



# 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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**BIPARTISAN NO-FAULT PROPOSAL INTRODUCED** – *Representative Ben Frederick* (R-Owosso) and *Representative Donna Lasinski* (D-Ann Arbor) are spearheading a bipartisan alternative to the auto no-fault proposal introduced by *Detroit Mayor Mike Duggan* and *House Speaker Tom Leonard* (R-DeWitt Twp).

The 11-bill package would, among other things, reduce insurance premiums by 20-30 percent without cutting benefits; create a fee schedule for medical services; provide guidelines on attendant care; and incorporate a long-sought fraud authority. The three-tiered *personal injury protection (PIP)* choice options (\$250,000; \$500,000; unlimited) included in *House Bill 5013* (*Mr. Duggan* and *Mr. Leonard's* proposal) are not part of this bipartisan package.

The fate of these legislative proposals remains unclear at this time, as *Mr. Duggan* and *Mr. Leonard's* bill remains in the *House Insurance Committee*.

**PENSION TAX EXEMPTION HEADS TO GOVERNOR** – Legislation expanding current tax exemptions for public safety retirees on their pension has been sent to *Governor Rick Snyder* for his signature, with the bill passing the *Senate* on a 37-0 vote Tuesday. The bill, *House Bill 4396*, provides a tax exemption to those who receive *Social Security*, were born after 1952, and who retired before the current pension tax went into effect.

Initially, the bill would have allowed the exemptions to be applied retroactively as similar legislation died in the *House* last year, however members ultimately decided to eliminate that language. In 2011, the legislature passed the same exemption for public safety retirees receiving *Social Security* but only those born between 1946 and 1952 were included. *Senator Ken Horn* (R-Frankenmuth) sponsored an identical bill in the *Senate* (*Senate Bill 266*) and commented on his chamber's passing of the *House* version, noting he is a strong supporter of the "fair and sensible move".

Sponsor of *HB 4396*, *Representative Joe Bellino* (R-Monroe) also commented on the *Senate's* action, stating, "I look forward to this proposal becoming state law. After spending decades keeping Michigan safe, public safety employees have earned the right to keep more of their own money in retirement."

**ADVISORY PANEL APPOINTMENTS MADE AFTER 7 MONTH DELAY** – *Governor Rick Snyder* announced his first appointments to the state's *Marijuana Advisory Panel* recently, with the names of members originally due this March. The panel is tasked with making recommendations to *Michigan's Medical Marijuana Licensing Board (MMLB)* and the *Michigan Department of Licensing and*

**Regulatory Affairs (LARA)** in regard to implementing, enforcing, and administering new tracking and facility regulations.

The panel is set to have 17 members total, with representation of the following groups required: grower licensees, processor licensees, provisioning centers, safety compliance centers and secure transporter licensees. However, until the new licensing laws go into effect on December 15, those appointments cannot be made.

**Governor Snyder** announced the following as members of the panel, with each of their terms set to expire December 20, 2019:

- **James Berlin**, Chief of the **Roseville Police Department**, representing local police
- **Kimberly (Kim) Cole**, **Mason County Sheriff**, representing sheriffs
- **Catherine Kaufman**, partner at **Bauckham, Sparks, Thall, Seeber & Kaufman, P.C.** municipal law firm, representing townships
- **Alan Helmkamp**, **Wayne County Director of Commission Affairs**, representing counties
- **Paul Samways**, managing partner at **Cannabis Accounting**, representing registered medical marijuana patients
- **Saqib Nakadar**, **Doc Greens Medical Clinic Medical Director** with a focus on internal medicine and the use of medical marijuana, representing licensed physicians
- **Suzanne Schulz**, planning and managing director of design, development, and community engagement for the **City of Grand Rapids**, representing cities and villages
- **Attorney General Bill Schuette**, or his designee
- **Shelly Edgerton**, **Director of the Michigan Department of Licensing and Regulatory Affairs (LARA)**, or her designee
- **Kriste Etue**, **Director of the Michigan Department of State Police**, or her designee
- **Nick Lyon**, **Director of the Michigan Department of Health and Human Services (DHHS)**, or his designee
- **Jamie Clover Adams**, **Director of the Michigan Department of Agriculture and Rural Development (MDARD)**, or her designee

When asked why there was a delay in the appointments, spokesperson for **Governor Snyder Anna Heaton** stated, "It took some time to find a qualified, diverse group of candidates for appointment."

## **ELECTIONS**

- Former **Representative Jeff Irwin** announced he will seek election to the **18<sup>th</sup> Senate District** next year, with the seat currently held by term-limited **Senator Rebekah Warren** (D-Ann Arbor)
- **House Majority Floor Leader Dan Lauwers** (R-Brockway) announced his campaign for the **25<sup>th</sup> Senate District** in 2018's election, with the seat currently held by term-limited **Senator Phil Pavlov** (R-Saint Clair)
- Former **U.S. Representative Kerry Bentivolio** announced Monday he will seek election to **U.S. House District 11** in 2018 as a **Republican**
- **Democrat Jocelyn Benson** announced her intent to run for **Secretary of State** on Tuesday, having previously been the party's candidate in 2010
- **Representative Tim Greimel** (D-Auburn Hills) announced his campaign for the **11<sup>th</sup> Congressional House District** on Wednesday
- **Representative Laura Cox** (R-Livonia) has announced she will run for the **7<sup>th</sup> Senate District** in 2018, with the seat currently held by term-limited **Senator Patrick Colbeck** (R-Canton Twp)

## ODDS & ENDS

- The *Michigan Department of Health and Human Services (DHHS)* has announced *Blue Cross Blue Shield* and *Delta Dental of Michigan, Inc.* will be the providers of the state's *Healthy Kids Dental* program
- *Senator Jack Brandenburg* (R-Harrison Twp) and *Representative Jim Tedder* (R-Clarkston) have both stated they are working on their own individual plans to eliminate the state's income tax, each saying they are looking forward to seeing what the other has to offer in the next two to three weeks
- Michigan ranked number one in the nation for *Fiscal Year 2016-17* in lottery revenue growth, coming in at 4 percent, a trend *Michigan Lottery Commissioner Aric Nesbit* told the media he hopes to continue
- *Representative Bettie Cook-Scott's* (D-Detroit) reported campaign violations have been sent to the *Michigan Department of Attorney General* for consideration
- The *Michigan Department of Licensing and Regulatory Affairs (LARA)* announced this week that under the new medical marijuana law, those seeking licensure will apply via a two-step process including fingerprints and a criminal background check
- According to the *House Fiscal Agency's (HFA)* most recent revenue report, *General Fund* revenues generated by the state's business and income taxes are estimated to be \$30.9 million more than projected
- *Chief Judge* of the *Wayne County Circuit Court Robert Colombo* ruled the *Michigan Department of Transportation (MDOT)* and the *Michigan Strategic Fund (MSF)* have the authority to build the *Gordie Howe International Bridge* from *Detroit* to *Canada* via an agreement signed by *Governor Rick Snyder* and the *Canadian* government
- Members of the *Michigan Corrections Organization* expressed their concerns of allowing drones to fly over prisons in the state to the *Michigan Unmanned Aircraft Systems Task Force* recently, with the *Task Force* having been created earlier this year to outline aircraft policy recommendations for the use, operation and regulation of drones in Michigan
- *Representative Ben Frederick* (R-Owosso) introduced *House Joint Resolution X* late last week, which calls for the requirement of state legislators to pass the state budget by July 1 or forfeit their pay until approval is given
- *Democratic* gubernatorial candidate *Shri Thanedar* released his plan for the state's education if he were to become governor, including a ban on for-profit charter schools, free four-year college for families making less than \$120,000 annually, and an accelerated debt forgiveness system
- *Governor Rick Snyder* issued the state's first (allegedly) *Open Investment Policy Statement* on Friday, stating foreign direct investment (*FDI*) assists in growing Michigan's economy and all foreign-based employers are to be treated in an unbiased manner
- *Governor Rick Snyder* ordered all state and *U.S.* flags to be lowered to half-staff on Monday in honor of former *Representative Mary Scroer*, who passed away earlier in October
- The *City of Detroit's* credit rating has been upgraded from B2 to B1 by *Moody's Investor Services*, the highest rating from the agency since 2012
- *People to Protect Voters Rights* has formed in response to the proposal of altering the state's redistricting practices as announced by the *Voters Not Politicians* group
- Multiple groups announced the formation of the *Michigan Cleaner Lake Erie Action and Research (CLEAR) Coalition* on Monday, including the *Michigan Departments of Agriculture and Rural Development (MDARD)* and *Environmental Quality (DEQ)*
- The *Michigan Department of Education (MDE)*, along with the *Genesee Intermediate School District* and *Flint Community Schools*, filed an appeal on Monday of a recent *U.S. District Court* decision denying the three entities' motion to dismiss a lawsuit brought by *Flint* parents claiming they are failing to provide adequate services to at risk children affected by the *Flint Water Crisis*

- **Chair of the House Appropriations General Government Subcommittee, Representative Rob VerHeulen** (R-Walker), noted he will be holding a hearing in the coming weeks to discuss transparency of future spending on departmental projects, following his decision to pause a \$5.25 million transfer to the **Michigan Department of Corrections (MDOC)** on the premise he and other members were unsure how much money had already been spent on an IT project
- **Andrew Brisbo**, current **Director** of the **Michigan Bureau of Medical Marijuana Regulation**, announced on Tuesday potential requirements for medical marijuana facility applicants to have \$150,000 to \$500,000 in liquid assets are being considered
- Members of the **House** passed **Senate Bill 98** on Tuesday on a vote of 89-18, with the bill calling for the creation of a **Flint Promise Zone**. The bill then passed the **Senate** on a 35-2 vote and is headed to the **Governor** for signature
- **Marla McCowan**, director of training, outreach and support for the **Michigan Indigent Defense Commission**, told **Commission** members recently that all court jurisdictions in the state responsible for indigent defense should meet the November 20 deadline for submitting plans to meet basic upgraded standards for defending underprivileged defendants
- **Senate Bill 527** was reported out of the **Senate Judiciary Committee** on Tuesday via a 3-1 vote, with an **S-1 Substitute** added that would block the **Michigan Department of Health and Human Services (DHHS)** from listing weapons as hazardous materials following discussions of foster parents having firearms in the home
- Members of the **House Communications and Technology Committee** unanimously reported **House Bill 4973** to the full **House**, with the bill calling for the exemption of certain cybersecurity records from the **Freedom of Information Act (FOIA)**
- **Senate Bills 356-358** were signed into law on Tuesday by **Governor Rick Snyder**, with the bills calling for multiple adjustments to the states liquor, beer and wine licensing, promotion and sales rules
- **House Bill 4580** was signed into law recently, with the bill set to take effect January 15, 2018 and calling for the allowance of the **Michigan State Housing Development Authority (MSHDA)** to make, purchase or refinance loans for one-unit to four-unit housing units
- The **State Administrative Board (SAB)** approved an additional \$2.6 million for legal fees paid to the firm handling **Attorney General Bill Schuette's** criminal and civil investigations into the **Flint Water Crisis**
- **Senate Bill 574**, calling for the allowance of charter schools to receive regional enhancement property tax revenues collected by intermediate school districts (**ISDs**), passed the **Senate** on a 23-14 vote on Wednesday
- Under **Senate Bills 461** and **462** as passed out of the **Senate Regulatory Reform Committee** on Wednesday via a 7-0-1 vote, fantasy sports in Michigan would be codified as non-gambling activity
- **Senate Bill 492** passed the **Senate** on a 36-1 vote, with the bill calling for the requirement of insurance companies to cover orally-administered chemotherapy treatments the same as they cover intravenous treatments
- According to the **Michigan Department of Technology, Management and Budget (DTMB)**, Michigan's unemployment rate increased from 3.9 percent to 4.3 percent in September
- **Willie Brooks** has been voted to serve as the new **President** and **CEO** of the **Detroit Wayne Mental Health Authority**, having previously served as the **CEO** and **CFO** of the **Oakland County Health Network**
- The **Michigan Court of Appeals** ruled that health clubs created by a hospital foundation meet the definition of a charity and are therefore eligible for property tax exemption
- Members of the **House Financial Liability Reform Committee** discussed **House Bill 5093** on Wednesday, with the bill ensuring any funds for additional contributions to teacher pensions are made by the state and that those who choose the defined benefit plan are also provided those contributions

- Members of the *House Michigan Competitiveness Committee* reported *House Bills 5040-5046* and *5079-5080* to the full *House* on Wednesday, with the package of bills calling for the forgiveness of monies owed to the state via driver responsibility fees beginning October 1, 2018. *Senate Bills 609-615* and *624-625* outlining the same plan passed the *Senate* unanimously on Wednesday as well
- Bipartisan legislation to address and repair several issues within the *Michigan Unemployment Insurance Agency* is expected to be introduced Tuesday with legislators hoping for a vote on the bills within a week of introduction
- *Helen DeVos*, political activist and *Grand Rapids* patron passed away on Wednesday at the age of 90
- *House Bills 4781-4783* each unanimously passed the *Senate* on Thursday, calling for the allowance of electronic bicycles on trails throughout the state
- Members of the *Senate Oversight Committee* held a hearing to consider the appointment of *David DeVries* as director of the *Michigan Department of Technology, Management and Budget (DTMB)*
- The *Federal Energy Regulatory Commission (FERC)* ruled Thursday the collection of roughly \$23 million by the *Wisconsin Electric Corporation* was neither necessary nor reasonable to keep the *Presque Isle Power Plant* in the *Upper Peninsula* running
- Former director of Michigan's *Bureau of Epidemiology*, *Corinne Miller*, filed a lawsuit in the *Court of Claims* on Tuesday against the *Michigan Departments of Attorney General* and *Health and Human Services (DHHS)* seeking payment of her legal fees, as she defends herself in a civil suit resulting from the *Flint Water Crisis* and subsequent *Legionnaire's Disease* breakout

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