



Public Sector Reports

Michigan ROUNDUP

Legislative Week in Review

- The Michigan Senate passed two anticrime bills designed to assist in the state's war on drugs. One—called the “no-knock” bill—would allow police to enter a house to search for drugs or other criminal evidence without knocking first if they had received a search warrant from a judge. The bill is on its way to the House where it faces some opposition because of concerns about privacy issues. The other bill allows for the creation of multicounty grand juries, which law enforcement agencies believe would help them better fight statewide drug rings. This bill is awaiting the governor's signature.
- The Senate Human Resources and Senior Citizens Committee heard testimony Tuesday on SB 513, which would require a female under age 18 to receive parental consent before being allowed to have an abortion. The committee's chairperson said the bill is likely to be reported out October 17.
- Rep. Nelson Saunders (D-Detroit), sponsor of a bill to prohibit the use of territories as a criterion in setting base rates for auto insurance, said he will revise the bill in light of opponents' concerns that outstate residents' premiums would go up in order to pay for premium reductions in metropolitan areas. Saunders disagrees that the bill would increase outstate premiums but is revising the proposal in favor of a uniform rating system because he believes the bill would have a better chance of passing.
- The Senate Fiscal Agency (SFA) Wednesday presented its latest revenue and expenditure estimates to the Senate Appropriations Committee. The SFA revised upward its May 17 general fund/general purpose (GF/GP) and school aid fund (SAF) revenue estimates by \$45.4 million for FY 1988-89 and \$36.9 million for FY 1989-90. GF/GP and SAF revenues are expected to increase 5.4 percent in FY 1988-89 and 2.5 percent in FY 1989-90. The SFA now is forecasting a year-end balance of \$144.2 million for FY 1988-89, compared with a Department of Management and Budget estimate of \$94 million, and a balance of \$3.5 million for FY 1989-90. The FY 1989-90 estimate assumes overexpenditures of \$80 million, mainly in human services, and a \$68.8 million withdrawal from the Budget Stabilization Fund to pay increased school aid costs resulting from the passage of the Detroit and Lansing school millages.

Political News

- The U.S. Department of Education has revised a May report that ranked Michigan 48th in the number of students who graduate from high school, changing the rank to 25th. The original report stated that only 62.4 percent of the state's students receive high school diplomas; the revision indicates that 74 percent graduate. Officials attribute the change to more accurate data.
- Mayor Coleman Young urged the reelection of Detroit City Council members Barbara Rose-Collins, David Eberhard, and Nicholas Hood but added that he would not indicate a preference for city council president. Although Young encouraged an audience of ministers to support these candidates this week, he refused to call his backing an endorsement.
- A group of Michigan State University students rallied at the state capitol to encourage the legislature to fund Michigan's universities equally. MSU currently is funded at a lower rate per student than Wayne State University, the University of Michigan, and Michigan Technological University, which the group says results in significant annual tuition hikes for MSU students.
- Steven Young, manager of taxation for the Michigan State Chamber of Commerce, House Minority Leader Paul Hillegonds (R-Holland), and Sen. Dan DeGrow (R-Port Huron) are among those who say a television advertisement endorsing Proposal A is misleading. The proposal would provide \$400 million in additional state funds to schools by increasing the sales tax one-half percent. The opponents contend that the 60-second advertisement misrepresents the uses intended for these funds and have launched a campaign to have the ad removed.
- When reported on October 23, third-quarter 1989 earnings for General Motors, Ford, and Chrysler are expected to be lower than last year's levels due primarily to incentive costs, a result of extensive incentive programs undertaken by the Big Three in the second and third quarters of 1989.
- According to state tourism officials, Michigan's 1989 travel season was successful, but they predict a leveling-off from previous record-breaking years. A spokesperson for the Michigan Travel Bureau estimates that year-end tourism revenues will be more than \$16 billion for 1989.
- Sarah Brady, wife of former presidential aide James Brady and national chairwoman of Handgun Control Inc., held a press conference in Detroit Wednesday to urge state lawmakers to ban assault weapons. A bill to ban the weapons is expected to be introduced yet this year; it will face strong opposition from the National Rifle Association and the Michigan United Conservation Clubs.

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