

Michigan ROUNDUP

April 1, 1993

Legislative Week in Review

- It was the opposite of gridlock: Within twelve hours of House passage of **property tax and school finance reform** legislation, the Senate had okayed the measure 31-4. Heralded as a breakthrough in legislative consensus-building for Gov. John Engler, passage of the proposal means that state voters will decide on June 2 whether to boost the sales tax by 2 cents and use those revenues to finance a cutback in property taxes and restructure school funding. The measure, embodied in House Joint Resolution G needed action this week to appear on the June ballot. Governor Engler, whose staff lobbied strenuously for the package, is not required to approve it before it goes directly to the voters on the ballot. Notwithstanding HJR G's speedy Senate approval, it took a marathon thirteen-hour House session to hammer out a 74-27 vote on the proposal. Touted as a compromise package that addresses the dual priorities of property tax relief and school finance reform, the 50 percent sales tax increase counts among its early supporters former Governor William Milliken, who was quick to commend Engler's leadership role in forging legislative compromise. Voters are now left to balance their anger at increasing property tax assessments against a historical bias against sales tax increases; 1989 ballot proposals hiking the sales tax were defeated by margins greater than 70 percent.
- A second Senate vote on whether to give immediate effect to legislation that would reduce automobile insurance rates by an average of 16 percent was postponed until early May. Last week's vote on immediate effect (without which the bill will not take effect until August 1994) fell five votes short of the two-thirds needed for passage. The delay will give the public and interest groups time to contact lawmakers and express their views on both the effective date and the bill's content.
- Michigan high school graduates would arrive at jobs with **educational warranties** under two bills passed by the Senate this week. Employers could require a school district to provide remedial training to graduates of state school systems who cannot read, write, or perform basic computation. SBs 263 and 264 are similar to measures passed by the upper chamber last session. The bills would also require schools to issue actual warranty certificates to students requesting them.
- An eleven-bill package reforming **physician licensure and discipline** procedures passed the House this week. This package, which attracted bipartisan support, is similar to legislation introduced in prior sessions, although the language and several key provisions are different. The Senate has already passed several similar bills.
- The legislature begins its two-week **spring recess** at the conclusion of session this week. The next issue of *Roundup* will appear on April 22.

Political News

- The tarnished image of the House Fiscal Agency gets no polish in a state **auditor general's report** released this week citing more than \$1.8 million in questionable spending. The report, which reviews financial discrepancies apparently extending back to 1986, says that most undocumented payments came from the agency's petty cash account, which was discovered to be overdrawn in 21 of the 28 months covered by the audit.
- Michigan's newest state senator will chair the chamber's **Agriculture and Forestry Committee**. Sen. Joel Gougeon, whose victory in the 34th District was certified last week, was named to the committee formerly headed by U.S. Rep. Nick Smith.
- The Michigan Supreme Court heard oral arguments this week in a case involving the **privacy of presidential searches** on state campuses. At issue is a suit brought against the University of Michigan by Booth newspapers alleging that the school violated state laws by keeping its candidate review process confidential. The state court of appeals sided with the plaintiff, overturning a Washtenaw County circuit court ruling upholding U of M's action as providing appropriate privacy for a job applicant.
- The chief of staff to a former Delaware governor will take a new cabinet level position as head of the **Michigan Jobs Commission**. A. Douglas Rothwell has been appointed chief executive officer of the new entity, created by the governor earlier this year to work with businesses to recommend changes in state laws and regulations that will attract new business and keep existing industry in Michigan. Before his government service, Rothwell was a vice president of MBDA American Bank.