



Public Sector Reports

Michigan ROUNDUP

Legislative Week in Review

- The **Michigan Senate** began its fall session Wednesday. The Senate's major priorities for the coming months will be legislation to fight drugs and crime, dispose of and clean up hazardous waste, improve the quality of education, require parental consent for teenagers seeking an abortion, and reduce drunken driving. Senate Majority Leader John Engler (R-Mt. Pleasant) said he would not give up his majority leader position while he campaigns for governor. Senator Rudy Nichols (R-Waterford), chair of the Senate Judiciary Committee, announced his support of "crime package II," a group of bills he believes will help solve the state's drug problems. Among other things, the package calls for a Racketeer Influenced and Corrupt Organization Law, creation of multicounty grand juries, a procedure for tracking all cash transactions exceeding \$10,000, court-supervised wiretapping in certain cases, and mandatory rehabilitation for drug-addicted mothers or pregnant women.
- Under legislation introduced by Rep. David Gubow (D-Huntington Woods), pregnant women who have tested positive for the AIDS virus would be exempted from the ban on **Medicaid-funded abortions**. Governor Blanchard also wants exemptions for pregnancies in which the mother's health is at risk or those resulting from rape or incest.
- The House passed legislation that would change the way the director of the **Department of Natural Resources** is appointed, giving the authority to the governor rather than the Natural Resources Commission. Supporters contend the change would clarify who is accountable for the director's activities. Most environmental groups oppose the change, contending it would politicize natural resources policy making.
- **High school dropouts** would lose the privilege of operating a motor vehicle under a bill approved by the House Education Committee. Supporters believe such a law would provide an incentive for students to stay in school.
- Charging that the legislature's integrity is at stake, House Minority Leader Paul Hillemonds (R-Holland) again urged House Speaker Lewis Dodak (D-Birch Run) to designate a committee to review disciplinary action against Rep. **Dennis Dutko** (D-Warren), who has refused to resign following convictions for drunken driving. Hillemonds warned that if this does not happen, the Republican caucus will likely call for expulsion. An announcement about Dutko is planned for Monday.

Political News

- The results of a Michigan Chamber of Commerce poll indicate that **school finance proposals A and B** are opposed by Michigan voters. Proposal A, which would raise the sales tax from 4 percent to 4.5 percent to provide additional funds for education, was narrowly defeated in the poll. Proposal B, which would raise the sales tax to 6 percent, met with greater opposition. The Chamber of Commerce, which opposes the increase, plans to boost its speaking engagements to provide more information about the proposals to persuade voters that a sales tax increase is not needed for education.
- Governor James Blanchard urged greater attention to preschool programs and flexibility in federal spending in his meeting with President Bush at the **governors' education summit** at the University of Virginia this week. Blanchard asserted that "preschool works" and encouraged expansion of the federal Head Start program. Bush, who announced that the meetings would not result in any new federal spending programs for education, said the summit focus was on national performance goals and achievement test standards.
- Blanchard and other governors are lobbying Congress to delay for two years multimillion-dollar federal **Medicaid** requirements that would jeopardize some state programs for the poor and mentally ill. Blanchard asserts that these measures are an attempt to shift the cost of federal programs to the state. Michigan budget specialists and Medicaid officials predict that the requirements would force the state to cut services to Medicaid recipients that are not federally mandated, including pharmaceutical services and medical and oxygen equipment.
- Senate Commerce Committee Chair Dick Posthumus (R-Alto) announced the conclusion of the committee's two-month investigation of the handling by the state Insurance Bureau of **Cadillac Insurance Company** affairs. While Posthumus stated the committee is convinced allegations of impropriety either are unfounded or cannot be proven, it wants legislation drafted that would clarify the regulatory duties and procedures of the bureau. The committee's file is being turned over to the state attorney general, who also is conducting an investigation.
- According to the Michigan Department of Public Health, Michigan ranks eighth among thirteen states recently participating in a national survey to determine rates of **AIDS** infection among pregnant women. Seven in 10,000 fetuses in the state are exposed to the AIDS virus.