

Michigan avoids government shutdown

by UPI

LANSING, Mich. -- The state of Michigan avoided another pending government shutdown when it passed the new state budget early Wednesday morning. After 18 hours of legislative maneuvering, at 4:20 a.m. the state House and Senate finalized the 17 bills that compromise the \$9.7 billion general spending plan, the Detroit Free Press reported Wednesday. The 2007-08 budget is \$760 million larger than the previous fiscal year even with more than \$430 million in budget cuts and savings measures. The state plans to close three prisons, two State Police crime labs and may call for layoffs at the state's Department of Natural Resources. School districts also saw a smaller increase in funding than previous years. The budget calls for a \$154 million increase in state Medicaid expenses. State leaders expressed relief that the looming budget crisis was over, the Press said. Republican state Sen. Mike Bishop, R-Rochester, the Senate majority leader, said "the state is facing some rather dramatic economic issues and it's going to take us some time to recover" but noted that the new budget was "clean and competitive."

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