



Michigan ROUNDUP

....State Treasurer Robert Bowman denied a report in the Detroit Free Press that stated that Governor Blanchard plans to fund a \$200-300 million property tax relief program by repealing industrial property tax abatements. A property tax relief plan for homeowners is expected within a month, but will not be paid for by eliminating abatements, which Bowman described as "a valuable economic development tool" in Friday's Lansing State Journal. The industrial abatement program will cost an estimated \$190 million in 1987. Funding plans for the property tax relief program have not been finalized.

....The governor signed into law a \$234 million general fund Medicaid appropriations bill that provides funding through September 30. As expected, he vetoed the line item that limited spending for abortion to one dollar, saying the provision was "discrimination against women who are poor." Anti-abortion lawmakers have agreed to forgo a vote to override the veto, choosing instead to focus on the Right to Life petition drive to halt Medicaid funding of abortions. Leaders announced that in the first month of the petition drive they have achieved one-third of their goal of collecting at least 226,726 signatures.

....A Senate committee adopted a proposal that would allow employers and employees to negotiate their own workers' compensation system. Senate Majority Leader John Engler, the key sponsor of the plan, called the proposal "politically irresistible" and "a new potential for management/labor cooperation." The committee adopted other amendments to address some of the concerns of labor, including one that would protect workers injured prior to 1982 reforms from having to pay back benefits they have received.

....Department of Management and Budget Director Robert Naftaly has estimated that state and local governments would lose a total of \$300 million under President Reagan's proposed budget. The biggest losses include a \$79 million cut in student financial aid and elimination of a total of \$60 million for community development programs. Naftaly, who detailed the projections in an analysis for the Michigan congressional delegation, stated that "we support congressional efforts to strike a reasonable balance between funding key programs and restraining federal deficits."

....Former state representative and gubernatorial candidate Colleen Engler will "take a close look" at challenging Democratic incumbent Bob Carr in the state's 6th congressional district. Engler, who has made Ingham County her official residence, is currently working on the unofficial presidential campaign of U.S. Senator Robert Dole.

....The Wall Street Journal reported this week that although Michigan requires the nation's highest average employer pay-in to state and federal unemployment insurance trust funds, the average cost per worker dropped one percent in 1986, from \$587 to \$578.50. The U.S. average per worker in 1986 was \$245. The largest increases were in Delaware, Oklahoma, Wisconsin, Washington, Louisiana, Oregon, and Illinois, states with already high unemployment taxes; the largest decreases in 1986 were Indiana, Mississippi, Connecticut, Alabama, Virginia, and California, states with already low unemployment costs.