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Public Sector Reports

## Michigan ROUNDUP

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## Legislative Week in Review

- The legislature's unanticipated midsummer vote **eliminating property taxes** (effective next year) as a source of funding public school operations has spawned a series of alternative funding forums. In signing SB 1, which hands property owners a 65 percent tax cut by eliminating local school funds from these levies, Gov. John Engler predicted "stunning reform . . . without parallel in recent Michigan memory." More stunned than stunning was the reaction of some interest groups, all of which are scrambling to assemble consensus behind a plan to replace the \$5.6 billion in lost annual revenue.
- School finance reform promises to dominate the fall **legislative agenda**, with the House scheduled to return on September 15 and the Senate on September 21. *Roundup* will not be published next week and will resume weekly publication on September 23.
- Most but not all of the 1993–94 operating budget was put to bed in a late-August joint legislative session. Three bills covering the general government budget and spending for the departments of Agriculture and Natural Resources will face returning lawmakers later this month. State budget chief Patricia Woodworth called the budget "the best we've had since Governor Engler took office." (Public Sector Reports subscribers will receive a detailed analysis of the budget in mid-October.)

## Political News

- During U.S. Senate Foreign Relations Committee questioning this summer, prior to his confirmation as ambassador to Canada, former Gov. James Blanchard said he had no immediate political plans on this side of the Great Lakes, adding, "It would be unwise and unrealistic given my age" to swear off ever running for elective office again. Meanwhile, former Lt. Gov. Martha Griffiths will be inducted into the National Women's Hall of Fame next month for achievements including a 0-year congressional career.
- Government's **smoke-filled rooms** get fewer all the time: The latest to go are individual state representatives' offices and the so-called smoking room off the House chamber. The new smoking ban becomes effective September 20 and has the state Senate—whose members may still smoke in private offices—reviewing its policies. A 1992 executive order banned smoking in most state offices, but legislative and judicial branch buildings were exempted.
- Gubernatorial authority to reorganize the Department of Natural Resources was upheld by the state supreme court last week. The justices voted unanimously to overturn an appeals court opinion that the governor's 1991 executive order represented an unconstitutional overreaching of executive power. The way is now clear for implementation of DNR reorganization that would abolish 19 boards and commissions and allow gubernatorial appointment of the Natural Resources Commission chair.
- Nearly \$14 million in **federal drug education funds** have been released to the state for distribution. The funds were held up in the wake of charges by some state lawmakers and board of education members that the state's Office of Drug Control Policy was imposing inappropriate restrictions on their use. ODCP director Robert Peterson denied the charges.
- A crowded field of candidates will compete for the vacant congressional seat created by Rep. Paul Henry's death in July. Six Republicans and one Democrat will face off in a November 2 primary, with the winners pitted in a December 7 special election for the solidly Republican Third Congressional District. Republicans contenders include state Sen. Vern Ehlers (Grand Rapids) and Rep. Ken Sikkema (Grandville), along with Kent County Republican Party chair Mike Maxfield, state Commerce Department deputy director Marge Byington, Grand Rapids businessman Glenn Steil, and Carl Humphrey, an advocate for the homeless. Grand Rapids attorney Dawn Krupp is running as an independent candidate, while fellow Grand Rapids lawyer Dale Sprik is the sole Democratic candidate.
- Smarting from a recent national survey ranking it among the most inefficient, the Michigan Court of Appeals is looking to a state bar task force for recommendations for improvement. Litigants may wait up to 18 months for a hearing before the appellate panel, which is sagging under a 5,000-case backlog. Among the task force's 21 recommendations are adding judges, treamlining some judicial procedures, and centralizing all supreme court offices under one roof in Lansing.
- The director of New York state's legislative expenditure review commission has been hired as director of the House Fiscal Agency. James Haag was the unanimous choice of the bipartisan selection panel to head the HFA in the wake of alleged improprieties that have led to the felony conviction of former HFA employee David Ciochetto and the pending felony trial of Rep. Steve Shepich (D-Iron River).