

Michigan ROUNDUP

May 28, 1993

Legislative Week in Review

- An ample 31-7 Senate majority voted last week to replace the state's **inheritance tax** with an estate tax exempting the first \$600,000. HB 4597, earlier passed by the House, will replace Michigan's 94-year-old inheritance levy next October. Governor Engler has indicated he would sign the measure, which brings state tax statutes into line with 28 other states.
- The upper chamber also added Michigan to a list of states pledged to enforce each other's **traffic tickets**. SBs 385-386 would make the state a member of a compact guaranteeing to make nonpayment of a traffic ticket in any participating state reason to deny driver's license renewal in one's home state. The compact provides reciprocal collection of traffic fines among member states. Lt. Gov. Connie Binsfeld cast the tie-breaking vote approving the package and sending it to the House.
- Budgets for two state departments passed the House this week. A 5.1 percent funding increase for the **Department of Education** was approved 93-4 in HB 4463. The 1993-94 **Department of Public Health** budget contained in HB 4553 was passed 80-13, reflecting \$510.5 million in total spending.
- With **Proposal A** prognostication dominating Michigan news this week, the House passed a measure covering the downside risk. HB 4631 would reimburse local governments for special election expenses if the statewide ballot proposal is defeated. Legislation previously passed by the chamber included reimbursement funds if the measure passes.
- Two bills passed by the House this week revamp the state's program for replacing leaking **underground storage tanks**. Audits released earlier disclosed that the Michigan Underground Storage Tank Fund (MUSTFA) will be \$350 million in debt in two years unless changes are made. HBs 4783 and 4785 place a moratorium on claims against the fund and authorize bonding to cover previously approved payments.
- Health care providers would have to use a **standard medical form** under terms of three bills passed without opposition in the House. HBs 4745-4747 cover virtually all health claims except dental work and authorize the state insurance commissioner to design the single form.

Political News

- A Wayne County Circuit Court judge ruled last week that the state's controversial **assisted suicide ban** is unconstitutional and technically flawed. While the legislature could resolve the technical issues (language of the act incorporates both a ban and a commission to study such a ban), it is unlikely to take up this political hot potato until the courts have finished with it. Most observers assume that an appeal of this circuit court ruling is likely.
- Five months after the first news reports of alleged malfeasance in the **House Fiscal Agency**, the first arrests were made this week implicating a sitting state representative and two analysts. Rep. Steve Shepich (D-Iron River) has been charged with nine felony counts for receiving slightly more than \$2,000 in reimbursements for allegedly nonexistent travel expenses. If convicted, he will be constitutionally prohibited from holding office. Also charged were Gerald DeJuliannie and David Ciochetto.
- Decisions this week from the state supreme court on **home school practices** were welcomed by proponents who felt that the state was intruding into residents' protected religious freedom. In related decisions, the justices ruled that while the state education department has the right to require certified teachers in home schools, parents who believe that God commands them to educate their children cannot be prosecuted for failing to provide certified teachers. In effect, the court has provided a religious exemption from the certification requirement, and the decision has reversed the conviction of two sets of Michigan parents arrested for home schooling their children without certified instructors.
- President Clinton confirmed this week his appointment of former Gov. Jim Blanchard as **ambassador to Canada**. Blanchard is expected to begin his duties next month, following Senate approval. Michigan officials agree that the news is good for this state, which exports more than \$14 billion annually to its northern neighbor.
- Former state and national **Republican Party official** Spencer Abraham has accepted a post with the Detroit office of the Miller Canfield Paddock and Stone law firm. According to the *Lansing State Journal*, the move gives Abraham the flexibility he seeks to mount a campaign for the U.S. Senate seat held by three-term incumbent Donald Riegler. Abraham has already set up his campaign and finance committees, the *Journal* reports.