by a bipartisan coalition of House members would cut property taxes by 25 percent, increase the sales tax by one cent on the dollar, and give school districts almost complete control of programs now mandated by the state. The state would eliminate its contributions to school employee retirement systems, Social Security, and such categorical programs as special education, transportation, and aid for gifted pupils. That money, about \$1.5 billion, would go directly to schools. In addition, the state would repeal requirements for special and bilingual education, letting districts decide whether to offer the programs. Revenue from the sales tax increase would go toward property tax relief. The proposal also would create a constitutional requirement that the difference in school spending between the wealthiest and poorest districts be reduced to one percent within 25 years. Rep. William Keith (D-Garden City), chair of the House Education Committee, Rep. Claude Trim (R-Waterford), and Rep. James E. O'Neill (D-Saginaw), chair of the Appropriations Subcommittee on K-12 Education, announced the plan.
- Governor Blanchard has told legislative leaders and lobbyists that he will accept an **increase in the gasoline tax**, according to *The Grand Rapids Press*. Blanchard, who last year opposed the plan, has told House Speaker Lewis Dodak (D-Birch Run) and the Michigan Road Builders Association that he would not stand in the way of an increase in the tax, now at 15 cents a gallon. Dodak wants quick action on a two-cent increase because legislators fear that Congress will raise the federal tax by 25 cents to reduce the budget deficit. Supporters of the state increase say the money would be used to make badly needed repairs to roads and bridges. Senate Majority Leader John Engler (R-Mt. Pleasant) says that Blanchard will have to support the increase publicly if it is to have a chance of passing both houses of the legislature.
- Legislative leaders officially launched a \$45 million **capitol renovation** project Wednesday with the ceremonial removal of flooring that had been added to make room for Senate offices decades ago. The House and Senate will stop using their chambers around June 2 to make way for workers who will restore the ornate rooms to their 19th century splendor. Both houses are scheduled to be finished around November 1.

*Political News*

- **Michigan's 1990 U.S. Senate campaign** is likely to be the most expensive in state history. Democrat Carl Levin, up for re-election, says he probably will have to spend at least \$6 million to defend his seat. Levin's 1984 campaign cost around \$3.6 million. Two of Levin's potential opponents agree with his assessment. U.S. Rep. Bill Schuette (R-Sanford) and Republican activist Dick DeVos of Grand Rapids estimate that they would have to raise at least \$5 million to conduct an effective campaign.
- Businessman **Peter Secchia's** apparently successful campaign to convince the Bush administration to appoint him U.S. ambassador to Italy has caused speculation on Secchia's successor as Republican national committeeman. Most prominent candidate is **Chuck Yob**, who recently vacated the chairmanship of the 5th District Republican Committee after backing out of a potentially divisive race against Spencer Abraham for chair of the state party. Yob was succeeded as 5th District chair by Betsy DeVos—wife of potential U.S. Senate candidate Dick DeVos—at last week's Republican convention in Grand Rapids. Yob is a strong supporter of another potential Senate candidate, U.S. Rep. Paul Henry (R-Grand Rapids).
- Jim Sparling, chief of staff for U.S. Rep. Guy VanderJagt (R-Luther), says that Spring Lake businessman **Field Reichardt** is among the finalists to become ambassador to Papua New Guinea. Reichardt is former owner of a gourmet food and wine shop in Grand Haven and has been active in 9th District Republican activities for many years.
- Freshman State Rep. **David Camp** (R-Midland) just took his oath of office in January, but 10th District Republicans already are speculating that he will attempt to move to the Senate in 1990 if Senate Majority Leader John Engler vacates his seat to run for governor. District chair Dennis Stamer expects Camp to keep his plans private until the Republican convention at Mackinac Island in September.
- Democrats say that a **special investigator** hired by State Sen. John Engler will be assigned to "trail" Governor Blanchard. Engler says he hired **Nancy Shafer** to investigate the backgrounds of Blanchard appointees and to look for fraud in state government. Shafer will receive \$35,000 a year to work as a special assistant to Lucille Taylor, Engler's legal advisor. Democrats claim Shafer will dig for information to be used in Engler's expected campaign against Blanchard in 1990.