



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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RNC OVERVIEW – *Republican Presidential Candidate Donald Trump* announced last week Friday that *Indiana Governor Mike Pence* will be his running mate, something *Michigan Democrats* criticized heavily. *Chair* of the *Michigan Democratic Party*, *Brandon Dillon*, commented on the announcement and what it means for the state and its citizen, saying, “If there was any doubt Donald Trump had the anti-women, anti-LGBT, anti-worker vote locked up, choosing Mike Pence as his running mate, the most extreme VP pick in a generation, put those fears to rest.” *U.S. Senator Gary Peters* (D-Bloomfield Township), concurred with *Mr. Dillon*, adding a reference to the *Governor’s* opposition to the auto industry bailout from 2008, stating, “Mike Pence voted to let the auto industry go bankrupt, opposes raising the minimum wage, and has promised to cut taxes for those at the top. Working families in Michigan need more jobs and higher wages---they can’t afford the dangerous policies of Donald Trump and Mike Pence.”

Chair of the *Michigan Republican Party*, *Ronna Romney McDaniel* was the only Michigan *Republican* to offer her support, saying in a statement, “I’d like to sincerely congratulate Governor Pence on being selected to join this outstanding ticket. The experience Pence brings to the table cannot be understated. He has been a proven leader in every role he’s taken on, and will prove to be an asset for the Trump campaign.” When asked for statements on the announcement, the offices of *House Speaker Kevin Cotter* and *Senate Majority Leader Arlan Meekhof* did not respond. *Attorney General Bill Schuette*, when asked for a reaction, stated, “I’ve met Governor Pence before, he’s a strong conservative who knows Congress, and he’s a good choice to be vice president.” Both *Governor Rick Snyder* and *Lieutenant Governor Brian Calley* remained silent. However, when asked for *Mr. Snyder’s* response, the *Governor’s* spokesperson *Anna Heaton* stated, “He has met him several times and likes him a lot as a person, considers him a great guy. He’s excited the pick is a fellow Midwest governor.”

As the *Republican National Convention (RNC)* began in Cleveland with *Donald Trump’s VP* announcement, *Attorney General Bill Schuette* took the stage to urge support from delegates for the nation’s law enforcement officers and those effected by the *Flint Water Crisis*. *Mr. Schuette’s* address, the only one scheduled from a Michigan official, did not comment on the *Obama* administration nor the presumptive *Republican* and *Democratic* presidential candidates, *Donald Trump* and *Hillary Clinton* respectively. *Mr. Schuette* also mentioned the shooting in a *Berrien County* courthouse a week ago, calling for the delegates to stand up for law enforcement officers across the nation saying, “Scripture says blessed are the peacemakers, but the truth is we are all called to be peacemakers. And peace starts with us, wherever we may live, from Detroit to Dallas, from Berrien to Baton Rouge.” *U.S. Representative Dan Kildee* (D-Flint) commented on *Mr. Schuette’s* choice to speak, saying it shows he is agreeing with and looking to enforce *Mr. Trump’s Republican Party’s* ideals. *Mr. Kildee* then went on to reference *Mr. Schuette’s*

lawsuits on same-sex marriage, federal rules against transgender students and work on the *Patient Protection Affordable Care Act*.

Attending the *RNC* aside from *Mr. Schuette* was a group of Michigan *Republicans* including legislators and *Governor Rick Snyder*. Those in attendance included: *Senators Joe Hune* (R-Whitmore Lake), *Jack Brandenburg* (R-Harrison Twp.), *Arlan Meekhof* (R-West Olive), *Patrick Colbeck* (R-Canton Twp.), *Margaret O'Brien* (R-Portage) and *Representatives Gary Howell* (R-Silverwood), *Brandt Iden* (R-Oshtemo Twp.), *Phil Potvin* (R-Cadillac), *Kevin Cotter* (R-Mt. Pleasant), *Tom Leonard* (R-DeWitt Twp.) and *Secretary of State Ruth Johnson*. *Lieutenant Governor Brian Calley* and *Governor Snyder* swapped trips to Cleveland with *Calley* singing and playing with the band at his party early in the week and *Snyder* hosting an early Thursday evening event just prior to *Trump's* speech. *Democrats* gather in Philadelphia next week for their convention.

GOVERNOR SNYDER SWITCHES TIA/LARA LEADERSHIP – *Governor Rick Snyder* announced this week Wednesday that the leadership teams of the state *Talent Investment Agency (TIA)* and the *Department of Licensing and Regulatory Affairs (LARA)* would see changes in staffing. *Stephanie Comai*, director of the *TIA*, will move back to *LARA* as deputy director. Current *LARA* director *Shelly Edgerton* will remain in her position, having been promoted to the position in April. *Wanda Stokes*, currently deputy director at *LARA*, will replace *Ms. Comai* as director of *TIA* and will be tasked with the creation of more and better jobs by working with the *UIA* and the *Workforce Development Agency*. *Ms. Comai's* duties as deputy director of *LARA* are not yet known, as the reorganization of the position within the department continues, according to a *LARA* spokesperson.

STATE SUPREME COURT-BRIEFS NEEDED FOR PRIVATE SCHOOL ISSUE – The *Michigan State Supreme Court* invited *Governor Rick Snyder*, any member of the state *Legislature* and *Attorney General Bill Schuette* to file briefs on the issue of granting *Governor Snyder's* request for an advisory opinion on the issue of appropriating money to private schools in the recent budget proposal. Holding off on issuing its decision of whether or not the budgetary provision was constitutional, the *Court* issued the unanimous vote one week after *Mr. Snyder* requested it issue the advisory opinion. The request from *Mr. Snyder* stated that organizations against the provision planned to file a lawsuit against it, but by the time the suit reached the *Supreme Court*, the starting date of the budget bill (October 1) will most likely have passed. Supporters of the budget bill claim the proposal is constitutional in that the monies appropriated would assist private schools, including parochial schools, in paying for non-instructional matters including state mandates. However, opponents claiming the provision is unconstitutional argue the prohibition of state monies going to private and or parochial schools voted on by state residents in 1970 prevents the state from doing just that as proposed in the new budget. With the state *Legislature*, *Governor Snyder* and *Mr. Schuette* noted as the only people allowed to submit briefs, the *Governor's* request “remains pending” and all briefs are due by August 26, according to the court order.

RFPS FOR GORDIE HOWE BRIDGE DELAYED BY WINDSOR-DETROIT BRIDGE AUTHORITY – The goal of opening the *Gordie Howe International Bridge* in 2020 may not be achieved as the *Windsor-Detroit Bridge Authority* has delayed the release of requests for proposals to three groups expressing interest on bidding to build the bridge. The delay, first reported last week, comes as a result of parcels of property owned privately but needed to build the bridge, may not be readily available to the *Authority* if the owners choose to fight the *Authority's* acquisition of the land. According to *Dwight Duncan*, the interim chair of the *Authority*, there are 963 properties on the U.S. side of the bridge in need of acquisition, about 30 of which could pose an issue as a majority of them are owned by the owners of the *Ambassador Bridge* and who have fiercely fought the *Howe Bridge* viewing it as a rival. Obtaining those properties, possibly through eminent domain if necessary, is not the *Authority's* only challenge however. Relocating electric and transmission lines that are a part of the *Lake Erie* loop is something not easily or

cheaply done. Referring to the delay as “risk mitigation”, **Mr. Duncan** went on to say the **Authority** is more concerned about filling certain requirements for possible bidders than fixating on a final opening date.

Special project advisor to **Governor Snyder** and the person overseeing Michigan’s part in the bridge, **Andrew Doctoroff** said he understands the **Authority’s** actions and the state’s team is ready for the release when the time comes as well as any eminent domain filings, should they occur. Commenting on the **Authority’s** decision to delay, **Mr. Doctoroff** stated, “Michigan fully respects Canada’s need to take any steps it deems necessary to protect the interests of the Canadian taxpayer, which is funding the Gordie Howe bridge project. It’s Michigan’s expectation that it will acquire all properties located in the Gordie Howe footprint so as to not delay construction.” The **Canadian** government will be paying for the project in full or financing it via toll revenue, as **Republicans** opposed any state funds being appropriated to the project as well as those from the **U.S. Government**.

DPS BOARD PLAN FOR RESTRUCTURING REJECTED – Members of the **Local Emergency Financial Assistance Loan Board** approved resolutions earlier this week that call for the transfer of assets from **Detroit Public Schools (DPS)** to the new school district, **Detroit Community Schools**, despite calls for rejection of the proposals from **DPS** board and community members. The proposals also call for the allowance of \$235 million in bonds to be borrowed by the district for refinancing purposes and as start-up funds for the new district, something the opposition said the state should borrow and reapply to the district instead. **Lamar Lemmons, DPS Board President**, said the state owes the district and that the issuing of the debt along with the transferring of the assets was inappropriate and unfair. Commenting on how the district’s finances were questioned under emergency management, **Mr. Lemmons** said the state should take responsibility, saying, “You could recuse yourself in that you were responsible for the accounting or indirectly responsible for the accounting. Clearly there was some misfeasance or malfeasance in terms of operation of the district.” **Mr. Lemmons** also expressed disappointment with the **Loan Board** for approving the bond allowance that would in turn increase interest rates to 18 percent, stating, “It should be the municipal market rate.”

The **Loan Board**, after hearing comments on the interest rates and proposals from **State Treasurer** and **Chair** of the **Board Nick Khouri**, voted on and adopted the proposals with no discussion among themselves. **Tom Bleakley**, attorney for the **DPS Board** and community members said although the decision was made quickly, the adoption of the proposals may not stand, as the lawsuit filed by **DPS** board members to block the law is still ongoing.

CAMPAIGN NOTES – The race for the nomination for the highly contested **106th House District** now has two contenders, both **Democrats**. **Erin Kieliszewski** of **Alpena**, known as the party’s preferred candidate is now facing **Robert Kennedy** of **Harrisville**, both teachers and heavily involved in their communities. Both are seeking election for the seat currently held by **Representative Peter Pettalia** (R-Presque Isle) who cannot run for re-election due to term limits. **Ms. Kieliszewski** noted issues she would focus on if elected are ensuring good jobs paying livable wages and affordable education opportunities around the state and in her district. As for **Mr. Kennedy**, he cited environmental issues, reinvesting in education, campaign finance reform and increasing the mandates on renewables for utilities in the state.

ODDS & ENDS – The **Court of Appeals** held last Friday that a criminal defendant must be sentenced face to face and not by videoconferencing...the **Michigan Department of Health and Human Services (DHHS)** is asking the federal government to approve a waiver that would set up a demonstration project under **Medicaid** to assist persons with brain injuries to get necessary support services and live more independently...**Governor Rick Snyder** declared a state of disaster and activated the **National Guard** in **Gogebic County** last Friday as a result of 90 mph winds and flash flooding...in a presentation last week, the **Midcontinent Independent System Operator (MISO)** announced it will pursue its “**Forward Resource**

Auction” proposal, a three-year plan that addresses electric choice resource adequacy...according to a poll conducted by **Marketing Resource Group (MRG)**, **Democratic** presidential nominee **Hillary Clinton** is leading **Republican** presidential nominee **Donald Trump** 34 percent to 29 percent in Michigan...announced this week Wednesday, the state has issued \$607 million in bonds to help pay off transportation bonds and provide funds for new transportation projects and improvements...according to data released by Michigan’s **Department of Technology, Management and Budget (DTMB)**, the state’s unemployment rate fell by 0.1 percentage point to 4.6 percent in June, the state’s smallest unemployment percentage since February 2001...announced Tuesday of this week, **Governor Snyder** has filed an appeal with the **Michigan State Supreme Court** over the case the state lost regarding making controversial payments to **MPERS**, the state’s public employee pension system...**House Speaker Kevin Cotter** (R-Mt. Pleasant) announced this week the issue of **Prevailing Wage** reform will not be taken up by the state **House** in 2016, saying the “Governor has been clear on his position on that issue”...the **Michigan Department of Education (MDE)** approved waivers for at least 50 Michigan school districts to start classes before **Labor Day** this year for the first time in 10 years...**Detroit Mayor Mike Duggan**, former Michigan **Governor Jennifer Granholm** and **Flint Mayor Karen Weaver** are all set to speak at the **Democratic National Convention** in **Philadelphia** next week...the **Senate Fiscal Agency** released a report Monday of this week in regards to the appropriated funds for **Flint** including a breakdown of the state appropriated monies, the link to the report is: <http://www.senate.michigan.gov/sfa/publications/notes/2016notes/notessum16ej.pdf>

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