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Michigan ROUNDUP

Legislative Week in Review

Public Sector Report

• The legislature broke Wednesday for a six-week recess to conclude members' reelection campaigns. Lawmakers will return on November 8—after voters have filled 24 open House and Senate seats and perhaps dealt an upset or two in some close contests—to resume an agenda headed by property tax reform, auto insurance rate rollbacks, "right-to-die" legislation, and resolution of budget appropriations previously vetoed by Governor James Blanchard. Before adjourning, the chambers approved and sent to the governor for signature landmark polluter-pay legislation.

• Earlier this week the House Judiciary Committee approved a five-bill package of tougher drunk driving laws, including a provision for mandatory 30-day license revocation and accelerated arraignment for drunk driving arrests. If passed, the package will be the first revision in eight years to the state's impaired driving statutes.

• A House amendment to remove \$27 million in rainy day funds from the state **capital outlay budget** passed 66–29 and was upheld by a 22–18 Senate vote, sending the \$323 million package to the governor for signature. Rep. David Hollister (D-Lansing) led the House initiative, arguing that rainy day funds may be needed desperately to offset potential operating fund cuts in the Department of Social Services budget.

• Before its Wednesday adjournment, the Senate passed a bill eliminating all officeholder expense fund (OEF) accounts. Under SB 1040, sponsored by Sen. Phil Arthurhulz (D-Whitehall), newly elected officials could not establish such accounts, and legislators with OEF balances would have until the turn of the year to donate or return all the proceeds. Arthurhulz said his bill seeks to eliminate any appearance of impropriety.

• On a 72–24 vote, the House passed a bill promoting **competitive gasoline prices** that permits service station franchise owners to buy fuel from any distributor selling their brand, but bars the franchiser from setting the retail price of the fuel. Supporters claim that the measure will encourage competition by allowing local station managers—rather than regional franchise owners—to determine reasonable retail prices.

Political News

President Bush's campaign stop in Detroit on behalf of U.S. Senate and gubernatorial candidates coincided with release of a voter preference poll giving Democratic candidates a strong lead in Michigan's two key races. A survey of 800 voters by Market Opinion Research gave two-term incumbent Governor Blanchard a 20-point lead over challenger Sen. Majority Leader John Engler, 55–35, with 5 percent undecided. A pre-primary survey by the same firm last August gave Blanchard a 48–35 edge. The poll, commissioned by the Detroit *Free Press* and station WXYZ, gave Sen. Carl Levin a 36-point margin over challenger U.S. Rep. Bill Schuette, whose popularity and campaign cash are both expected to benefit from the Bush visit.

• A series of stories published earlier this month in the *Detroit News* alleging improprieties in awarding contracts has drawn sharp responses from Governor Blanchard and his gubernatorial opponent John Engler. The relationship implied in the *News* story between contributions to Blanchard's campaigns and the contributors' receipt of state personal service contracts prompted the governor's staff to purchase full-page ads in three Detroit area newspapers last weekend denouncing the stories' content and innuendo under the headline, "Anatomy of a Smear." Earlier this week, Sen. Engler called for the attorney general to investigate the contract impropriety charges; Engler also accused the governor of improperly using his officeholder expense fund to pay for the newspaper ads.

• A state audit report released this week has confirmed that legislators used funds targeted for other purposes to finance projects in their districts. State Auditor General Thomas McTavish has asked Attorney General Frank Kelley to rule on the legality of the practice whereby lawmakers bypassed standard procedure to obtain grants without budget authorization, in some cases for projects previously vetoed by the governor.

• The State Bar of Michigan is the first in the nation to adopt **ethics rules** disciplining lawyers and judges who engage in unlawful discrimination. The proposed rules require state Supreme Court approval before becoming effective.

• *Roundup* will be published next on November 16, following the legislature's return to session.

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