

# Gas tax increase on hold — Blanchard

By Tim Richard  
Staff writer

Gov. James Blanchard dashed cold water on suburban hopes of raising the state fuel tax for better roads in the near future.

Asked if he thought the Legislature would pass a proposed 2-cent-a-gallon tax increase, Blanchard said, "Probably not, and I'll tell you why."

"Gas prices have shot up, and

there's concern the oil companies are taking advantage of the current situation, citing the Exxon Valdez incident (in which an Exxon tanker ran aground and spilled oil on the Alaskan coast).

"Until those gas prices level off and the federal and state governments get a handle on why gas prices went up so quickly, I don't think anything will happen" in the Legislature.

In the last two months, pump prices

have risen about 15 cents a gallon.

THE OAKLAND County Road Commission is seeking an even bigger increase than the current legislative bill calling for a 2-cent hike on gasoline and another penny on other petroleum products.

The Oakland panel wants increases of 2 cents a year for three years, for a new total of 6 cents.

Current state gasoline tax is 15 cents a gallon.

The Oakland proposal calls for putting half the new money in the general road fund and half in an economic development fund, which would go back to counties experiencing great economic growth. Under that formula, Oakland has been the biggest winner, followed by Kent County.

Each penny of the gasoline tax produces about \$45 million in revenue.

Wayne County Executive Edward McNamara has supported the current legislative bill in testimony before a House committee.

Blanchard predicted a "modest" increase "at some point."

THERE'S STRONG disagreement

over how important a problem roads

are. Oakland polls show roads are

the No. 1 problem.

But Blanchard, in Novi last week

to attend a small business conference, said his economic agenda was

drawn from the shopping list of small entrepreneurs.

"Oakland voters themselves turned down a (road) proposal, so there's some controversy as to how important it is to everybody," Blanchard said. Oakland voters last Nov. 8 rejected, 3-1, a \$25 per vehicle fee for local roads.

"The bad news is that we have far more demands for infrastructure than money. The good news is we're growing — faster than we expected," the governor said.

He recalled that a 2-cent-a-gallon increase took effect in 1983 and a fee package was passed in 1987, "and there's still enormous demands."

## School bill delay called 'mistake'

By Tim Richard  
Staff writer

"Big mistake," said Gov. James J. Blanchard of a legislative committee's rejection of one of his major school quality measures.

"Ultimately they will pass it," Blanchard said in a Novi news conference last week.

Philosophy of the plan is to reward success, not prop up failure," he said.

THE HOUSE Education Committee turned down the Governor's achievement incentive (GAIN), a plan to reward school buildings with grants averaging \$15,000 for reaching planned goals.

Those goals could be improved standard test scores, reduced dropout rates, greater student participation in extracurricular activities, and improved post-graduation job placement.

"It's not for Bloomfield Hills, to get their average score from the 90th to the 92nd percentile," the governor told a news conference.

"It's for average schools in big cities."

As amended, House Bill 4444 would limit grants to 25 percent of the buildings in any K-12 school district.

Democrat Blanchard noted Republican President George Bush had proposed a similar national program of incentive grants. "Ours has more money and more teeth," Blanchard said.

THE 19-MEMBER House Education Committee voted eight yes and nine no on reporting the bill to the House floor. Two members didn't vote.

The panel was split across party

lines and across city-suburban-out-state lines.

(In Thursday's edition, the vote of Rep. Justine Harris, D-Westland, was not recorded. She voted no.)

In part, committee members resented Blanchard's political exploitation of the issue. Others feared the GAIN program, estimated at \$15 million for fiscal 1990, would drain other meritorious programs, such as those for dropouts and pregnant teens.

BLANCHARD said a U.S. Department of Education report showing Michigan with a high dropout rate was evidence of need for "massive preschool education."

The federal report said Michigan plummeted to 48th in the nation with only 62 percent of students graduating from high school.

White state school officials criticized the way statistics were gathered, Blanchard said they showed that "we have to start in the early

years" to prepare children for schooling.

He said 40,000 to 50,000 Michigan youngsters are in danger of ultimate failure even before they start kindergarten.

THE GOVERNOR predicted success for a proposal to ask voters to raise the state sales tax a half-cent to pump \$400 million in new money into schools.

"No plan until now has had support beyond the education lobbies," Blanchard said. "We think it can win at the ballot."

He said the plan, drafted by a committee headed by former college president Edgar Harden, is supported by the two major teachers unions, manufacturers, retailers, PTAs, the United Auto Workers, the AFL-CIO, auto dealers and the League of Women Voters.

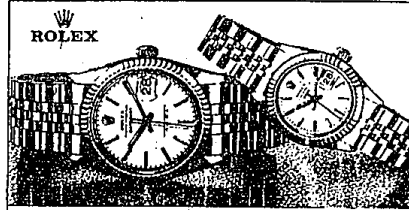
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Notice is hereby given that sealed bids will be received by the School District of the City of Birmingham at 550 W. Merrill Street, Birmingham, Michigan, until 4:00 p.m. May 16, 1989 for Asbestos Abatement work in the school district. Bids will be opened and read publicly at the board meeting that evening.

Bidders may obtain contract documents from Barton Malow Co. the Construction Manager at 27777 Franklin Road, Southfield, Michigan 48034. Attention: Jim Robertson. Telephone (313) 351-4500.

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