



## Michigan ROUNDUP

....A new bill (SB 135) that would raise the speed limit to 65 mph on rural interstate highways and implement harsher penalties for law violators passed the Senate Wednesday. Governor Blanchard is likely to oppose it, however, because the bill does not include a \$5 surcharge on fines to be used to pay for increased police enforcement of the speed limit. Conference committee negotiations are continuing on SB 163, which would raise the limit to 65 mph. The House, Senate, and governor may agree on speed limit legislation within two weeks.

....The Senate also approved budgets for the departments of Commerce, Mental Health, Natural Resources, State Police, and Social Services, all of which are included in SB 118. A separate and identical DSS budget bill, SB 449, also passed the Senate and is likely to be the bill that ends up in conference committee. SB 449 cuts DSS monies by \$11.4 million and delays a 3 percent increase for outpatient hospital services and welfare grants until March 1.

....A special House committee on low-income housing, chaired by Representative Charlie Harrison, Jr., states that nearly 158,000 Michigan households spend over half of their income on shelter, much of it below standard. "Our low-income citizens face severe problems in obtaining and maintaining safe, decent, and affordable housing," said Harrison in the Lansing State Journal. The report made 57 recommendations to improve the statewide situation, including raising shelter allowances for welfare recipients and establishing a statewide housing code.

....Tiger fever has struck. The House cancelled its night session for October 12--the night scheduled for the fifth game of the American League Championship series.

....The October issue of Inc. praises Michigan and Pennsylvania as the two states that are "the real innovators in economic policy." The magazine focused on Michigan's growing venture capital programs, describing the Michigan Strategic Fund as "perhaps the most sophisticated finance agency in the country." In the same issue, Inc. rated the fifty states for their success in "stimulating entrepreneurial activity and economic expansion." Michigan ranked 19th, higher than all other Great Lakes states, and up from 25th a year ago. Arizona, New Hampshire, and Maryland rated the highest, while Montana, North Dakota, and Wyoming anchored the bottom of the ratings.

....Sixteen of the twenty-three HMOs in Michigan lost money in 1986, according to Insurance Bureau figures. Although net 1986 losses totaled over \$11 million, after a net profit of \$10.8 million in 1985, enrollment grew by 25 percent from 1985 to over 1.3 million members. To attract new members, many HMOs did not raise rates in 1986 even though medical care costs rose. The losses could result in rate increases or more limits in medical care choices.

....Steven Fetter, a former Senate Republican staffer, has been officially appointed to the Public Service Commission. A confirmation hearing is scheduled for November 4; the Senate has until December 4 to act on the appointment.

....Senate Majority Leader John Engler and House Minority Leader Paul Hillegonds no longer plan to propose legislation to change state Republican party rules. Nonetheless, more than 60 George Bush supporters filed a lawsuit Thursday in Kent County Circuit Court against the Michigan Republican State Committee challenging a new rule that prohibits party nominees, many of whom are Bush supporters, from voting in county conventions. The committee is run by a Pat Robertson-Jack Kemp coalition, and the rule increases the local power of coalition supporters.