



Michigan ROUNDUP

Legislative Week in Review

- The respective chairmen of the House and Senate appropriations subcommittees on social services told the Associated Press this week that some of Governor Engler's **1992 budget** proposals might have to be implemented now to balance this year's Department of Social Services (DSS) budget. Rep. David Hollister (D-Lansing) and Sen. Robert Geake (R-Northville) said finding new revenue sources and using one-time accounting shifts could help balance a current-year budget still estimated to be about \$800 million in deficit. Many departmental budget shortfalls already have been resolved; funding for DSS, the largest state agency, remains the primary target of partisan negotiations.
- One of the most controversial proposals in the 1992 executive budget released last week calls for **rescinding raises** previously approved for 48,000 unionized state employees effective next October. There is insufficient funding to cover the 4 percent hike, which could require up to 2,900 layoffs to finance it, according to the administration's budget document.
- Partisan votes in the House last week **rejected reorganization** of two state offices as proposed by Governor Engler; earlier executive orders make the Office of Children and Youth Services an autonomous agency and remove autonomy from the Office of Substance Abuse Services. The House action is largely symbolic, since both chambers must concur in an override of the governor's action, a move unlikely in the Republican-controlled Senate.
- Public and private schools are barred from undertaking **asbestos removal** on their own under a bill passed 27-8 this week by the Senate. Sen. John Schwarz (R-Battle Creek), sponsor of SB 26, reported that asbestos removal makes previously dormant fibers airborne, creating a hazard where none had existed previously. Under the bill, schools may begin an abatement program only to comply with federal standards.
- A Senate bill outlawing **mandatory retirement** in higher education was approved by the House this week and sent to the governor for signature. SB 30 bans a system that has removed some faculty members from the teaching ranks at age 70 against their wishes.
- The House is set to receive a Senate-passed bill that would extend from July to December 31 the deadline on Essential Insurance Act (EIA) reforms passed in 1986. The EIA was enacted to assure the availability and affordability of auto and homeowners insurance. The 1986 reforms were aimed at loosening the territorial rate restrictions that insurers who wrote policies in urban areas said put them at a competitive disadvantage outstate. Negotiations on these and other EIA reforms are expected to occur in conference committee and be linked to other insurance issues, such as proposals to reduce auto insurance rates.

Political News

- Environmentalists are predictably upset over the administration's plan to **divest four state parks** among Michigan's 83 nature facilities. Governor Engler's proposed 1992 budget would turn over two parks in Detroit's northern suburbs and two more in the Upper Peninsula to local government or private management firms. In addition, four employees of the Mackinac Island Park system would be laid off, and a program that transports disadvantaged youth and senior citizens to parks would be scrapped in order to reach targeted savings within the Department of Natural Resources (DNR) of \$1.3 million. Criticizing the proposal as unworkable, the outgoing director of the DNR told the *Detroit Free Press* that state park users in Michigan already pay 70 percent of the system's operating costs—more than users in any other state.
- Following the successful example of former President Reagan, Governor Engler is "**polarizing the partisan schism**," by going over the heads of Democratic lawmakers directly to the general public with his budget-cutting, government downsizing message, according to Public Sector Consultants President Craig Ruff. Writing in a recent commentary for Public Sector Reports, Ruff says Engler "hopes to win, as Reagan did, conservative Democratic votes for his budget by the pressure legislators' tax-hating constituents will place on them."
- Michigan Attorney General Frank Kelley requested this week a **Michigan Supreme Court review** of the recent court of appeals opinion overturning as unconstitutional the statute that bars state-funded abortions. Kelley's petition for the high court's review comes in the same week that Right to Life of Michigan made its own request of the court for an appeal.
- Michigan foster parents succeeded in obtaining an **injunction barring cutbacks** in their benefit checks from Ingham County Circuit Court Judge William Collette last week. Collette declined to grant the state a stay from the order, and Department of Social Services officials have not yet decided whether to appeal. The injunction was requested by an umbrella group representing approximately 60 social services organizations.
- The DNR and the Attorney General's office have accused the **U.S. Department of Defense** of polluting wells and rivers near Wurtsmith Air Force Base in Oscoda. Leaking toxic chemicals reportedly have tainted five residential wells and are heading for Van Etnan Lake and the Au Sable River, a tributary of Lake Huron.

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