



Michigan ROUNDUP

Legislative Week in Review

- In testimony before the Senate Appropriations Committee, Senate Fiscal Agency Director Doug Roberts projected that **current year revenues** will be \$163.3 million less than total expenditures, largely because of a decrease in single business tax collections from the auto industry. Higher-than-expected welfare caseloads also contribute to the shortfall. Roberts also warned that the state could see a \$91.8 million deficit in the next fiscal year.
- A supplemental appropriations bill (HB 5278) to address this year's **anticipated budget shortfall** is before a House-Senate conference committee. Department of Management and Budget (DMB) Director Shelby Solomon told the committee Thursday that total projected spending for this year is expected to be \$233 million more than appropriated and that reductions of \$230 million (largely through across-the-board cuts) are needed to balance the budget. The House-passed supplemental contains \$115 million in cuts and \$188 million in new spending, for a net increase of \$73 million; the Senate version contains \$119 million in cuts and \$174 in additional appropriations, for a net increase of \$55 million.
- The House passed by a narrow margin a **\$2.8 billion school aid budget** (SB 830) for fiscal year 1990-91; included is a plan to redistribute more than \$200 million in state aid from higher-spending districts to lower-spending districts. It also would reduce state payments to school Social Security and pension funds. The House version does not include the \$740 million in property tax cuts passed by the Senate. The differences likely will be ironed out in a conference committee.
- A bill aimed at making polluters responsible for cleaning up their **environmental damage** emerged from the Senate Natural Resources and Environmental Affairs Committee in the form of a substitute bill that apparently pleases no one. Sen. Lana Pollack (D-Ann Arbor) told the *Lansing State Journal* that the committee's watered-down version of her SB-375 was worse than no bill at all, although she hopes that key provisions can be restored on the Senate floor or in the House. David Hales, director of the Department of Natural Resources, also called the bill seriously flawed. Committee chair Sen. Vern Ehlers (R-Grand Rapids) acknowledged that neither environmentalists nor industry are willing to support the current substitute language, but told the *Journal*, "I think it's important to get the bill out and let the full Senate begin working on it."

Political News

- Controversy continued this week about Governor James Blanchard's reelection **campaign commercials** termed racist by some critics in both parties. A gubernatorial apology conveyed to House Democrats by Blanchard assistant chief of staff William Kandler for the 30-second anticrime spots was refuted by the Governor. Blanchard accused the *Detroit News* of "very poor journalism" in its coverage of the story. Quoted in the *Detroit Free Press*, Blanchard told a news conference that he had not apologized and did not plan to, adding that it was "regrettable that the *News* was saying last week that I'm a racist and this week that I agree with that."
- A compromise version of a **clean air bill** breezed through the U.S. House Wednesday, 401-21, with the support of all Michigan's Congressmen. The approved language tightening pollution controls on factories, cars, and electric power plants does not contain one provision fiercely opposed by automakers, whose concerns were articulated by Energy and Commerce Committee chair John Dingell. In a closed-door negotiating session, lawmakers agreed to delete the requirement that automakers build one million vehicles that burn fuels other than gasoline. The legislation will be reconciled in conference committee with the Senate version passed last month.
- Earlier this week, on a 403-20 vote, the U.S. House also overwhelmingly approved extension of **civil rights laws** to physically and mentally handicapped Americans. The bill, supported by all members of Michigan's delegation, guarantees equal access to employment, public accommodations, transit systems and communications networks. The Senate version of the bill was approved last year, and a conference committee now will reconcile the two versions for President Bush's signature. An estimated one-fifth of the U. S. population will be directly affected by the bill's provisions.
- Riga Township has been eliminated as the site for **low-level radioactive waste disposal**, leaving authorities without a recommended location for a facility to serve Michigan and other Midwest states. The state's Low-Level Radioactive Waste Authority announced this week that the presence of wetlands, flooding, and gas pipelines make the Lenawee county township site unsuitable. Two other Michigan sites in Ontonogan and St. Clair counties were eliminated earlier from consideration for similar reasons. Meantime, the state Senate has passed and sent to the House a resolution calling for Michigan's withdrawal from the multi-state compact that designated Michigan as the regional host for radioactive waste.