



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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FEDERAL OFFICIALS SHOW SUPPORT FOR MI OPIOID ABUSE EFFORTS – Two officials within *President Trump's* administration joined *Governor Rick Snyder* this week Tuesday to announce the *President's* promised assistance in Michigan's fight to end opioid abuse and addiction, noting an additional \$700 million is proposed to be allocated nationally toward the cause. *Tom Price, U.S. Health and Human Services Secretary* and *Kellyanne Conway*, special counsel to *President Trump*, met with *Mr. Snyder* and held a press conference on the alliance, noting that Michigan was the first stop among many states where the issue is set to be discussed and addressed.

Mr. Price told the audience that the *President* is dedicated to the cause, noting that the number of people that die annually from opioids is equal to the number of Americans killed throughout the duration of the *Vietnam War* (roughly 50,000). *Ms. Conway* also noted the amount of people per year affected was staggering and brought to the *President's* attention on the campaign trail, with stories of those affected inspiring him to create the *Commission on Opioid Addiction*.

Both officials commended *Governor Snyder* on his efforts, including creating the *Prescription Drug and Opioid Task Force*, and those of the *State Legislature*, including the introduction of bicameral, bipartisan legislation to address the issue and encourage education on the issue. Of the federal monies mentioned, *Mr. Price* told attendees that the \$16 million coming to Michigan is a number based on rates of overdose deaths and the unmet need for opioid addiction treatment. Nationally, the goal was noted as being able to identify those who can be diagnosed and provide treatment and recovery, as well as make overdose reversal drugs available in each state.

MPSERS DISCUSSION CONTINUES – SNYDER CONSIDERS 'NEW DATA' – *Governor Rick Snyder* told reporters this week that some of the figures surrounding the transitional costs of moving new teachers to a 401-k style retirement plan (as opposed to the current hybrid plan) may not have been as high as originally presented last session when the legislation failed to move through the *Legislature*.

During the *Lame Duck* session of 2016, *Governor Snyder* sided with the education community in maintaining the current hybrid system, something he said he still supports, but requires another look as "new data" continues to be released on the transition for new hires. *Senate Majority Leader Arlan Meekhof* (R-West Olive) and *Representative Tim Kelly* (R-Saginaw) both previously stated that new information would be provided to the *Governor* that would show the prior information was incorrect, though neither commented on the figures listed in the new data. *Mr. Kelly, Chair of the House Appropriations K-12 Subcommittee*, supports the move for new hires and hopes *Mr. Snyder* takes the data into consideration to reframe the contentions debate between education unions and groups.

Two of the state's largest unions, however, maintain their support for the current hybrid system, stating the transition would cost the state more money while lessening the benefit for those new hires. A report recently released by the *Anderson Economic Group* (administered on behalf of the *Michigan Association of School Administrators*) showed that the closing of the hybrid system could cost schools across the state anywhere from \$223 million to \$813 million annually by 2048. Spokespersons for both the *Michigan Education Association (MEA)* and the *American Federation of Teachers Michigan* addressed their concern with the move being brought up again this term, each stating the current system is working and has worked well since its implementation in 2012 and to change it would only make the shortage of teachers in Michigan worse.

The reformation of *MPSERS* along with the reformation of unfunded liabilities in local government pensions throughout the state remains one of the most highly contentious issues to be brought into the new year from last year's *Lame Duck* session, with *House Speaker Tom Leonard* (R-DeWitt) last week noting *MPSERS* is now his top priority a budget season comes to an end.

CORRECTIONS BUDGET REMAINS IN QUESTION – *Chair of the Senate Appropriations Corrections Committee Senator John Proos* (R-St. Joseph) continues to support the proposed \$41.6 million in cuts to the state's prisons, something *Michigan Department of Corrections (MDOC)* officials argue will jeopardize safety and space for prisoners throughout the state. *Mr. Proos*, noting that the increase per prisoner (as proposed in *Governor Rick Snyder's* budget) is roughly 15 times that per pupil in the *K-12* budget, released a statement earlier this week stating the funds would be "better put to use in our classrooms, on our roads or in the pocketbooks of Michigan taxpayers...".

According to the statement, the increase per pupil totals \$100 in the lowest-funded districts and the increase per prisoner is \$1,480, numbers the *MDOC* claims are inaccurate. *Mr. Proos*, while praising the *MDOC* for its work in decreasing the prison population throughout the state, also noted that the decrease in prisoners has resulted in an increase of empty beds and therefore the aforementioned funding is unnecessary.

MDOC spokesperson *Chris Gautz*, however, noted that the *Department* has closed several housing units already in 2017 for that very reason, and will continue to do so if necessary. *Mr. Gautz* stated that once 1,500 beds are open (on top of the required 700 bed cushion), the *Department* would consider closing a prison, but with the proposed cuts, it would be required to close two prisons. The *Senate Corrections* budget bill (*Senate Bill 144*) passed the *Senate* and is currently on its *Second Reading* in the *House*. *Representative Dave Pagel* (R-Berrien Springs), *Chair* of the *House Appropriations Corrections Subcommittee* noted his agreement with the *Department*, stating, "I think those numbers are being exaggerated."

SCHOOL SALE BAN REVERSAL SEES APPROVAL – Legislation reported out of the *Senate Education Committee* this week calls for the prevention of local governments from adopting ordinances or policies banning the sale of former educational buildings for the use of charter schools, a move those in support of the bill praised. *Senate Bill 249*, as sponsored by *Senator Mike Shirkey* (R-Clarklake), would not require local governments to give first right refusal to an interested party, such as a charter or private school, and would also not require those interested parties to be given any prior or special notice of the sale of said property. Those in opposition to the bill, including the *Michigan Townships Association*, claim the legislation would allow for local governmental units to potentially face unlimited lawsuits for alleged violations. The bill was reported out of *Committee* on a 4-1 vote, and sent to the *Senate* floor for consideration, where *Committee* members noted they would be willing to discuss amendments to address any issues.

MARIJUANA BALLOT LANGUAGE FINALIZED – The *Coalition to Regulate Marijuana Like Alcohol (CRMLA)* announced late last week the submission of its final ballot language for its efforts to legalize marijuana in the state, with the results resembling closely to the regulatory structure as set last year by legislation for Michigan’s medical marijuana industry. The *Coalition* is hoping to get a petition approved so a signature-collecting push can be made, with the ultimate goal being to place the issue on the November 2018 ballot. The finalized language states:

- Licenses would be available to cultivators, processors, testing facilities, retail stores, transporters and microbusinesses (businesses that will be licensed to cultivate up to 150 plants and process, package and sell directly to consumers)
- Grower licenses could be divided in to three classes: 100 plants, 500 plants or 2,000 plants
- Local governmental entities would have oversight of the regulation of marijuana businesses in their communities or the power to prevent them from opening all together
- Local communities would see a portion of the revenue if they “opt-in” to allow a marijuana facility
- Adults 21 years and older would be allowed to possess up to 2.5 ounces of marijuana outside their home, and up to 10 ounces (plus whatever they legally grow) inside their home
- Adults 21 years and older would be allowed to grow up to 12 marijuana plants at a single residence
- Driving a motor vehicle, motorboat, aircraft, ORV or snowmobile under the influence of marijuana would be prohibited
- Any public use of marijuana would be prohibited
- An additional 10 percent excise tax on all retail will be imposed, with 35 percent of tax revenue going to the *School Aid Fund*, 35 percent going to the state transportation fund, 15 percent to the local governments in which marijuana facilities are located, and 15 percent to counties where marijuana businesses are located

ODDS & ENDS

- *Governor Rick Snyder* ordered all *U.S.* and state flags to be flown at half-staff today within the state complex and *House District 109* in honor of *State Representative John Kivela* (R-Marquette) who passed away on Tuesday of this week; funeral services are set for 2:00 p.m. tomorrow (Saturday, May 13) at the *Great Lakes Room within Northern Michigan University’s University Center, 1401 Presque Isle Avenue, Marquette*; visitation services are at the same location from 10:00 a.m. to 2:00 p.m. on the same day
- *U.S. Representative Dan Kildee* (D-Flint) announced he will not be running for governor come 2018, but instead will run for a fourth term in *Congress*
- Members of the *U.S. House of Representatives* passed its version of the *American Health Care Act*, with the controversial legislation now headed to their *Senate* counterparts for consideration
- *U.S. District Judge Paul Maloney* ruled the *Michigan Department of Health and Human Services’ (DHHS)* database with names of those who committed child abuse or neglect does not violate due process rights
- *House Bills 4585, 4586, 4590* and *4591* were introduced by *Representatives Jeff Yaroach* (R-Richmond), *Andy Schor* (D-Lansing), *Klint Kesto* (R-Commerce Twp) and *Brandt Iden* (R-Oshtemo Twp) respectively, with the package of bills calling for an additional two-years felony charge for targeting a police officer, firefighter or emergency medical personnel
- By the year 2020, 90 percent of the state’s 2,500 dams will reach their life expectancy, according to the *Michigan Department of Natural Resources (DNR)*
- *House Bills 4063* and *4064* were sent to *Governor Rick Snyder* for signature, with the bills calling for a \$10,000, five-year felony sentence to be imposed on anyone pointing a laser, particle beam, sonic weapon or similar device at an airplane pilot or train engineer

- **Representative Bronna Kahle** (R-Adrian) introduced **House Bill 4305** recently, with the legislation calling for the update of the **Michigan Invests Locally Exemption (MILE)** law to match recent changes in rules adopted by the **Securities and Exchange Commission (SEC)** in regard to keeping Michigan as a national leader in “crowdfunding” investing
- According to the **Michigan Department of Environmental Quality (DEQ)**, **Flint’s** water system has met the state’s **Lead and Copper Rule** standards for the 8th straight testing period, recently testing 6 parts per billion
- **Under House Bill 4137** and **Senate Bill 38** as signed by **Governor Rick Snyder** this week, parents or guardians of a child or adult with special needs can request fingerprints and photograph be taken and logged with the **Michigan State Police’s** statewide network system in the event the child or adult goes missing
- Problem-solving courts throughout the state, totaling 185 after adding 6 last year, show an outreach of 97 percent of the population and continue to outperform conventional criminal justice mechanism according to a report recently released
- Teachers married to active duty military personnel stationed in Michigan would immediately be allowed to teach in the state under **House Bill 4582** and **Senate Bill 365** as introduced
- **Appeals Judge Kurtis Wilder** was named to the **Michigan Supreme Court** by **Governor Rick Snyder**
- **Senate Bills 111-115**, also known as **MiThrive** or “brownfield package” were sent to **Governor Rick Snyder** for signature this week
- Those filing personal property tax exemptions will have until May 31 to do so under **Senate Bill 359** as reported by the **Senate Finance Committee**
- **Governor Rick Snyder** signed a supplemental appropriation of an additional \$100 million in federal funding to Flint for more assistance in resolving the water crisis
- The **Netherlands’ Ambassador to the United States, Henne Schuwer**, was welcomed by **Governor Rick Snyder** and members of the legislative **Dutch Caucus** to the state **Capitol** on Tuesday of this week, with the **Ambassador** set to attend **Tulip Time** in **Holland**, Michigan the following day
- The **Senate Regulatory Reform Committee** approved legislation calling for the prohibition of the sale of electronic cigarettes and nicotine cartridges to minors and the ban of possession of those products by minors (**Senate Bill 37**)
- Local organizations can now apply for a total of \$15 million in **Victim Crime Act** grants, as announced by the **Michigan Department of Health and Human Services (DHHS)**
- **Detroit’s** three casinos lost revenue in April compared to March of this year, with **MGM Grand** and **Greektown** both seeing a decrease of 8.4 percent; and **MotorCity** seeing a decrease of 6.6 percent
- During April of this year, the **Great Lakes** saw an increase in average rainfall of between 17 and 62 percent, roughly one to 14 inches
- The **House Law and Justice Committee** heard testimony regarding the reintegration of ex-convicts into the workforce, following a survey’s finding that 65 percent of employers would never consider hiring someone with a felony record
- According to a report released by the **Auditor General**, the **Michigan Department of Education (MDE)** is spending an additional \$47 million than needed due to overestimates of the number of 4-year-olds eligible for the **Great Start Readiness Program (GSRP)** totaling roughly 13,014 children
- The **Michigan Political Historical Society** held a fundraiser held in tribute to former **Governor John Engler**, with preliminary estimates of funds raised totaling \$173,000
- The annual **Children’s Trust Fund Pam Posthumus Signature Auction Event** is set to take place on May 17 at the Lansing Center, with funds going towards the prevention of child abuse
- **Jeff Daniels** has been announced as the keynote speaker for the **Michigan Restaurant Association’s 50th Annual Restaurant Show** in **Novi** this coming October
- The **Michigan Public Service Commission** issued additional orders on Thursday related to the

- state's new energy laws as they went into effect in April
- According to a memo from the *Senate Fiscal Agency*, costs of the state's *Tuition Incentive Program* have increased by 1,012 percent since *Fiscal Year 2000-01*

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