

## Michigan ROUNDUP

February 27, 1992

### *Political Week in Review*

■ News that Michigan would bear the brunt of General Motors' 16,000-job nationwide **plant closings** surprised and angered state leaders and dominated headlines this week. Governor John Engler, who pledged to fight to keep GM jobs in Michigan, was described as "stunned" by the news that the deficit-ridden auto giant would wipe out more than 9,000 state jobs by 1995. Aside from a perfunctory courtesy call minutes before the public announcement, Engler reportedly had no advance warning of GM's decision to close the Willow Run assembly plant and three smaller Michigan sites. The *Lansing State Journal* reports that Engler plans to send a letter to GM chairman Robert Stempel requesting information on the rationale for the Michigan plants' shutdown. GM has said that it will announce seven more factory closings to take effect by 1995, and Engler hopes that information on the basis for this week's announced closings will help the state protect its remaining automotive job base.

Following the announcement, Michigan air was thick with blame, with UAW officials and U.S. Senator Donald Riegle claiming that President George Bush's Texas ties had contributed to GM's decision to spare its assembly plant in Arlington, near the Mexican border. U.S. Congressman Bob Traxler (D-Saginaw) said, There's no question that raw political power was applied in the decision-making process, while fellow Democratic Congressman Dale Kildee said GM's announcement fueled his opposition to a pending free-trade agreement with Mexico, which Kildee predicted would speed the transfer of U.S. jobs across the border. Democratic Congressman William Ford suggested that GM's decision revealed a desire to move closer to Mexican suppliers. Each of these Democratic congressmen has GM operations in his district. State Republicans, meanwhile, discounted these arguments and countered that Democratic tax plans unfavorable to big business were a signal disincentive to major state employers like GM. The *Detroit Free Press* reported that GM so far has rejected requests for more information about its decisions from Sen. Riegle and congressmen Ford and John Dingell, as well as the governor and several state legislators. GM has said that plant-by-plant comparisons are confidential information.

■ Among the detail emerging from the release late last week of the **state legislative redistricting** plan was the news that some forty incumbents would be pitted against each other in upcoming elections, including House Speaker Lewis Dodak (D-Taymouth Township). Dodak has said he may file a challenge with the state supreme court over the reapportionment plan drawn up by a three-judge panel that rejected alternative proposals submitted to it. Most observers agree that the proposed new plan, which the high court will begin reviewing next week, does not weaken Republican's chances of maintaining their current 20-18 control of the Senate and fuels their hopes of taking over the House, now held by a 61-49 Democratic majority. Public Sector Consultants will issue an in-depth analysis of the panel's plan on Monday.

■ House Speaker Dodak has urged Governor Engler to set a **special election** to fill the House seat left vacant by Teola Hunter's January 17 resignation. Dodak has charged that special election dates in Republican districts have been set more rapidly than has occurred for the heavily Democratic Fifth District that Hunter represented. The administration has countered that reapportionment issues must be resolved before an election can be scheduled.

### *Legislative News*

■ Without dissent, the Senate returned to committee this week two bills expanding Michigan's **boot camp program**. The 0-36 vote on SBs 334 and 335 permits incorporation of several amendments recently negotiated with the Department of Corrections and the Prosecuting Attorneys Association of Michigan. Changes include a three-year sunset on the tie-barred bills and reducing the number of eligible prisoners to cut the program's cost.

■ The state's **single business tax** was amended in the Senate Wednesday by the chamber's unanimous passage of HB 4412, a measure permitting larger firms to claim a small business credit; the measure was lauded by its backers for helping to improve Michigan's business climate.

■ Agents seeking to represent **student athletes** would have to be registered and licensed under the provisions of HB 4066, which passed the House on a 59-41 vote this week.

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