



Public Sector Reports

Michigan ROUNDUP

Legislative Week in Review

- On Thursday the House passed a **school finance reform proposal** asking voters to approve a sales tax increase of two cents on the dollar in exchange for a 33 percent reduction in property taxes. Schools would receive an additional \$500 million a year, and the spending gap between poor and wealthy districts would be narrowed to a range between \$4,000 and \$6,000 within five years. The proposal, which would raise the sales tax to six cents, would limit property taxes to fourteen mills on commercial and industrial property and nine mills on agricultural and residential property. School boards could levy an additional eight mills without the approval of voters, who could be asked to approve, for enrichment, another four mills or an income tax of 0.5 percent.
- The House Judiciary Committee has reported a bill allowing people to make a will stipulating the extent of **medical treatment to prolong life** when they are terminally ill. A will could specify that all measures be used to prolong life, permit use of experimental treatment, or refuse medical intervention. The bill, sponsored by committee chair Rep. Perry Bullard (D-Ann Arbor), would allow people to make written declarations before or after becoming ill, but the wills could take effect only upon terminal illness or when permanent unconsciousness prevents making decisions on treatment.
- The Senate Commerce and Technology Committee again is attempting to permit medical insurance policyholders to choose **arbitration over litigation in malpractice claims**. The committee has reported five bills that would allow insurance companies to offer the choice of arbitration or a lawsuit. Legislation passed the Senate last session that would have made arbitration automatic unless a claimant specified litigation, but the bills died in the House.
- *The Detroit News* reports that House Speaker Lewis Dodak (D-Birch Run) may arrange to have legislative sessions held in the Roosevelt Building during the **House and Senate chamber restoration** this summer. Dodak believes that remodeling a legislative print shop into temporary chambers is the least costly of several alternatives. The Roosevelt Building houses Democratic legislators and staff. Lawmakers would sit at long cafeteria tables in the remodeled print shop, one chamber meeting in the morning, the other in the afternoon.

Political News

- Secretary of State Richard Austin has recommended increases in **campaign finance limits** to account for inflation and the greater number of voters since limits last were changed in 1982. Personal contributions to candidates for statewide elective office could increase from \$1,700 to \$3,500. Limits for giving to state senate candidates could rise from \$450 to \$925; candidates for the House could receive \$525 instead of \$250. A candidate in the gubernatorial primary would have to raise \$94,000 instead of \$50,000 to qualify for public funding.
- The report on 1988 **campaign spending** shows that the reelection of U.S. Sen. Donald Riegle was relatively inexpensive. The Democrat spent \$1.60 per each of the 2,115,865 votes he garnered in defeating Republican Jim Dunn, who spent 33 cents a vote, or \$442,693. Riegle's expenses ranked 19th among 33 Senate races. U.S. Rep. Carl Pursell (R-Plymouth) and his challenger, State Sen. Lana Pollack (D-Ann Arbor), conducted the most expensive House campaign. Pursell spent \$876,779 to defeat Pollack, who reported expenditures of \$750,493. U.S. Rep. Bill Schuette (R-Sanford) reported outlays of \$728,533 to defeat Democrat Mathias Forbes, who spent a mere \$7,809.
- Businessman Dick Chrysler and former Oakland County Prosecutor L. Brooks Patterson have announced they are candidates for the **Republican National Committee seat** to be vacated by Grand Rapids millionaire Peter Secchia, who is expected to become U.S. ambassador to Italy. Chrysler and Patterson will face stiff opposition from former 5th Congressional District Committee chair Chuck Yob, also of Grand Rapids, who launched his campaign as soon as rumors of Secchia's appointment began circulating a few months ago.
- Speaker Lewis Dodak is reportedly considering lifting the ban on compensation for **travel expenses** incurred by House members, imposed by Dodak's predecessor during hard economic times in the early 1980s. A committee of state representatives is drafting rules under which House members would be compensated for business trips outside Michigan. The Senate, which lifted its ban some time ago, reported \$158,757 in travel expenses for 1988, a one-third increase over 1987, mainly because staff expenditures jumped from \$78,640 in 1987 to \$120,790 last year. Sen. John Kelly (D-Detroit), who reported expenses of \$5,392, led all senators in 1987-88. Other senators in the top five included David Holmes, Jr. (D-Detroit), \$4,297; Jack Faxon (D-Farmington Hills), \$3,525; John Engler (R-Mt. Pleasant), \$3,463; and Nick Smith (R-Ad-dison), \$2,357.

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