Gerald Faverman, Ph.D. • Chairman of the Board Craig Ruff and Christine Fedewa • Editors

Volume 6, Number 33 November 17, 1989

Michigan ROUNDUP

Legislative Week in Review

Public Sector Reports

tical New

Sen. Mitch Irwin (D-Sault Ste. Marie) and Rep. Sharon Gire (D-Mt. Clemens) announced plans to introduce legislation to reduce the undue influence of special interest groups on elected officials. The bills, which have the governor's support, would prohibit honorariums, require reporting of reimbursement for travel expenses exceeding \$25, and mandate annual disclosure of personal finances.

• Each local school board would have to decide by January 1993 whether parents in their district should be allowed to choose the schools their children attend under a bill now before the full House. The so-called schools of choice bill, intended to improve the quality of education by introducing competition among schools, has the support of Governor Blanchard, business groups, House and Senate Republican leaders, and President Bush. Most education groups, excepting the Michigan Federation of Teachers, and some urban lawmakers oppose the bill, believing some disadvantaged students would not benefit from such a system.

• State funding of higher education institutions should be based on national comparisons of similar universities and student enrollment according to a state Department of Education report. To increase state influence on university policies in such areas as tuition levels and minority enrollment, the report recommends offering cash incentives to institutions that meet state standards.

• A Senate committee unanimously approved a bill to **crack down on criminals**, such as drug dealers, who have a pattern of continuing illegal activity. In addition to increasing prison sentences and fines for persons convicted under the bill, it would authorize the forfeiture of property if a special hearing showed it was gained from criminal activity. Similar legislation will be introduced in the House.

• Insurance agents would have to renew their licenses every two years and take continuing education classes or home study under HB 4190, passed by the House Tuesday.

• Thomas McTavish, C.P.A., was appointed earlier this month to the post of state auditor general. McTavish is a native of Pennsylvania where he served as deputy auditor general. He succeeds Franklin Pinkelman, who is now vice president and general auditor of Blue Cross and Blue Shield of Michigan.

• Public Sector Consultants Wednesday released a report that ranks Michigan school districts by their student performance, financial means, and value (performance adjusted for financial means). *Profiling Michigan's School Districts* is believed to be the first-ever comparison of Michigan Education Assessment Program (MEAP) scores, dropout rates, spending on basic programs, per capita income of residents, instructional staff per 1,000 students, and relative tax effort (an indicator of the tax burden on a district's tax base) for the state's K-12 school districts. "Our aim," said PSC Chairman Gerald A. Faverman, Ph. D., "is to accelerate the pace by which true value can be established for public schooling. K-12 education is on an inexorable march toward accountability, accountability that will be driven by facts, not anecdotes."

• According to the *Detroit Free Press* the Michigan departments of Public Health and Social Services have stalled for almost a year the release of a study they commissioned that reports that poor children are 2.5 times more likely to die than other children in the state. The study also indicates that 60 percent of childhood deaths in Michigan are preventable and confirms a close link between poverty and childhood death, noting that the number of children who live in poverty has increased substantially in recent years. Michigan's infant mortality rate is 1.2 times the national rate. Department officials denied accusations that the lag was politically motivated.

• A previously undisclosed meeting between U.S.Senator **Donald Riegle**, Jr., and Charles Keating, Jr., owner of Lincoln Savings and Loan, was revealed this week during preliminary reviews by the Senate Ethics Committee. The March 1987 meeting at Keating's Arizona offices has raised questions about whether the relationship was closer than Riegle has indicated. Riegle, chairman of the Senate Banking Committee, received political contributions from Keating during the time that Lincoln Savings and Loan was fighting a federal takeover that will cost taxpayers an estimated \$2 billion.

• The U.S. House approved Wednesday legislation that provides a 39 percent congressional pay raise, bans honoraria, places limits on gifts and travel, limits outside earned income, and toughens conflict-of-interest rules. The Senate is expected to take up the House bill and its own draft of an ethics bill today.

Public Sector Consultants, Inc. Knapp's Centre • 300 S. Washington Square Suite 401 • Lansing, MI 48933 • (517) 484-4954