



Michigan ROUNDUP

Legislative Week in Review

....Governor Blanchard says he would not back a **ballot proposal to increase the state sales tax** to offset a reduction in property taxes levied to operate public schools unless such a plan contained education quality reform legislation and spelled out clearly to voters how the revenue would be spent. Blanchard took his stand at a meeting of the Municipal League in Lansing.

....The state Senate tabled until March 8 reconsideration of three bills on **education quality reform** because majority Republicans said they were confused by newspaper accounts of Blanchard's position on increasing the sales tax. Blanchard was quoted by wire services as saying Monday in Washington that allowing school districts to levy local income taxes might be more palatable to voters than a statewide sales tax increase. The Senate bills would establish a core curriculum and require school boards to draft improvement plans.

....Lawmakers attending the annual state budget seminar sponsored by Public Sector Consultants said the **battle over Blanchard's \$6.6 billion spending plan** for the fiscal year beginning October 1 will be the toughest in years because a predicted slowdown in the economy will cause fights over scarce dollars. House Minority Leader Paul Hillegonds (R-Holland) said Michigan's unemployment rate of 10.2 percent (compared to a national average of 5.6) portends hard times for the state. Rep. David Hollister (D-Lansing) said the state has not made the hard choices between cutting programs or raising taxes but has resorted instead to borrowing and bookkeeping tricks in order to make ends meet. Sen. William Sederburg (R-East Lansing) predicted the budget battle will last until September.

Political News

....**State Rep. Virgil Smith** has won the Democratic primary and will be the party's candidate to fill the remainder of the state Senate term of Basil Brown, who resigned after his conviction on drug charges. Smith will face Republican Cynthia Brewer in a special election on March 15. Winning the Democratic primary is usually tantamount to election in this heavily Democratic district covering Hamtramck, Highland Park, and part of Detroit.

....Central Michigan University trustees have named **Edward Jakubauskas**, 57, president of the State University of New York at Geneseo, as the leading candidate to succeed Arthur Ellis, who has announced he will resign as CMU president.

....*The Wall Street Journal* reports that the Republican party's once enormous 6-to-1 edge over Democrats in off-year **campaign contributions** has dwindled to a still-comfortable 3½-to-1 margin as the Ronald Reagan era comes to a close. Republicans took in \$68.5 million in 1987, 29 percent less than in 1985, the last nonelection year. Michigan Congressman Guy Vander Jagt, chair of the GOP Congressional Campaign Committee, says donors may have become complacent in the belief that Reagan "has done it all." He predicts that GOP giving will increase once the 1988 campaign heats up.

....**Former State Rep. Gary Vanek** says he will resign his \$58,000-a-year post on the Michigan Liquor Control Commission so he can devote more time to removing the officers of the Michigan Education Employees Mutual Insurance Co. Vanek, an agent for the insurance firm, told the *Detroit Free Press* that he would quit after company executives said his state position conflicts with his business as an agent. Vanek and his wife earned \$95,000 in 1987 selling policies to teachers.

....**Former state Senator Charles O. Zollar** died Wednesday of complications from a quadruple bypass operation. Zollar, who was 73, served as chairman of the Appropriations Committee from 1968 to 1974.

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