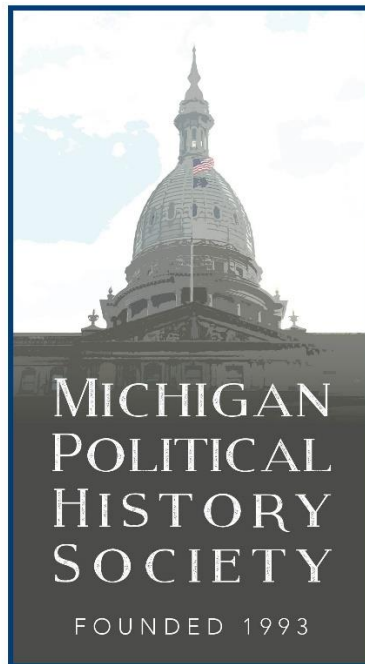


PAUL HILLEGONDS

Interviewed by
Bill Ballenger
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Bill Ballenger: This conversation with Paul Hillegonds, former speaker of the State House of Representatives, is part of the James J. Blanchard Living Library of Michigan Political History, a project of the Michigan Political History Society.

Bill Ballenger: I'm Bill Ballenger and I'm here with former speaker Paul Hillegonds and I'd like to ask you, Mr. Speaker, when did the Hillegonds family, and for that matter your mother's family, get to Holland, Michigan?

Paul Hillegonds: Well, my parents met at Hope College. My dad was a minister and after he completed seminary we moved to New York state. Chatham, New York and Rochester, and only returned to Holland in 1960 when I was in sixth grade and I completed high school in Holland and went off to the University of Michigan after that. So Holland was always home when I was growing up.

Bill Ballenger: Were both your parents from the Holland area originally even before Hope College?

Paul Hillegonds: No. My dad was from the south side of Chicago and my mom was from Hackensack, New Jersey.

Bill Ballenger: Wow. Well, how did they get together between Chicago and Hackensack?

Paul Hillegonds: Only Hope College brought them together. My dad returned to complete his education after the war and my mom had enrolled at Hope College. She was part of the Dutch reformed community in Hackensack.

Bill Ballenger: Well, now that's the thing that's always confusing to a lot of people. Is it the Dutch reformed? Is it the reformed church? I mean, explain the difference.

Paul Hillegonds: Well, the reformed church in America and the Christian reformed church in America both started with the Dutch immigration to the country, mainly around the New Jersey, New York area, and then a movement to West Michigan. Somewhere along the line the two denominations became separate and now they're talking about coming back together again, as a matter of fact.

Bill Ballenger: Well, now were you the only child in your family? You have any brothers or sisters?

Paul Hillegonds: I have one brother who is 19 months younger than I. We always were pretty close in growing up together and remain close.

Bill Ballenger: Was there any politics in the background of either one of your families? Like did your brother take an interest in politics? How about your father, mother, their parents or whatever.

Paul Hillegonds: Well, my father was always interested in politics. I think his experience in the war not only led him to the ministry, but he became very intensely interested in

politics. I remember once he dragged me out of the basement where I was practicing with a rock band I was in to watch the Winston Churchill funeral and he talked about the importance of Winston Churchill during the World War II era. It wasn't just an interest that he had in history. It was very much a feeling that politics was important. It probably was one reason I decided to run for president of the junior high school in Holland and started becoming engaged in politics through student council.

Bill Ballenger: So you were kind of interested in politics at an early age yourself, at least student council politics and because of your father's interest. He never really acted on it in terms of being a candidate himself, he just took a very active interest in following politics.

Paul Hillegonds: He did and I think probably I was a product of the John F. Kennedy era, which was inspiring and engaging for young people. My dad, after he served five years in a church in Holland, became chaplain at Hope College during the Vietnam era. So while he never ran for office, he was on a college campus during a very intense political era. I subsequently attended the University of Michigan and couldn't help but be interested, engaged in politics given all that was happening on campus at the time.

Bill Ballenger: Were you active in campus politics at the University of Michigan at all?

Paul Hillegonds: On the margins. I attended, for example, the Chicago Convention as a protester.

Bill Ballenger: This was which convention?

Paul Hillegonds: The 1968 Convention.

Bill Ballenger: The Democratic Convention. Okay.

Paul Hillegonds: The Democratic Convention. Yes. That was my first convention and I was there for Eugene McCarthy in Grant Park. That was my first convention experience.

Bill Ballenger: So you consider yourself a Democrat at that point?

Paul Hillegonds: I was more interested in what was going on in the Democratic Party at the time. Yes. I can't say I was strongly involved in either party. What helped to define the direction I suppose I took was I became an intern in the first Washington Internship Program that U of M sponsored and ended up working in Marvin Esch's office between my junior and senior years.

Bill Ballenger: Congressmen from Ann Arbor, Republican.

Paul Hillegonds: Republican.

Bill Ballenger: So that converted you to become a Republican?

Paul Hillegonds: You know, again, I don't think I had a strong allegiance and Marvin Esch was a very moderate Republican. I liked his politics and that led to a job after I graduated from the U of M in a Republican office, mainly because Marvin Esch's staff helped me land a job in Phil Ruppe's office.

Bill Ballenger: So you graduated from the University of Michigan in?

Paul Hillegonds: 1971.

Bill Ballenger: In '71.

Paul Hillegonds: Yes.

Bill Ballenger: And so you immediately went to Phil Ruppe's office in Washington? He was a Republican Congressman from the Upper Peninsula, a moderate Republican like Marv Esch.

Paul Hillegonds: Yes.

Bill Ballenger: And so you worked in that office what, about three years?

Paul Hillegonds: I actually worked there seven and a half years. I started out as his legislative assistant. Three years into the job, the administrative assistant, now called chief of staff, there left his position and Phil asked me to run his office and so I essentially served as his chief of staff for about four and a half years.

Bill Ballenger: Well, so you were there during the latter stages of the Nixon Administration through Watergate?

Paul Hillegonds: I was.

Bill Ballenger: And the Ford Administration?

Paul Hillegonds: Yes a couple years of Carter.

Bill Ballenger: And into the Jimmy Carter Administration. What was your impression of Washington at that time? And by the way, why didn't you stay in Washington? I don't think you've ever returned.

Paul Hillegonds: I never have. I loved working on Capital Hill and I respected greatly, both Marvin Esch and Phil Ruppe. They were pragmatic, very focused on policy and represented very different districts, the Upper Peninsula and Ann Arbor are very different but very independent districts in a way. They really had to pay attention to both sides of the aisle and the independent electorate and that probably shaped some of their own interests. I really felt after a while that being on a congressional staff indefinitely made you more of an observer of the

process as opposed to being directly involved, unless you were on committee staff helping to write legislation.

Paul Hillegonds: So when I received a call from the then chair of the Ottawa County Republican Party, Jim Dressel, asking me if I would consider running in an open seat at the same time he had decided to run for office just north of the district that I ran in, I was intrigued and I went home to explore the idea. Holland still had many old friends of the family and they encouraged me to run. I knew it would be a crowded primary, but I decided I'm going to take a leave of absence from the Washington staff. Phil was very supportive of that and I spent basically six months going door to door, which was the only way I could have won that seat given that I had been at U of M for four years and then away in Washington for another seven and a half.

Bill Ballenger: Well, lots of times people who work on congressional staffs in Washington, or let's say for a congressman but work at a district office, they build up a real relationship with the district. But here you had been absent, as you say all that time. That must have been tough coming back and like immersing yourself in an area where you've kind of felt maybe I'm a little out of touch here. I haven't been here.

Paul Hillegonds: It was, but through the work I had done for Phil and you will recall that I was going to have to make a change away from Phil's staff if I hadn't returned home because he was prepared to run for the Senate.

Bill Ballenger: For the Senate.

Paul Hillegonds: Until Bob Griffin decided to run.

Bill Ballenger: That's right. That's right.

Paul Hillegonds: But I, in the process of his exploring the Senate race, I became well acquainted with the Republican Party in Michigan, including Keith Hartwell who used to work for Marv Esch. Was then executive director of the party and Keith really helped shepherd me around Lansing and while the party had to stay neutral in my primary, they certainly provided a lot of good advice and I think gave a lot of comfort to local Republicans who didn't know me that well.

Bill Ballenger: You said when you were in Washington you kind of felt like even though you were running the congressman's office, you were more like an observer, but you really developed a passion fire in the belly, so to speak, to actually be a legislator yourself and you decided this is something I really want to do. What was it that really made you feel like it's not enough to just be around an elected legislator and help him, I want to actually be a legislator.

Paul Hillegonds: Well, I spent a lot of time observing both Marv Esch and Phil Ruppe in their committee work and really did have a passion for policy making as opposed to

the campaigns. I ended up running a couple of Phil's campaigns, would take a leave and go back to the Upper Peninsula, but my passion was around policy. And it's interesting when I spent a little time in Lansing, when Phil was exploring the Senate race, I had a gut feeling that I would enjoy Lansing much more than Washington because you were closer to home. The policymaking in a way was less academic and more real for people. I felt it was of a scale where you really could make a difference on policymaking. So it was that attraction to Lansing, I think, which caused me to think about running for office and I never really had much interest in returning to Washington to do policymaking there.

Bill Ballenger: Well now your big race was winning the Republican primary. You said you had five opponents?

Paul Hillegonds: Five opponents.

Bill Ballenger: And once you won that, I have got to say to anybody watching this, it's no surprise that that was a pretty heavily Republican district. So you didn't have too much trouble in November.

Paul Hillegonds: Incredibly that first race, I had five opponents in the primary and no opponent in the general.

Bill Ballenger: No opponent in the general.

Paul Hillegonds: Open seat.

Bill Ballenger: We can't get any easier than that. So, okay you're elected and let me just ask you about those first eight years you spent in the State House, four two year terms. Your district changed slightly under reapportionment beginning in 1982, but not much. I think the basis of it was really Allegan County with little pieces of attached counties, either Ottawa or Van Buren or maybe Barry, but you were in the minority in the State House. That's one thing that you shared with Mr. Ruppe and Mr. Esch in Mr Washington. They were in the minority. What was it like serving at that time in the minority in the State House in Lansing and they had been in the minority at that point since 1968. So you might have begun to feel like, "Hey, are we ever going to get the majority back?"

Paul Hillegonds: It actually, if I recall the numbers and you probably know better than I, but that first election in 1978, Bill Milliken won the state comfortably as I recall. Interestingly in Allegan County, the base of my district, he only carried the county with 53% of the vote and that was about the strength of the pro-life movement and there was a prison controversy. He wanted to locate a prison in Saugatuck, but at the same time he was winning comfortably. The Democrats I believe had a 70/40 margin in the House.

Bill Ballenger: Yes, I remember that. One of their biggest majorities ever.

Paul Hillegonds: So when I first entered it was important that we have leadership that was focused on policy and Bill Bryant who was our minority leader, really did encourage us not just to oppose the majority, but to come up with our own ideas about policies that should be enacted. So he assigned, what we were called the three musketeers, but Jim Dressel, and Paul Henry from Grand Rapids, and myself to a worker's compensation reform task force.

Bill Ballenger: The West Michigan Mafia.

Paul Hillegonds: The West Michigan Mafia, but essentially that was the seeds of something I did as leader later on. It was a task force that traveled the state, held hearings and came up with policy recommendations on worker's compensation. I ended up being appointed to the Labor Committee and I go into this because even though we were in such a small minority, I had the opportunity in the first couple of terms to get deeply engaged in negotiation over worker's compensation and unemployment insurance reforms that the governor, Bill Milliken, was pushing for. So those negotiations ultimately resulted in laws and as frustrating as it was to be in the minority, I was engaged in policy making that was part of a majority agenda.

Bill Ballenger: Well, did you feel that the Democratic majority in the house at that time, even though they could have just rolled over you and dismissed anything you said or thought because you were a minority Republican, that they really paid attention to you and that they did work with you?

Paul Hillegonds: They wouldn't have but for Bill Milliken. Bill Milliken helped to drive the legislative agenda and he, I think, helped create a climate in Lansing. It's not that we didn't have bitter partisan wars at times, but he did bring leaders from both sides of the aisle to the table and insisted on bipartisan policymaking. With Bill Ryan and Bobby Crim was speaker when I first entered the house, you had leadership and Bob Vanderlinden in the Senate that worked comfortably together with our minority leadership.

Bill Ballenger: Okay. So Bill Bryant is House Republican leader I think for your first four years. Then I think Mike Bush from Saginaw was the leader for the next four years. Did things change then? You had one election in 1984, which was pretty close. I think it was 57/53. There was an attempted coup by a maverick Democrat banding with Republicans. It didn't quite work out but what changed, if anything, there? Was it just pretty much more of the same with you all pretty much in a downtrodden minority?

Paul Hillegonds: Yeah. Actually you may recall that I actually ran against Mike for minority leader in 1984 and that was really about differences within our caucus that he had merged over reapportionment, redistricting and kind of the frustration that we were not as proactive on policy and there were a lot of budget deals being cut that were frustrating to a faction of the caucus. So while I would say Democrats and Republicans worked pretty well together, there were philosophical differences within the Republican Party about how the minority should behave.

Bill Ballenger: Did you feel that your faction in the House Republican caucus wanted to be a little bit more aggressive against the Democrats than what Mike Bush was doing?

Paul Hillegonds: Yeah, it's the old divide that, I don't know if it exists today still between kind of the appropriations part of the caucus, which was more interested in just getting budget deal's done and kind of the-

Bill Ballenger: Spending money.

Paul Hillegonds: Yeah, the standing committee side, the policy committee side of the caucus that really was more interested in more aggressive policy making. The best thing that could've happened to me that I was defeated in that effort because really my base of support was also more conservative faction of the caucus and I don't think I would have been a comfortable leader had I defeated Mike.

Bill Ballenger: Yeah. So then I think he decided to leave the legislature at the end of '86. You were elected leader and you began a six year period when you were in the minority as the leader, but still without getting the majority. So what did you put in place? What happened between '86 and '92? By the way, there was a momentous election in the middle of that, 1990 where John Engler came in as governor defeating Jim Blanchard. What happened during that time?

Paul Hillegonds: That was actually a very fulfilling chapter for me and I view the first part of my time in the legislature as an active committee member on labor, and Taxation Committee, and was a champion of sunset legislation and so was very engaged in policy making. As a minority leader, my main goal was to rid our caucus of minority mentality, which is how I viewed our tendency, after being in the minority for so many years a couple of decades, to simply feel comfortable opposing what the majority would propose and now really have many ideas of our own that we stood for.

Paul Hillegonds: I give a lot of credit to Frank Fitzgerald, who was on our leadership team and Vic Kraus who really initiated the idea when I first became leader of let's set up a series of policy task forces. It was Vic's idea to not just have the leadership say, "Here are the politically attractive issues that we ought to address." His idea was let's get our very diverse caucus together, because we did have philosophical differences, hear from our members what are the policies, the vision for the state that excite them and let's put their passions to work on these task forces.

Paul Hillegonds: That's what happened and over that six year period we had 24 task force reports with engaged Republican members pursuing what interested them and the results sometimes surprised me greatly. When a group of members, including a number of our women members said, "We need to address childcare," I thought, "Our caucus will never come together on childcare policy. It would require more spending of money, philosophical difference over that."

Instead, this group came together looking at best practices in the private sector, existing tax credits and how can we promote childcare in the state.

Paul Hillegonds: And it brought the caucus together and that's just one example where we stood for something and while it was ultimately a reapportionment map that would allow us to win a majority, I'm convinced if we hadn't shed our minority mentality and started to act like a majority, we never would have gotten there.

Bill Ballenger: Yeah. You got a lot of favorable publicity about those task forces too while they were held, and as you say, without them the only place that Republicans were meeting was always in committees with Democrats where they were in the minority and didn't have the input that they did under your structure.

Paul Hillegonds: Well, and the interesting thing, Bill, was that as we produced these reports, instead of just stewing about the fact that the bills that we would introduce would never get heard, our members started to go to work working with Democrats on amendments to their bills. That started to make a difference. With our small numbers, we did start to have more of an impact on policy making when we didn't have the help of a Republican governor because Jim Blanchard was governor for most of that period.

Bill Ballenger: Let me ask you a couple of questions that could relate to the time we've just been discussing from '78 to '92 or even thereafter. I'm just curious because it's come up recently in the Michigan legislature, particularly in the State House. That is number one, how was the issue of like two thirds majority vote immediate effect handled in the house while you were there? Whether you were in the minority or the majority, and that's very important because one lever of power that the minority controls you, the Republicans, is if you have greater than a third of the membership of the House, you can stop any bill from getting immediate effect if you all hang together.

Bill Ballenger: Supposedly the constitution seems to demand a record roll call if it's requested by the minority or anybody on immediate effect. Now there's been a big controversy over that. I'm not going to go into it here, but how was this handled during the time you were in the House? Was there ever a question by either side, Republican, Democrat, majority, minority, that they were being steamrolled by the party that held the gavel in the speaker's chair and wouldn't recognize them to have an immediate effect vote held and just gaveled some bill through?

Paul Hillegonds: Yeah. As I recall, both when we were the minority and the majority, there were instances, not too many, where the minority would challenge immediate effect. After being ignored a few times by the majority when the hands went up, as I recall, both we as a minority and the Democrats as a minority would circulate a list or a piece of paper and people would sign their names and get it up to the clerk and-

Bill Ballenger: Did they have the paper all signed ready to go? You'd have to get it up pretty fast.

Paul Hillegonds: They'd have to get it up first and very fast. I think honestly it didn't happen very often, but I think both sides when they needed to get immediate effect, found ways to-

Bill Ballenger: And it worked? It worked.

Paul Hillegonds: It worked sometimes and other times I think it was ignored.

Bill Ballenger: You mean they'd lose the paper? They wouldn't recognize the paper? Well, okay.

Paul Hillegonds: So it wasn't a hard and fast, but I don't think it's the issue that it is today. I don't think immediate effect as a tool was used. As I recall, some of the rule issues that we wanted to change when we became a majority one, we were upset that the board would be held open so long and we wanted to put a time limit on the board. We violated our own aspirations when we became majority, but there weren't many instances when we kept the board open longer than the five minutes.

Bill Ballenger: I hate to say it's been violated many times since you were there. They've reverted to their old behavior, but you're basically saying the supposition of the majority in the chair on most questions of immediate effect was, "We're going to give this bill immediate effect," and they would kind of gavel it through and you would really have to work as a minority to get their attention.

Paul Hillegonds: Yeah.

Bill Ballenger: And if they wouldn't recognize your raised hands, you get the paper up there, and hope that you can shame them into holding a vote.

Paul Hillegonds: Right. Right.

Bill Ballenger: So, periodically it was an issue.

Paul Hillegonds: Yes.

Bill Ballenger: What about speaking privileges on the floor? Were there instances over time, either Republican, Democrat, minority, majority, where people were muzzled? I mean, in the sense that the majority just would not recognize them. Not just on an ad hoc basis, but maybe they didn't like the member or maybe the member had said something that they thought was insulting, and they were going to punish the member. There was even one representative, who is now a lobbyist in Lansing, who claims that back in 1996 he was told by the Democratic Majority, this would have been in '97 I guess, we will not recognize you again.

Paul Hillegonds: Yeah.

Bill Ballenger: He claims he was never recognize again, the rest of the session. Did that behavior happen when you were there?

Paul Hillegonds: No. I don't recall where we would have unwritten rules that certain members wouldn't be recognized. There were members that wanted to speak on every budget bill with many amendments, and that was as much a problem for us. When we were a majority we had a conservative faction that wanted to oppose our own budgets, so we would tend to restrict the number of amendments they could speak to through informal agreement, but we never muzzled members. The toughest speaker in my experience was Gary Owen who-

Bill Ballenger: Democratic speaker between '82 and '88.

Paul Hillegonds: Democratic speaker. Yes. When some of our more conservative members consistently opposed budgets and offered amendments, he in fact when Republicans were finally granted a second staff person in their offices, denied that second staff person to three or four of our members, and that was his way of muzzling.

Bill Ballenger: Margaret O'Connor was one that I remember.

Paul Hillegonds: Right. Tim Walberg.

Bill Ballenger: Yes, yes. I remember.

Paul Hillegonds: Yes.

Bill Ballenger: Now Congressman Walberg.

Paul Hillegonds: Yes, right.

Bill Ballenger: Yeah. How did you get along with Gary Owen otherwise?

Paul Hillegonds: I think quite well. Interestingly, because of some of the policy work we did, I think we had an uneasy respect for each other. We had very different styles, and ultimately after he left the legislature, a friendship maybe strung. But you know, we've had a very good relationship.

Paul Hillegonds: Probably my most difficult relationship with another leader, was when we were felling like we were getting closer to majority, and that was Lewis Dodak. It didn't help that the Republicans targeted Lewis, and ultimately defeated him, in the year we gained half control.

Bill Ballenger: Well it helped when he wasn't there anymore.

Paul Hillegonds: Yeah. I think shared power would have been more difficult, had Lewis won re-election.

Bill Ballenger: With him than with Curtis Hertel?

Paul Hillegonds: Yeah. This started with muzzling, but Lewis exercised his power. When we very aggressively in the early '90s, when John Engler was having to cut budgets, we were all having to sacrifice, we went after the house budget. That upset Lewis, and he said, "Okay, you want to streamline the house budget? We're going to do away with the minority print shop, and do all the printing through the majority print shop." It resulted in the layoff of a number of our employees, and really did not help relations between the two parties going into the 1992 election.

Bill Ballenger: No. Yeah, looking even farther back to your first four years, Bobby Crim was a speaker, right, until 1982?

Paul Hillegonds: Yes.

Bill Ballenger: What was your impression of Bobby Crim, compared to let's say Gary Owen and Lewis Dodak.

Paul Hillegonds: Bobby was somewhere between Bill Ryan and Gary Owen in his style.

Bill Ballenger: Yeah.

Paul Hillegonds: He could be a very tough speaker, but he did with Bill Ryan's mentorship, cared a lot about policy. It was interesting because at times he would be bad cop, and really go after Bill Milliken, but in the end he would work out things with Bill Milliken and the Republicans.

Bill Ballenger: Yeah. Well now, Bill Ryan was still in the house, right?

Paul Hillegonds: Yes. He chaired the tax committee.

Bill Ballenger: Yeah, but he'd given up being speaker.

Paul Hillegonds: Right.

Bill Ballenger: He was speaker before Bobby Crim, so you actually probably got to know Bill Ryan. What was your impression of him?

Paul Hillegonds: I loved Bill Ryan. He was totally committed to the institution. While I disagreed with him on policy, more often than not, you always knew that he believed in what he was championing in the way of policy. It wasn't Bill Ryan reading a political poll.

Bill Ballenger: Right.

Paul Hillegonds: He cared deeply about policy.

Bill Ballenger: He really cared, yeah.

Paul Hillegonds: I served on his committee, when he chaired the tax committee, and I was privileged to actually serve under Bill Ryan and Lynn Jondahl, both great legislators. Far more liberal than I, but very focused on what they thought was the best policy for the state. They did want to hear the minorities view point. We didn't usually win our arguments, but we had the chance to speak and negotiate.

Bill Ballenger: Right. They were fair minded?

Paul Hillegonds: Yeah.

Bill Ballenger: Yeah, well okay. It's 1991, '92, you've got a house, that I think is 61 Democrats, 49 Republicans, something like that.

Paul Hillegonds: Yeah.

Bill Ballenger: Along comes the '92 election. You guys pick up six seats, and you tie, for the first time in 24 years, you've got shared power, 55, 55 tie, with the Democrats.

Paul Hillegonds: Yeah.

Bill Ballenger: This provoked a session that really was pretty historic in many ways. You became co-speaker. Can you go into that, and explain how that all worked out?

Paul Hillegonds: Yeah. Well, first of all, it wasn't clear how we were going to resolve this problem.

Bill Ballenger: A lot of people thought, it's just not gonna work.

Paul Hillegonds: Pat Gagliardi was the floor leader under Lewis Dodak. He came up with a great idea of passing a resolution in the lame duck session of '92, which said that if we couldn't resolve how to share power, whoever controlled in the prior session would control in the new session.

Bill Ballenger: Yeah. I'd say that was a pretty good deal for his side. Yeah.

Paul Hillegonds: But when the lawyers went to work, it was decided not to pursue that. Meanwhile, I was out talking with prospects on the Democratic side, whom I thought might vote for a Republican speaker.

Bill Ballenger: Might switch over.

Paul Hillegonds: It wasn't until December, when Dennis Muchmore, now Chief of Staff for Governor Snyder, and then Lobbyist, came to me and went to Curtis Hertel separately and said, "You know, you guys don't know each other all that well. You haven't served on the same committees, but I think you would like each other, so I'm going to set up a time when you can meet in a bar in Holt, just to get to know each other."

Bill Ballenger: The Democrats had already elected Hertel to be their leader to succeed Dodak, who had been defeated.

Paul Hillegonds: Yes. Right.

Bill Ballenger: Okay. So you meet a bar in Holt.

Paul Hillegonds: So, we met at a bar, and we got to know each other. It was probably a two hour visit, and decided that we really did need to try and figure out how to share power if we could. That resulted in intense work in late December, early January, to put together rules that would decide how we would share power. On our side, we did a lot of research. Indiana had been in a similar situation. They had decided to alternate the presiding over session every other day, which was a fiasco.

Bill Ballenger: Whoa! Yeah.

Paul Hillegonds: The Democrats, Curtis, suggested that we flip a coin and whoever won the toss would preside in the first year. The other side would preside in year two. We were very fearful we'd lose the coin toss, and never see majority. Really Rick Bandstra, who was our floor leader at the time, came up with the idea, let's alternate every other month on the floor. And when we presided on the floor in that month, the other party, the Democrats, would preside in the committee. So basically, you'd have a two month cycle. You would preside one month in the committee, run your bills, and then have a chance to run them on the floor, and it would be alternating two month cycles essentially.

Bill Ballenger: How about the speaker?

Paul Hillegonds: The speaker would be every other month.

Bill Ballenger: Every other month? Okay.

Paul Hillegonds: That's what we agreed to. What initially we conceived would be, well one side is going to run its agenda, first in committee and then on the floor, and then have to give up power for two months, so you'd have alternating agendas, turned out to be for the most part a lot of cooperation. In the key committees, the committee chairs started to plan the agendas together. No matter who was presiding, they quickly came to understand that no bills get out of committee if

you don't have a bipartisan vote, because the committees were equally divided, just as the house floor was equally divided.

Bill Ballenger: Right.

Paul Hillegonds: A lot of bipartisanship resulted out of this crazy shared power agreement, that most predicted would fall apart quickly. I have to say of the 18 years, those two years were the most fulfilling for me. It's when Proposal A ultimately became law, and we prepared the ballot proposal.

Bill Ballenger: Well we'll talk about that in a second.

Paul Hillegonds: Yeah, but we did some important work.

Bill Ballenger: Well let me ask you, what else happened during those two years you can think of in particular other than Proposal A? We'll get to that in a second.

Paul Hillegonds: First of all, institutionally we got away from the model that whoever controls, essentially has political patronage to load up the clerk's office and the business offices, and decided that we would essentially have nonpartisan staffs. A lot of Democrats from the previous 24 years, did stay on, but we appointed some Republicans as well. I honestly don't know how that nonpartisan model has been sustained in practice. But I think it was a good model going into a term limited legislature, because at the same time we ended up with shared power in '92. That's when term limits were inducted.

Bill Ballenger: Right.

Paul Hillegonds: We did need to change the institutional model a bit to prepare for term limits. That was one accomplishment.

Paul Hillegonds: As I recall, we did some essential insurance law changes. We passed medical malpractice reform. A lot of our focus was on school finance and the school aid formula, the whole Proposal A debate. When we did control in the second year for a short time, because of a death in the Democratic Caucus, we did run teacher strike penalties, which was very controversial, and some campaign finance reform.

Bill Ballenger: Right.

Paul Hillegonds: But for me, when I think of those two years, the landmark was what was the combination of a 20 year tried and failed effort to change how we finance schools.

Bill Ballenger: Sure. Yeah. Well, before we get to that, I have one more question.

Paul Hillegonds: Yeah.

Bill Ballenger: The Senate, wasn't Dick Posthumus the Senate Majority Leader at that time?

Paul Hillegonds: Yes.

Bill Ballenger: How were you working with the Senate as an institution? I mean, they're probably sitting over there saying, "What is this? Shared power in the house, how do we deal with this?"

Paul Hillegonds: That showed up in Proposal A more than any other issue, but I think they had to accommodate us. For example, we had to change how we did conference committees between the house and senate.

Bill Ballenger: Right.

Paul Hillegonds: We had, as I recall, two members from each caucus on a conference committee, and we needed to have a three to one vote of a divided house side of a conference committee.

Bill Ballenger: Oh you did? Oh I see. Okay.

Paul Hillegonds: That was frustrating at times.

Bill Ballenger: Yeah. Even that had to be cooperation or whatever.

Paul Hillegonds: The other thing is, we really did insist for the first time having at least shared power, that some of the rules that were convenient to the Senate Majority, with a House Democratic Majority, had to be followed more closely.

Paul Hillegonds: One issue I remember is that, we really insisted that only points of difference be negotiated in conference.

Bill Ballenger: Very important thing.

Paul Hillegonds: Yeah.

Bill Ballenger: That's actually what a conference committee is supposed to be about. Rather than rewriting the whole bill.

Paul Hillegonds: The Democratic Majority in the House over the years, and then the Senate Republican Majority, had gotten in the habit of going beyond the bounds of what had been passed in the two versions of the bill.

Bill Ballenger: Sure. Right. Well, okay. Let's get to Proposal A. Now that happened really on the floor of the Senate. That's where it began, when Debbie Stabenow stood up, and offered an amendment wiping out property taxes, as a basis for financing K-12 public education in Michigan. What is your memory of that, when you heard about it in the house, and your understanding of what happened in the Senate?

Dick Posthumus is the leader, Engler is the Governor, and then of course it passes, and it comes over to the house.

Paul Hillegonds: Yeah.

Bill Ballenger: You guys, I'm not going to tell the story for you, but you know, you passed it too. Went to Engler, he signed it. You had four or five months to figure out, how are we going to fund our schools? That was the big achievement that you'll always be remembered for, Proposal A.

Paul Hillegonds: Yeah. Well, first of all, a little context, I firmly believe that Jim Blanchard's undoing was the property tax issue.

Bill Ballenger: Right.

Paul Hillegonds: To the point where he had, had in 1989 a special election to try and pass a half cent sales tax increase to fund education, but not address property tax.

Bill Ballenger: Right.

Paul Hillegonds: That divided the Democrats. We actually put an alternative bipartisan proposal together, and put it on the ballot with a two thirds vote.

Bill Ballenger: The two of them were on at once.

Paul Hillegonds: Yeah.

Bill Ballenger: And they both lost.

Paul Hillegonds: They both went down.

Bill Ballenger: Yeah.

Paul Hillegonds: That allowed John Engler to talk about the nickel of property tax relief.

Bill Ballenger: Right. Right. Right.

Paul Hillegonds: But John, Champion School Finance Reform in a special election in '93, which also went down.

Bill Ballenger: Very narrowly.

Paul Hillegonds: Very narrowly.

Bill Ballenger: Actually it carried 80 counties.

Paul Hillegonds: That's right.

Bill Ballenger: I think it only lost in Wayne, Oakland, and Macomb. Narrowly lost.

Paul Hillegonds: But I think John was very concerned about the impact on his next election.

Bill Ballenger: Sure. Exactly.

Paul Hillegonds: Republicans in a shared power house, and the Republicans in the Senate had very different ideas about how to address this issue, after the defeat of the Engler special election proposal.

Paul Hillegonds: Along comes Debbie Stabenow, and I give John Engler and Dick Posthumus a great amount of credit, because she introduced the amendment, and within an hour as far as I can recall, they decided let's take her up on abolishing the current system of financing schools.

Bill Ballenger: She thought her amendment would embarrass them, really call their bluff like they weren't really interested in reform and if they were, they'd actually vote for this. They said, "Okay, we will vote for it."

Paul Hillegonds: So, to your question.

Bill Ballenger: Yeah.

Paul Hillegonds: I am cooking hamburgers on the grill, with Nancy my wife at about six pm in Lansing one nice summer evening, and I get a call with John Engler and Dick Posthumus on the phone saying, "Guess what we have just done?"

Bill Ballenger: Wow! It's like one of those moments you never forget your entire life.

Paul Hillegonds: Yeah, you never forget.

Bill Ballenger: Yeah. Yeah.

Paul Hillegonds: They said, "Now it's up to you. This is being sent over to the House, and you need to concur and make it happen."

Bill Ballenger: Make it happen. Yeah.

Paul Hillegonds: As I recall, I said, "I think I'm willing to go along with this, but I really want to think about it."

Bill Ballenger: Well, were you sure the Democrats would support it?

Paul Hillegonds: No.

Bill Ballenger: I mean it was Stabenow's amendment, but they were already I'm sure having second thoughts like, "What?! What did we just do?"

Paul Hillegonds: Exactly. I do remember the next day, we took up the amendment and I remember it was a speech I gave really from the heart. We knew there were going to be enough Democrats to go with this, but I essentially said, "This is a decision that will either ruin this institution, because we can resolve the problem or we're going to finally break a 20 year still mate and figure this out."

Bill Ballenger: Did you express some rays of hope and optimism?

Paul Hillegonds: At the same time?

Bill Ballenger: Yeah, that you would be able to get the job done.

Paul Hillegonds: Yeah, I did. I really believed that we would find a way. All those early years, I had supported sunset legislation, believing you can have termination dates and figure out how to reconstruct policy or programs.

Bill Ballenger: Right.

Paul Hillegonds: I have to tell you that in December, as we were maybe 24 or 48 hours from Christmas, I really did wonder if we weren't going to go over the cliff.

Bill Ballenger: Sure. Yeah, it was hairy. I always called it the Christmas Eve accord.

Paul Hillegonds: Yeah.

Bill Ballenger: Literally you did it in the wee small hours of the morning, almost on Christmas Eve, but you had an extraordinary group of talented legislatures, Democrats and Republicans. You mentioned Lynn Jondahl, you had Maxine Berman, you had a lot of really strong Republicans.

Paul Hillegonds: Don Gilmer.

Bill Ballenger: Don Gilmer, Ken Sikkema, Bill Martin, Susan Grimes Munsell.

Paul Hillegonds: Glenn Oxender.

Bill Ballenger: Glenn Oxender. So they were very instrumental in putting this together.

Paul Hillegonds: You know what else we had, and this is why I keep referring to that shared leadership period, we had shared power. I really do wonder whether we could have come to an agreement that would have passed public muster. The key to Proposal A in the end, was the House insistence, this bipartisan group of 12 I think it was.

Bill Ballenger: Yeah.

Paul Hillegonds: That combined appropriation members who knew school finance, and first of all insisted that we go out to the people with a formula for how the money would be distributed. One of the short comings of all the failed ballot proposals, was yes people wanted to reduce property tax, and might be willing to support a sales tax, but no one wondered if the money would ever be returned to local school districts, and how much would be returned. The old lottery argument came up, why the state never returned the money, even though that wasn't true.

Paul Hillegonds: We had that piece that really emerged out of this bipartisan group, and really Lynn Jondahl and I think it was Glenn Oxender, who said, "You know, we need to give the voters a choice. The ballot proposal can't be yes on a tax shift. It's going to have to be yes I prefer a shift to an income tax or to a sales tax."

Paul Hillegonds: Those two components, which ended up in the compromise with the Senate and Governor Engler, I don't think would have emerged, but for shared power. That was our real contribution to the Proposal A deliberation.

Bill Ballenger: Were you fairly confident coming out of the agreement to put proposal on the ballot? It wasn't going to be on the ballot until March 15th of the next year, so that was almost three months away. Did you think that the sales tax hike part of it, would be the one that passed or the income tax part? Democrats basically wanted the income tax hike.

Paul Hillegonds: Yeah.

Bill Ballenger: Republicans were behind the sales tax.

Paul Hillegonds: We were convinced that the sales tax would be the easier tax for people to accept. But this is where John Engler's political astuteness came into play at the very last minute. He pulled out of his hat, in the waiting hours of the negotiation, " I want as part of the sales tax proposal, a tax on tobacco."

Bill Ballenger: A tax on tobacco? That's true. Also a slight reduction in the state income tax.

Paul Hillegonds: Yes.

Bill Ballenger: I think two tenths of one percent.

Paul Hillegonds: Right.

Bill Ballenger: I don't know whether he thought of that or not.

Paul Hillegonds: Yeah.

Bill Ballenger: But that was part of it.

Paul Hillegonds: Yeah.

Bill Ballenger: So you're giving them everything they want, you know?

Paul Hillegonds: Well, but the cigarette tax, John I think had some polling done, and had figured out that probably the most popular part of that tax package would be taxing cigarettes.

Bill Ballenger: Taxing cigarettes.

Paul Hillegonds: As opposed to purely going to an income tax on the other side.

Bill Ballenger: Right. Do you think the Democrats honestly believe that people wanted to hike the state income tax, as opposed to your approach? I mean, what were they thinking?

Paul Hillegonds: That's a good question.

Bill Ballenger: I guess my question is, what were they thinking?

Paul Hillegonds: Well, certainly they were being true to their philosophical core values.

Bill Ballenger: Their core values and beliefs. Yes. Okay.

Paul Hillegonds: Lynn Jondahl truly felt it was the right thing to do.

Bill Ballenger: The right thing to do.

Paul Hillegonds: But probably more importantly to the Democrats, was that we have a source of revenue to replace the property tax.

Bill Ballenger: Right.

Paul Hillegonds: Both sides had reasons to support the compromise. In the end, I thought it was a pretty civil debate.

Bill Ballenger: Yeah.

Paul Hillegonds: It's not like the ballot proposals of today, where you have both sides trashing each other.

Bill Ballenger: No. Right, no. Absolutely. So, Proposal A passes. Let me just ask you one blue sky open ended question at this point. It passes, how do you think Proposal A has worked out over the years?

Paul Hillegonds: I think it has worked out fairly well when you look at the alternative. I don't believe that financing our schools by so much reliance on property tax was

sustainable. There were going to be more millage's defeated, and the gap between districts was going to grow as the state withdrew it's funding.

Paul Hillegonds: The problem with the property tax was not only we were overly reliant on it, it was too easy for the state to say to local communities you fund schools when we're in a tight budget situation.

Paul Hillegonds: It's better than what the alternative was. Honestly I worry that the school aid fund has been used now to fund higher ed. I think we're going to run into some of the same school funding issues. Although the legislature and the governor have taken some steps to address one of the biggest problems in school funding, which has been the retirement and healthcare cost issues. So maybe it can be sustained somewhat longer, but I do worry that in time Prop A will have to be reviewed to.

Bill Ballenger: That brings up the question, do you think it was a good idea for the legislature, and they did this I think in the very first year of the Granholm Administration in 2003, separate out school aid from general fund revenue? You've got now two funds, and it used to be just one huge general fund. Now a major portion of general fund was for school aid, but now they've actually got two segregated funds, and anytime anybody wants to take money out of the school aid fund and use it for any other purpose, there are certain legislatures who get hysterical saying, "This is sacred. Etc, Etc."

Paul Hillegonds: Yeah.

Bill Ballenger: Should the legislature have done that, and should they undo it?

Paul Hillegonds: Well, I don't know if that started with Granholm. I think that really emerged out of Prop A, as I recall. We had a separate school aid fund.

Bill Ballenger: Well, I don't think it was really segregated legally, the way it was until Granholm became Governor.

Paul Hillegonds: Oh, okay. Maybe that's the case, yeah. It was the practice thought.

Bill Ballenger: It had become a practice, defacto. It was like that.

Paul Hillegonds: I guess that's a larger question, is there too much earmarking of the state budget? Yes, I think there has been too much earmarking of the state budget. Although, I make an exception with the School Aid Fund, because certain promises were made when we passed Prop A that we weren't going to play what had been perceived to be a lottery game. I think it was important to keep the faith in Prop A with a separate fund.

Bill Ballenger: Okay. We come to the election of 1994, the November election, okay? And the Republicans finally they win a clear majority. It isn't robust.

Paul Hillegonds: Yeah, 56/54, right.

Bill Ballenger: It's only a seat pick up so you got a 56/54 majority, but you become the speaker all by yourself. What do you remember from those two years? Your last two years out of 18 in the house. What do you think?

Paul Hillegonds: Well, first of all, in anticipation of our conversation, I did review some reports I had written. But the institutional changes we were able to make as a majority, we actually passed a rule on no points of difference and we stuck to that rule on the Conference Committee reports, which we felt was long overdue. More importantly though for the House as an institution, I reduced the number of committees from 28 to 21, which meant that the number of committee assignments members had changed from an average of five or six to two or three. I really felt strongly that with term limits beginning to kick in, you needed in a short period of time, six years, to focus more and develop some expertise. We also, even though we had finally become a majority, kept the nonpartisan offices of the clerk and the business office, which I think has remained over time, but I felt that was important in a term-limited era. Finally, we worked with the Senate on getting MGTV established filming our sessions, taping our sessions or doing it live, so that there could be more transparency. I was very proud of those institutional changes that, after being a minority for so long, we could enact.

Paul Hillegonds: We did pass a \$1.5 billion tax cut which was important for the governor at the time. And interestingly, we had to because the economy had recovered to the point where we were going to exceed the Headlee limit on how much revenue we could collect as a state. We passed some income tax and business tax reductions. We did a revisit of liability reform. We passed new standards on liability to comparative negligence product liability reform. We passed another unemployment insurance bill. One of the more durable laws that we passed was environmental clean up standards that had been too rigid, and we've done a more flexible job of figuring out how to clean up contaminated sites under that law. It's interesting. You don't think of it then as a major act, but I think one of the most meaningful bills that we passed in that two years was the graduated drivers license for young people.

Bill Ballenger: Oh, right.

Paul Hillegonds: Dan Gustafson did a lot of work on that, and I think it's been one of the better laws that's endured over time.

Bill Ballenger: Very interesting.

Paul Hillegonds: In terms of public safety. Those were a number of the issues that we worked on. There were things, and this has to do with one of the reasons I only stayed two years a speaker because I left the legislature after that time. I found, we were in the second term of the Engler administration, and a lot of the things that I felt

were important for us to get done we had worked through. And so, I found myself in the interesting position as speaker of having some aspirations that couldn't be done because we couldn't even get enough support in our own caucus and the dynamic of shared power didn't work anymore.

Paul Hillegonds: For example, we really needed at the time a transportation tax hike. Sound familiar? It still exists today. All of a sudden instead of the two sides having shared responsibility for passing a transportation tax hike, the Republicans didn't want to be labeled a tax increaser, and the Democrats wanted to set us up for that. The ability to do the kind of bipartisan work we had done in the previous two years was harder. The other thing is, philosophical differences were emerging in the caucus as we had time to think about an agenda beyond the governor's main agenda. Here I was as speaker, one of my main roles I felt in the last year was to stop legislation that would've banned affirmative action and to stop concealed carrying of weapons. An element of our caucus really wanted to pass those bills and I thought it was a mistake for us to do it, and ended up blocking them. It wasn't, honestly the last two years were not as fulfilling for me as shared leadership was.

Bill Ballenger: As shared leadership, as shared power.

Paul Hillegonds: Yeah. Yeah.

Bill Ballenger: Well so 1996 comes, so it was what you just described plus did you ever have a sickening feeling that maybe you were going to lose the majority and you were back in the minority again?

Paul Hillegonds: Sure. That was a factor for sure. But there was something else going on. One was personal. Our kids were finally getting ready to enter school. In fact, our daughter was ready to enter kindergarten, and we were basically living in Lansing and living in Holland, and it was getting to be an uncomfortable family situation for our kids especially. But the other thing was, I really didn't relish whether we kept our majority or lost it. I wasn't relishing the idea of being a lame duck legislator because of term limits.

Bill Ballenger: So term limits was a big factor.

Paul Hillegonds: Yeah.

Bill Ballenger: If term limits hadn't happened, you might have hung on maybe one more term anyway and played it by ear.

Paul Hillegonds: Maybe. It was really at a stage in our family's life and it had been a very fulfilling 18 years. I didn't, given where our family was, I really wasn't prepared to think about running statewide for anything, so it was kind of a logical time. But term limits was one of those important factors.

Bill Ballenger: Now, you had picked up a law degree at one point while you were in the House. You went to night school at Cooley Law School?

Paul Hillegonds: Yeah. It was prior to my becoming minority leader, between '83 and '86. I went to Cooley at night over year round for the three years they had. It's the way John Engler got his law degree. I had postponed my legal education when I went to Washington after undergraduate, and it's something I always wanted to do never knowing whether I'd ever practice law, but feeling that it would enrich my work as a legislator.

Bill Ballenger: Sure, help.

Paul Hillegonds: Yeah.

Bill Ballenger: Did that enter into your thinking in '96 when you decided to retire? Like not necessarily you wanted to practice law, but that your legal education in addition to everything you'd done up to that point might help in what you might want to do going forward?

Paul Hillegonds: Yes. I felt that I had another credential that would help in whatever my next job was. I announced in the, as I recall, in the early spring of '96 that I was not intending to run, but I didn't know. I didn't have a clue what I was going to do. I didn't think it was practicing law. Actually, I thought I would explore maybe helping to set up a public policy institute at Grand Valley, maybe something in higher education. And as I was thinking about that, exploring that, along really it was in the fall of that year, along came out of the blue this meeting with the CEO of Comerica at the time, Gene Miller, and Bob Eaton with Chrysler asking if I would be interested in moving to Detroit to do Detroit Renaissance. That we really didn't decide, as I recall, until very late in the year that that is the step I would take. We wondered how does this make sense for a Republican from west Michigan to end up in Detroit? But ultimately we decided we were, as a family, intrigued. Nancy and I were intrigued by the opportunity and decided to do that. I think that was announced in December, and if I recall Christmas Eve we moved to Detroit.

Bill Ballenger: Wow. Plymouth actually is where you moved to?

Paul Hillegonds: Yes.

Bill Ballenger: And you worked in Detroit. How long were you with Detroit Renaissance all together?

Paul Hillegonds: About seven and a half years.

Bill Ballenger: Seven and a half years.

Paul Hillegonds: Yeah.

Bill Ballenger: And then you came to DTE?

Paul Hillegonds: DTE, yeah.

Bill Ballenger: DTE Energy. Well, I'm not going to go into it at length, but having worked in Detroit Renaissance and now in the corporate world DTE, you've kind of done it all, or most of it anyway when it comes to government and all facets of public. I mean, how do you look at the challenges that Michigan faces right now given the experience you've had over the last 35 years?

Paul Hillegonds: Well, first of all, when I think about my journey, which I've had no regrets. It has been a fascinating journey. But politically, some would say I've regressed. I started in Washington and ended up at the local community. But in fact, I really do believe that what happens at the regional and local level is the key to Michigan's future. Public policy sets a very important context for certain. But when I think about the agendas that motivated me to serve in the legislature, issues like cost of doing business, workers' compensation, unemployment insurance, tax rates, while they still are important, what is even more important in today's world for the future of Michigan I believe is what kind of talent do you attract and keep in the state.

Paul Hillegonds: I am on the advisory board of a group called Michigan Future, but what really drives that organization is the whole notion that the most successful regions, which really a state is, a state is made up of regions. The most successful regions are those that have healthy core cities that are attractive to young professionals who either want to stay or move, that in turn attract entrepreneurial new economy businesses, or keep what's left of auto companies, the research and development parts of our auto industry, in regions like southeast Michigan or west Michigan. That's a different policy agenda. It really is, I think, about investing in higher education, having a strong transportation information technology infrastructure. It's a different role for government than I visualized as a young legislator who was mainly just thinking about competitive business costs and tax rates. And so, I think we need to be careful as a state at a time when government doesn't inspire a lot of confidence. We have to be careful not to dismantle government to the point where we can't make necessary public investments that really do contribute to healthy communities and the attraction of talent.

Bill Ballenger: Do you think the shift in your thinking is mainly due to the fact that you're no longer in the legislature, you're no longer in elected office, you were with Detroit Renaissance, you're with DTE Energy now? Or, do you think you might have arrived at your point of view anyway if you were still in the legislature? What does that say about legislators now? Are they trapped in the same mentality maybe you had when you were in the legislature yourself?

Paul Hillegonds: Well, we all need to represent our constituencies, and I represented a more conservative constituency probably as a more moderate Republican. One of the beauties of pre-term limited legislators is that you could serve long enough that

your constituency maybe didn't always agree with you, but came to trust how you made decisions, so you could maybe stretch beyond just the public opinion in your own district. But to your question, I think if I had stayed in the legislature I probably would have had a harder time understanding and supporting the kinds of public investments I think from the outside now I see as necessary for communities.

Bill Ballenger: Well, as you say, a lot of this is due to term limits. I mean, they're not there long enough to really begin to understand and appreciate some of the stuff that you've been able to understand and appreciate.

Paul Hillegonds: Yeah. One of the curiosities honestly, Bill, is that I thought, I predicted, I was opposed to term limits, but one thing I thought would occur is that you would see more leadership at the state level emerging from local offices and bring more of a community building perspective. What are those things that are important to communities? I'm not sure that has happened. In fact, there seems to be more tension between local municipalities and state government now than there was then.

Bill Ballenger: How do you feel about Detroit as a city? You were the head of Detroit Renaissance. You just said a few minutes ago, "a healthy core city in a region is really kind of the anchor for economic development and a healthy economy and everything else." How do you think things are going?

Paul Hillegonds: It's become an overused term, I guess, but Detroit really is a truly a tale of two cities. What's happening in the midtown area where you've got Wayne State University and the cultural institutions, and the downtown with now Quicken Loans, Dan Gilbert purchasing buildings and beginning to invest, you have a very bright future. In fact, young people are moving to the downtown. In fact, it's hard now to find an apartment in midtown and downtown. We have to start building new housing or converting older buildings. But you get beyond the central city, that Woodward Corridor, and of course neighborhoods have been declining.

Bill Ballenger: The neighborhoods, yeah.

Paul Hillegonds: When I moved to Detroit in '96, there were 180,000 students in the Detroit public school system and about 1.1 million residents in the city. Today, there are about 48,000 students in the school system and probably a little more than 700,000 residents, and that's all about middle income families, largely African American families, moving out of the city into the suburbs pursuing better school systems and safer neighborhoods. And so, that's the other city in Detroit which is going in the wrong direction. The mayor, our current mayor, Mayor Bing, I think has rightly started talking and studying the idea of re-densifying neighborhoods. City services in Detroit no longer can sustain people scattered over this broad territory.

Bill Ballenger: Well, okay. Let me just ask you one last question, governors you have known. When you were first elected, Bill Milliken was governor. Then you had Jim Blanchard. Then you had John Engler. Now, you have not only Jennifer Granholm after you left office, but now Rick Snyder who you've come to know in your post-government jobs. What's your opinion of those five people?

Paul Hillegonds: Well, that's a short answer. I stay in touch with Bill Milliken still today and just so deeply admire him. One of the early problems I probably had in my own district was that he was not very popular. He was far more moderate and friendly to Detroit than west Michigan wanted him to be. I had to represent my constituency. I couldn't support him on some big votes that he needed, but I admired the way he problem solved. He worked across the aisle. He was tougher than his public persona.

Bill Ballenger: Yeah, sure he was. Absolutely.

Paul Hillegonds: He did a good job of really exercising or imposing some discipline on the Republican minorities in the House and Senate.

Bill Ballenger: Yeah. Remember the last eight years he was in office, he had Democratic majorities in both the House and Senate.

Paul Hillegonds: That's right.

Bill Ballenger: He never had what Rick Snyder and John Engler had.

Paul Hillegonds: Exactly, yeah.

Bill Ballenger: A lot of people forget that.

Paul Hillegonds: And he accomplished so much under those circumstances.

Bill Ballenger: Exactly, exactly.

Paul Hillegonds: Jim Blanchard. What I admire about Jim Blanchard is the team he put together. When you think of the Rick Coles and the Bob Bowmans and the Pat Babcocks and then Sister Agnes, across the board, Doug Ross, he has some really strong cabinet members. I think the, for me, the unfortunate part of Jim Blanchard's tenure was the most important decision he made, which was the income tax up front. I think with some encouragement from then Democratic majorities, he chose to run it through on a partisan basis.

Bill Ballenger: Partisan basis, yeah.

Paul Hillegonds: I don't think he ever recovered from that. I think from that point on, because of the unpopularity and then a Republican Senate, he had to let go of some of the bigger ideas he probably had and played more small ball, and it cost him

ultimate his third term. John Engler, I always tell this story. I called my wife at four in the morning and said, "Nancy, you'll never believe this." This was election night. "I think John Engler's going to win this election." And out of a sleep, out of her sleep, she came awake and said, "The state doesn't know what it's just done. It's elected a person who doesn't have to be liked." And that was John Engler.

Bill Ballenger: She had it right, yeah.

Paul Hillegonds: John Engler knew state government and the Constitution better than probably any of the governors knew how to really consolidate power, was far more moderate than he is remembered for being. People remember that he proposed tax cuts, but what he really did was change the fundamental state priorities and put much more focus on education and did pare down human services. But he was very aware of federal matching money and actually boosted funding for Medicaid over time.

Paul Hillegonds: He was a very complex governor, never the public persona who would be as well liked as other governors, and that, I think, led to a reaction as we tend to do in this state. Jennifer Granholm was a very different person who was charismatic, great speaker, stressed bipartisanship, but, and I wasn't there so this is analysis from afar, but my sense is she never liked politics to the point where she would build the kind of relationships with her own party and with the Republicans. And so, a lot of the good ideas which I believe she had were difficult for her to accomplish because she didn't navigate the political process very effectively.

Bill Ballenger: Right.

Paul Hillegonds: Rick Snyder I really admire. I think he has made some very bold decisions. He's more of a mystery to me. Philosophically he's hard to peg, but I think he's accomplished an incredible amount in a short time. And what I admire about him so much in a nationally and in state capitals at a time when there's such bitter partisanship, he refuses to let himself get dragged into the partisan mudslinging. He remains positive.

Bill Ballenger: Right. Oh absolutely, yeah.

Paul Hillegonds: And so you may disagree with him, but you know he's going to be positive in what he's trying to accomplish.

Bill Ballenger: He's like Milliken in that respect.

Paul Hillegonds: Yes, he is.

Bill Ballenger: And Bill Milliken endorsed him, so maybe there's some, whatever, connection. Anyway, that is a terrific take on five governors, both while you served and

afterwards. I want to thank you very much again for a great interview. Thank you very much.

Paul Hillegonds: Sure. Thank you.