



*Public Sector Reports*

## Michigan ROUNDUP

### *Legislative Week in Review*

- The governor and legislative leaders Wednesday reached a tentative understanding on targets for the FY 1989-90 budget. The key was an agreement to increase the governor's original school aid recommendation by \$110 million—to \$600 million. Some details remain to be worked out, but the following changes in the target numbers arrived at in June have been agreed upon: social services—unchanged at \$100 million; higher education—up from \$11.4 million to \$17.6 million; community colleges—increased from \$2.3 million to \$5 million; corrections—unchanged at \$16.8 million; mental health—unchanged at \$9.7 million; public health—unchanged at \$7.8 million; capital outlay—increased from \$28 million to \$39.2 million. No significant changes in other budget targets were made. The new targets exceed the governor's revised budget recommendation by about \$295 million. It is generally agreed that state revenues, which have been stronger than expected, should be adequate to cover this increase. Agreement is still pending on the FY 1988-89 supplemental. Conference committees are expected to complete their work on the budget next week, with final passage anticipated the week of July 24.
- Following the introduction of five Senate bills that would restrict access to abortions, Governor Blanchard says he “will steadfastly oppose any attempt to restrict the rights of women on this issue.” The bills would require parental consent for women under age 18 who want abortions, call for a constitutional amendment to prohibit public employees' health plans from paying for abortions, forbid public hospitals and clinics from conducting abortions, require testing of women who are at least 20 weeks pregnant and seeking an abortion to determine whether the fetus could live outside the womb, and ban public funding of abortion counseling. One sponsor, Sen. Fred Dillingham (R-Fowlerville), hopes the proposals will be presented to the voters in 1990, thereby circumventing potential vetoes by the governor. Pro-choice legislators also will introduce legislation this year.
- A House committee approved legislation to change the way the director of the Department of Natural Resources is appointed. For more than 50 years the Natural Resources Commission has named the director; the legislation would give that authority to the governor. Supporters contend the change would clarify who is accountable for the activities of the director. According to the Michigan United Conservation Clubs, the change would politicize natural resources policy making.

### *Political News*

- Governor Blanchard has asked Attorney General Frank Kelley to investigate the manner in which the state Insurance Bureau carried out its regulatory responsibilities with regard to Cadillac Insurance Company. The firm, owned by long-time Democratic Party activist Ernest Solomon, faces insolvency and has been taken over by the state. The *Lansing State Journal* reports that steps the bureau has taken are of concern to some key legislators, including Sens. John Engler (R-Mt. Pleasant) and Richard Posthumus (R-Alto) and Reps. Jerry Bartnik (D-Temperance) and Donald Van Singel (R-Grant), who question whether Cadillac may have received special treatment. They also have called for a legislative investigation of the bureau.
- Governor Blanchard has announced the resignation of Doug Ross, the director of Michigan's Department of Commerce. Ross has accepted a position in Washington, D.C., with the Corporation for Enterprise Development, a nonprofit consulting firm that advises local and state governments. Blanchard has not yet decided on a replacement.
- Raj Wiener has been appointed director of the Michigan Department of Public Health, where she has been acting director for the last year and a half. Her appointment awaits Senate confirmation, but Sen. John Schwarz (R-Battle Creek) says he foresees no problem.
- Dick DeVos, vice president of Amway Corporation, withdrew from the contest for the Republican nomination for U.S. Senate in 1990. DeVos, who was considered a strong contender against incumbent Carl Levin, announced his support of Congressman Bill Schuette from Sanford. Schuette and Grosse Pointe Woods attorney Clark Durant are seen as the front-runners for the GOP nomination.
- In a speech at the NAACP convention in Detroit, United Auto Workers' President Owen Bieber named the Republican Party the enemy of labor unions and civil rights. Noting conservative governmental appointments and the closing of numerous factories and farms during the last several years, he blamed lack of social and economic progress on the GOP and the Reagan administration. He asked the Big Three automakers for greater assistance in reversing these trends.
- The longest serving incumbent governor in the country, James Thompson of Illinois, announced he will not seek reelection in 1990. Republican Secretary of State Jim Edgar and Lt. Governor George Ryan are interested in the gubernatorial post. Thompson, a moderate Republican, has served Illinois for 12 years.