



Michigan ROUNDUP

June 27, 1991

Legislative Week in Review

- With summer recess dates looming, House Democrats agreed this week to a **business tax compromise** with the Engler administration. On Wednesday the House overwhelmingly passed SB 69, a measure reconfiguring the SBT capital acquisition deduction (CAD) that could have cost the state \$300 million this year because of a court ruling expanding its applicability. The legislative compromise gave Republicans the permanent change they wanted in the formula determining who gets the deduction; Democrats got wording in the bill providing that if a taxpayer initiative petition were eventually to eliminate the deduction, the resulting revenue would be used to finance property tax relief.
- In a vote pitting representatives of wealthy school districts against their more numerous and less affluent neighbors, the House passed, 74-30, a **school equity bill** that shares some tax-base growth in out-of-formula districts with other schools in the same region. HB 4267 would divide the state into two regions; a substitute bill already passed by the Senate called for three statewide regions. The Senate is scheduled to consider the measure when it returns briefly on July 11.
- Governor John Engler's **Vietnam war monument veto** has triggered discussion of alternative sites for the planned memorial. Engler said he vetoed HB 4730 because the parking lot site specified in the bill was not suitable.
- Under a bill sent to the governor this week, public schools are excused from giving students written explanations of the state's **parental consent abortion law**. SB 243 passed the Senate last month and won House approval Tuesday. The Senate is expected to concur in a House addition giving the bill immediate effect. The parental consent law took effect March 28, requiring women under 18 to present either written parental permission or a waiver from a probate judge in order to receive an abortion. SB 243 strikes the portion of the law that required schools to convey this explanation to teenagers along with the address of a local probate judge.
- Following a U.S. Supreme Court decision that **nude dancing** is not protected by the First Amendment, the House passed three bills giving local governments authority to ban or regulate performers who are nude below the waist. The high court's ruling last week paved the way for House consideration of HBs 4067, 4896, and 4897.

Political News

- State Superintendent of Public Instruction **Donald Bemis resigned** Wednesday, resolving a political imbroglio that began in January when the Democratic appointee with more than two years left on his contract faced a State Board of Education with a new Republican majority. Bemis—who has been on leave since January—resigned to accept a two-year position directing a new Wayne State University/Macomb Community College cooperative program as soon as the legislature approved its funding.
- A July 24 meeting of the seven-state Midwest Interstate Low-Level Radioactive Waste Commission has been called to **expel Michigan** from the group. Michigan has failed to designate a radioactive waste site for compact members' use, and the members voted 5-1 (Michigan abstained) to convene next month and confirm Michigan's expulsion. Ohio, likely to be named next as the host state for a regional disposal facility, cast the lone vote for keeping Michigan in the compact. On the eve of the meeting, Governor Engler, who has been sharply critical of plans for a regional waste site in Michigan, replaced Michigan's representative on the commission with Dennis Schornack, one of his senior advisors. If the state does not remain in the compact, it will have to provide a disposal site for its own waste or contract with another state to take it.
- Former Governor James Blanchard's **transition office** will close on Friday when, according to press reports, more than one thousand boxes of gubernatorial papers will be shipped to storage. The office opened in January to handle leftover correspondence and to close files.
- More **layoffs** loom in two departments. In a report to the State Transportation Commission on his first 100 days Director Patrick Nowak unveiled a plan to save an estimated \$110 million annually by cutting 170 jobs and contracting out a variety of services. Nowak said that flat gasoline tax revenue projections combined with stiffer federal matching requirements and environmental regulations necessitated the cuts. Earlier this week, another state agency director said sixty layoffs in his department were needed before October: Commerce Director Arthur Ellis told members of the House Appropriations Regulatory Committee that 90 more full-time layoffs—for a total of 150—could be required if the department is forced to absorb a 4 percent pay hike for its employees.
- During the legislative recess, *Roundup* will suspend weekly publication. The next issues will appear on July 25 and August 22; weekly publication will resume on September 19. As always, information of special relevance to subscribers will be transmitted by memo throughout the summer.



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