



Michigan ROUNDUP

....The Senate approved a Medicaid appropriations bill for March 16 through September 30. Without the bill, Medicaid funding for certain providers will expire March 15. The bill contained a one dollar limit for elective abortion services, which the House Appropriations Subcommittee on Social Services deleted to avoid the governor's inevitable veto. The subcommittee also deleted language that dissolved the special committee charged with developing a ballot proposal on Medicaid-funded abortions. The dispute on whether or not to include the line item is not expected to hold up passage of the appropriations bill.

....The Senate Finance Committee approved a bill to reduce the state income tax rate from 4.6% to 4.4%. The measure is intended to return to taxpayers the approximately \$170 million windfall the State will receive due to federal tax reform. The rollback would take effect April 1, unless the state treasurer found it necessary to delay the rollback until July 1. House passage is uncertain since Democratic leaders want to explore other options for use of the windfall. The governor indicated his support for the rollback in his State of the State message.

....Governor Blanchard has called on the directors of the departments of Commerce and Labor to work with business and labor groups to improve the workers' compensation system. The Workers' Comp Action Group will meet next week. Meanwhile, Republicans in both houses have introduced workers' comp reform bills that would include "tighter" definitions of disability intended to reduce business costs. The current definitions will expire on May 14.

....House Minority Leader Paul Hillegonds announced the formation of the House Republican Policy Committee and ten task forces to develop specific policies instead of merely reacting to ideas from House Democrats. The task forces will focus on training and development, illegal drugs, liability insurance, workers' compensation and unemployment insurance, crime, urban policy, farm exports, child abuse and health care, school finances and property tax reform, and long-term health care for the elderly.

....U.S. Senator Don Riegle sounded like a candidate for reelection in a speech at the Michigan Democratic party annual convention this past weekend. State Republicans are looking to state Senate Majority Leader John Engler and Jack Lousma as potential candidates. Former governor George Romney advised Republicans to generate support for a consensus candidate "well in advance" of the GOP primary to be held in August 1988.

....A study by United Van Lines found an increase in out-migration from Michigan during 1986; 58.1% of Michigan shipments were for people leaving rather than entering the state. North Dakota had the nation's highest percentage of outbound shipments, 71.1%; while Washington, D.C., had the highest share of in-migration, 71.3%. Nonetheless, the U.S. Census Bureau showed an increase in Michigan's population from 9,088,000 in July 1985 to 9,145,000 in July 1986.