



This Week in Lansing

MHSA • Muchmore Harrington Smalley & Associates, LLC

Highlights of the Latest Major Legislative, Administrative and Regulatory Activity in the State Capitol

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STATE LAUNCHES UPDATED PRESCRIPTION TRACKING SYSTEM – The *Michigan Department of Licensing and Regulatory Affairs (LARA)* unveiled the state’s new *Michigan Automated Prescription System* on Tuesday of this week, following a report from *Governor Rick Snyder’s Prescription Drug and Opioid Task Force* that noted the previous system was outdated and problematic. The new system, among other recommendations in the report, went live on April 4 and according to *Lieutenant Governor Brian Calley*, has seen a successful rollout process thus far.

Mr. Calley, chair of the *Task Force*, also noted that as a “centerpiece” of the state’s fight against opioid abuse and addiction, the system will also hopefully make the process of passing legislation recently introduced on the issue to run more smoothly and successfully. The legislation introduced, bipartisan and bicameral in nature, includes the following bills: *House Bills 4403-4408* and *Senate Bills 270, 272-274, 166, 167, 171, 172, 236, and 237*.

Mr. Calley commented on the launch of the new system and its improvements, stating, “The modern system gives prescribers and dispensers state-of-the-art tools to make more informed decisions, intervene earlier and spend additional time with patients and customers.” Those included in the “prescriber” definition are dentists, physicians (MD, DO), physician assistants, podiatrists, optometrists, veterinarians and advanced practiced registered nurses under delegation.

In its statement regarding the launch, *LARA* noted that other benefits of the newly adopted system include:

- A more user-friendly portal, allowing information on controlled substances and *Schedule 2-5* drugs that have been dispensed to be more efficiently obtained
- An increased response time for search results
- Online tutorials for first time system users
- Availability of patient report requests that would include prescription history and dispenser and prescriber information (all provided in a complete summary)
- A dashboard for each user through which patient alerts and recent request history would be posted, and the ability to manage any delegate user activity in the system would be provided
- Data uploads occurring in real-time during the day as opposed to the current process occurring at night

In its efforts to revamp the previous system, the state brought on vendor *Appriss Health*, whose *PDMP AWARe* platform is live in 30 states across the nation, now including Michigan. The *Legislature* approved a \$2.47 million appropriation for the company to begin the replacement process, and another

\$2.02 million for continued maintenance and support of the new system.

PANEL: LOCAL APPROVAL REQUIRED FOR MARIJUANA LICENSE – In order for a medical marijuana facility to receive a license from the state, the applicant would first have to receive local approval of the facility’s proposed surrounding areas, under Michigan’s newly enacted regulations. **Andrew Brisbo**, director of the **Medical Marijuana Bureau** within the **Michigan Department of Licensing and Regulatory Affairs (LARA)**, expressed his support of the new structure, telling attendees of a panel on Wednesday (regarding the new laws) that “the legislation puts in the hands of the locals the restriction on the number and location of facilities.”

The panel, organized by the **Michigan Townships Association (MTA)** and held at the **Lansing Center**, saw a large turnout as township and other local officials showed interest and participated heavily in the discussions. As approved by the **Legislature** and signed by **Governor Rick Snyder** in 2016, the legislation allows for five different types of licenses to be approved including growers, transporters, processing and provision centers, and testing facilities. A major focus of the panel was to ensure local communities that the law does not require them to opt-out of housing a facility, but instead for communities interested in allowing a facility in the area to affirmatively opt-in.

Catherine Kaufman, another panelist and legal counsel for the **MTA**, noted that those communities not interested would simply do nothing, while those looking to approve a facility’s operation would need to pass an ordinance to do so. Those that pass an ordinance would also have to determine what type of and how many licenses would be able to operate in the local jurisdiction. As local governments’ roles in the legislation were discussed, so was the possible generation of monies from facilities across the state; one panelist predicting \$60 million in sales tax and \$30 million in excise tax, based on the current number of patients and need for marijuana in Michigan.

Robert Hendricks, attorney with **Cannalex**, noted that some of those monies generated via the excise tax will be given back to the local governments that agreed to allow facilities in their jurisdictions. **Mr. Hendricks** also told attendees that with the approval of these facilities, the medical marijuana industry in the state could amount to somewhere between \$650 million and \$1 billion.

Mr. Brisbo noted that though **LARA** is not currently accepting applications or issuing any license to any of the aforementioned parties, the state continues to work on rules and regulations to smooth out the application and approval process, including appointing members to the required **Marijuana Facilities Licensing Panel** (after **Governor Rick Snyder** failed to do so by the March 2017 deadline). Another provision in the legislation requires the state to implement a seed-to-sale tracking system, something **Mr. Brisbo** told attendees has gone successfully as **LARA** has hired its vendor to complete that aspect of the requirements. The **Department** will also be in charge of completing background checks for those applying for facilities licenses.

FED LEGISLATION OFFERS GOVT CONTRACTS FOR SMALL BUSINESSES – **U.S. Senator Gary Peters** (D-Bloomfield Twp) announced on Wednesday of this week legislation that would promote **Procurement Technical Assistance Centers (PTACs)** and their usefulness to small businesses in making profits via government contract. The legislation, currently being drafted with the assistance of **U.S. Senator Susan Colling** (R-Maine), would require all businesses that register with the **General Services Administration** to receive an automated email that would include a **PTAC** contact. Of the 98 **PTAC** offices throughout the country, 10 are in Michigan, with funding for those 10 made up of a combination of **Michigan Economic Development Corporation (MEDC)** funds, **Michigan Strategic Fund** monies, and federal appropriations (through the **U.S. Department of Defense**).

Through the legislation, those *PTACs* could reach out to potential contractors (small businesses) before they have completed the aforementioned registration process, and assist those businesses lacking the necessary staff to navigate the federal purchasing procedure. *Mr. Peters* commented on the legislation and its importance to the state as well as the country as a whole, stating, “From defense and auto parts manufacturing, to construction and catering, Michigan small businesses provide a wide variety of goods and services to the federal government while creating jobs in local communities...to my mind, we’re not successful unless we have medium businesses and small businesses getting contracts.”

ODDS & ENDS

- Following a death in *Niles*, Michigan two weeks ago due to carbon monoxide poisoning, *Senator Steve Bieda* (D-Warren) told the media last week he plans to re-examine the state’s carbon monoxide detector requirements for hotels and motels (the death occurred in a *Quality Inn*)
- The *Bureau of Labor Market Information and Strategic Initiatives* within the *Michigan Department of Technology, Management and Budget (DTMB)* announced late last week the launch of its new application that allows users to follow labor and economic metrics in regard to Michigan’s economy
- According to a report recently released by the *Michigan Campaign Finance Network*, the average amount spent for a successful congressional campaign for one of Michigan’s 14 seats in 2016 was \$1.84 million
- The *Michigan Department of Transportation (MDOT)* announced recently that during 2016, 4,908 crashes inside road work zones resulted in 17 deaths, up from 15 of 4,776 crashes in 2015
- According to a report from the office of *Attorney General Bill Schuette*, 61 percent of monies raised by professional fundraisers for charities were kept by the fundraisers in 2016
- A request for information was issued by the *Michigan Department of Education (MDE)* recently, on assessments that could meet Michigan’s new third grade reading requirements
- *Senator Bert Johnson* (D-Highland Park) was indicted on Tuesday by a federal grand jury on two felonies (conspiracy to commit theft and committing theft of monies under the care, custody and control of the state of Michigan), following the raids of his *Senate* and *Detroit* offices as well as his home in late March
- *Progress Michigan* announced it has filed a suit in the *Court of Claims* against *Attorney General Bill Schuette* and his office following a denial of a *Freedom of Information Act* request the group filed, claiming *Mr. Schuette* and 20 staff members and department attorneys used personal email accounts to discuss state business
- *Representative John Kivela* (D-Marquette) announced his campaign for the *38th Senate District* seat, currently held by term-limited *Senator Tom Casperson* (R-Escanaba)
- Each of the three *Detroit Casinos* saw an increase in revenue last month from both February and March of 2016
- *Indiana Michigan Power* announced *Michael O’Brien* will take over as governmental and environmental affairs manager for the company
- *Representative Edward Canfield* (R-Sebewaing), chair of the *House Appropriations Health and Human Services Subcommittee*, announced the budget for the *Michigan Department of Health and Human Services (DHHS)* will be reported next week, the first week back after spring break
- *Representative Peter Lucido* (R-Shelby Twp) announced his campaign for the *8th Senate District* seat, currently held by term-limited *Senator Jack Brandenburg* (R-Harrison Twp)
- *Western Michigan University* announced *Edward Montgomery* as its new president, effective August 1
- Under *President Donald Trump’s* proposed budget, nine of Michigan’s small airports (5 reside in the *Upper Peninsula*) would see commercial flights end as it calls for the elimination of the *Essential Air Service*, which subsidizes commercial airlines to schedule flights to airports more

than 215 miles from the nearest hub

- **Justin Johnson, Senator Bert Johnson's** (D-Highland Park) younger brother has filed to run for the **1st Senate District** seat
- **Tricia Kinley**, former **Director of Tax Policy & Economic Development** for the **Michigan Chamber of Commerce** was recently announced as **Governor Rick Snyder's** new **External Affairs Director**, with her position set to start on April 24
- **Governor Rick Snyder** and **Detroit Mayor Mike Duggan** have been announced as keynote speakers for the annual **Detroit Regional Chamber Mackinac Conference**
- The **Medicaid Works** campaign launched in Michigan recently, as announced by a new **Modern Medicaid Alliance**, and will include advertising and elected official education on **Medicaid's** success in the state, among other aspects

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