

House approves cigarette, computer taxes

By Wayne Peal
staff writer

Wayne County's financial crisis appeared over Wednesday, when the state House of Representatives approved a series of new taxes designed to balance the county budget and reduce \$130 million in county debt.

"We're home," a jubilant Wayne County Executive Edward McNamara said after the vote.

The House approved a 4-cent-per-pack cigarette tax increase as well as a new tax on computer software. The measures were necessary to keep the state's largest county from going bankrupt, McNamara said.

As of Wednesday afternoon, House members hadn't approved a new state budget or a new tax on insurance companies — a pair of related measures being considered along with the Wayne County package.

Michigan's cigarette tax will now be 25 cents per pack. The tax increases are expected to take effect as soon as Gov. Blanchard signs the legislation.

"THE REVENUE stream is now in place," McNamara said. "Think of where we came from, a county on

the verge of receivership pleading to a statewide legislature."

Other counties, including Oakland, will share in the new taxes.

Cigarette and computer taxes are expected to provide a combined \$55 million annually in tax revenue. The cigarette tax increase will raise as much as \$16 million a year to retire Wayne County debts, said Rep. James Kosteva, D-Canton Twp. It will also provide a combined \$17 million annually for other counties. Wayne County's share will shrink to \$4 million over time, as it pays off debts owed the state.

In addition, Wayne County also stands to receive most of \$11 million in new tax revenue targeted to provide health care for the needy, plus an expected \$9 million in increased federal Medicaid payments.

An additional \$11 million would be reserved to provide AIDS education programs and free blood tests, Kosteva said.

Rep. Mat Dunaskiss, R-Lake Orion, voted against the package. "It's a statewide tax for Wayne County problems," Dunaskiss said.

The state Senate was expected to vote on a number of related measures, including a tax on Metro Airport parking. That vote hadn't occurred as of Wednesday afternoon.

The Senate and House approved various measures last week, but measures needed confirmation in both houses. The cigarette tax increase was approved by the state Senate Dec. 11. The House approved the other measures, including the airport parking tax, the same day.

Both houses are also expected to soon vote on changes in county medical service to the poor. The county seeks to have service provided through a private Health Maintenance Organization.

The county's indigent health care program is its biggest budget drain, officials said.

EARLIER THIS month, McNamara ordered \$12 million in cuts to balance the county budget.

Cuts would have closed a floor at the county jail, reduced county payments to mental health care agencies and closed the county park system. Twenty-one sheriff's deputies assigned to the jail and 10 assistant prosecutors would have been laid off.

Many of the cuts are expected to now be canceled.

The jail and prosecutor's office cuts were being challenged in court. Sheriff Robert Ficano and Prosecutor John O'Hair both filed separate suits in Wayne County Circuit Court to keep staff members on the job.

Ficano said he'd drop his suit if the Legislature approved the package.

"We filed to protect ourselves," Ficano said before the vote. "But we need to have the Legislature approve

this quickly. The layoffs go into effect Friday."

If the package had failed, Ficano said he would have pressed for immediate consideration of the suit. Ficano filed as part of his original suit to expand county jail space.

O'Hair said he would drop most of his suit if the package passed.

"If the legislature brings the proposals to reality, it would moot a significant part of the lawsuit," O'Hair said earlier in the week. "But one aspect remains with regard to filling vacancies."

O'Hair said he would continue to sue to speed up the county's hiring process.

"It sometimes takes three or four months to fill a vacancy," he said.

Of 140 assistant prosecutors' positions contained in the county budget, O'Hair said 125 are currently filled.

Health care officials were less optimistic about the return of full ser-

vices.

"I DON'T know whether services will be restored or not," said Dr. Thomas Herzberg, director of Suburban West Community Center. "The latest word we have is that the Legislature is considering a \$80 million (state) budget cut. It seems that even if we get out of this, we're going right back into the fire."

The Redford Township-based center provides mental health care services to nearly 800 Redford, Livonia and Plymouth/Canton residents each year, Herzberg said.

Growth Works Inc., a Plymouth-based counseling center, doesn't expect any financial support from the county, regardless of the Legislature's action.

"We were told last June not to expect any more money," director Dale Yagiela said.

At one time, the county had financed a youth development program at the center, Yagiela said.

How locals cast votes

The cigarette tax increase passed, 56-19. Here's how local legislators voted on the bill:

Oakland County
Yes: Maxine Berman, D-Southfield; W.V. Brotherton, R-Farmington; David Honigman, R-West Bloomfield; Judith Miller, R-Birmingham.

No: Mat Dunaskiss, R-Lake Orion; Gordon Sparks, R-Troy; Wilfred Webb, D-Hazel Park.

Democrats voted 47-15 to approve the cigarette tax. Republicans voted 9-34 against the measure, though House minority leader Paul Hillemonds, R-Holland, supported the measure.

WANTED

GERMAN & JAPANESE
WAR RELICS, DAGGERS,
SWORDS, MEDALS,
GUNS, STEINS, ETC.

PRIVATE COLLECTOR
PAYING HIGHEST PRICE!
532-8921

Hilda Ltd. KILAND

Give Someone a HILDA

A perfect gift: Gift Certificates from HILDA

contemporary styled
Icelandic woolsens
for men and women
a few Nordic steps from
the Birmingham Theatre

255 S. WOODWARD at BROWN
BIRMINGHAM • 642-6160

GENIE: THE GIFT THAT OPENS ALL YEAR

Early birds and others enjoy award-winning garage door in good mood as to 7' x 7' high

Our Best 1/2 H.P. Screw Drive Unit PRO 9800

- Digital Transmitter
- Heavy Duty Construction
- Twin Lights
- Auto Safety Reverse
- 5 Year Warranty

If You Want Professional Installation Compare Before You Buy!

Regularly \$299.95
Now Only \$239.95 Installed Save \$60

We Service All Garage Doors & Opener Systems

MICHIGAN DOOR
A INSTALLATION
135 N. Rochester Rd.
(Just N. of 14 Mile)
Rochester Call 338-3100 Troy Call 589-9120

More people look to Meyer

FOR FINE JEWELRY...

can you afford to look the other way?

Look at the facts: For years, we here at Meyer Treasure Chest stores have made no secret about the fact that we were the leading jeweler in Metropolitan Detroit. Recently, we took steps to verify how we are perceived in this market. Early, in September 1987, we hired an independent market research firm to conduct a survey in a random sampling of this three county market. They not only took a close look at us; they also compared us with other major competitive chains. We have to admit that the results were very pleasing and we would like to share a few of our findings with you.

- ☐ More people said, Meyer Treasure Chest, when questioned on TOP-OF-THE-MIND awareness.
- ☐ More people said, Meyer, on unaided awareness.
- ☐ In total awareness, Meyer was still on top although most jewelry chains did relatively well.
- ☐ Among those who had made purchases, Meyer again led the group.
- ☐ Meyer Treasure Chest was also the most mentioned, when those surveyed, expressed where they would make their next purchase.
- ☐ Meyer was also rated tops in the categories of merchandise style, quality and customer service.
- ☐ When questioned about competitive pricing, Meyer Treasure Chest compared very favorably against other major competitors. It has always been our policy, at Meyer, to offer the right price from the very start, we do not offer merchandise at sale or discount prices.

We at Meyer feel that when your looking for jewelry it makes sense (dollars and cents) to look to the leader.

Why settle for less than treasure chest?

CELEBRATING OUR
67th Christmas

ESTABLISHED 1920
Michigan's Largest Jeweler

Meyer

TREASURE CHEST STORES

BUDGET ACCOUNTS UNLIMITED MASTERCARD VISA AMERICAN EXPRESS CARTE BLANCHE DINERS CLUB DISCOVER