



Public Sector Reports

Michigan ROUNDUP

Legislative Week In Review

- The legislature reconvened Wednesday, the day of Governor Blanchard's eighth State of the State Message. The governor focused on health, education, the environment, crime, and the economy. Highlights include the following. **Health** Provide health care to children under age 10 who are uninsured or underinsured, scholarships to train minority physicians and nurses, and incentives for health care professionals to locate in medically underserved areas; create a new Department of Children and Families. **Education** Limit homeowners' future property tax assessment increases to the rate of inflation for school tax purposes, reimburse school districts from the general fund for any resulting loss in property taxes, expand preschool programs, increase compulsory school attendance to age 18, link school funding to the adoption of specific quality standards, examine education restructuring, and provide a bonding program for universities and community colleges to finance building projects. **Environment** Protect the Great Lakes through various initiatives, appoint an environmental auditor inspector general to direct an interagency compliance team, and promote recycling efforts. **Crime** Use the National Guard to tear down abandoned crack houses; increase the number of state troopers in Detroit; create a statewide, automated drug intelligence network; and provide incentives for increased use of police in drug-troubled neighborhoods. **Economy** Provide greater services to foreign businesses seeking to invest in Michigan and to Michigan businesses wanting to export, and increase support for the state's tourism advertising program.
- On Tuesday, Senate Majority Leader John Engler (R-Mt. Pleasant), the likely candidate of his party for governor, delivered the Republican perspective on the state's future. Highlights include: establish education as the top priority by dedicating a fixed percentage of the budget to guarantee a minimum of \$3,500 per pupil; reduce "corporate welfare" by eliminating selective property tax abatements and certain programs; reduce property tax rates; restructure the Department of Natural Resources into one division for the environment and one for game and wildlife conservation; regionalize the state's solid waste management system; encourage tenant ownership of public housing; and require minors on welfare with children to obtain a high school diploma.
- The House will meet again on January 16, the Senate on January 23. The Governor's FY 1990-91 Budget Message is expected to be presented in early February.

Political News

- Rep. Debbie Stabenow (D-Lansing) announced this week her plans to enter the state Senate race, seeking the vacancy to be left by Sen. William Sederburg (R-East Lansing), who last week announced his decision not to run for reelection. Stabenow's only declared Democratic opponent is MSU criminal justice professor Zoltan Ferency. Although no GOP candidate has formally announced, the *Lansing State Journal* reports that MSU Trustee and administrative assistant to Sederburg, Kathy Wilbur, stockbroker Scott Schultz, and real estate developer Paul Sterns all have said they would consider running. The outcome of this potentially heated race could determine control of the Senate. For Stabenow's 58th District House seat, Lansing Police Captain Jerry Mills may become the consensus Republican candidate. The *Journal* states that Democrats are expected to place a high priority on maintaining the seat, noting that Ingham County Clerk Lingg Brewer and at least one other unnamed county official have indicated interest.
- According to a gubernatorial election poll commissioned by the *Detroit News* and conducted by the Gordon S. Black Corporation of Washington, D.C., 53 percent of Michigan residents support Governor James Blanchard, 18 percent support Senate Majority Leader John Engler (R-Mt. Pleasant), and the rest are undecided.
- The *Detroit Free Press* reports that Kevin Gottlieb, longtime aide to Sen. Donald Riegle, Jr., will resign March 1 as chief of staff on Riegle's Senate Banking Committee. Gottlieb, a major participant in development of the 1989 savings and loan bailout law, intends to return to private consulting. Although Gottlieb is waiting for the outcome of a Senate Ethics Committee ruling regarding the listing of his outside personal income on disclosure forms required of Congress, including top aides, he and Riegle say that the resignation was planned and is not related to the pending ruling.
- According to the *Detroit Free Press*, Democrat Charles Busse and Republican Roman Kulchitsky, neither of whom have extensive political experience, and a third candidate, Libertarian Ronald Burcham, will face off next Tuesday to determine who will fill the 25th District seat vacated when Dennis Dutko resigned in October. The winner will hold the seat for one year. Busse and Kulchitsky cite reduction of property taxes for senior citizens as a priority; Burcham has proposed the legalization of drugs and the privatization of state-owned parkland.