



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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FLINT COUNCIL EXTENDS 2-YEAR CONTRACT – Following a federal order to select a reliable water source for the city, *Flint City Council* members voted to extend the contract with the *Great Lakes Water Authority (GLWA)* for another two years, allowing the board time to review a more permanent option.

The decision was outlined in documents submitted by the *Council* to the *U.S. District Court*, however, a spokesperson for *GLWA*, *Amanda Abukhader*, noted the organization had “received no communication” regarding the extension. *Ms. Abukhader* also noted the *Authority* understands “the city and city council are in litigation with the State of Michigan” and “will continue to be respectful of that process”.

Commenting on the decision, *Flint Mayor Karen Weaver* agreed action was necessary, but did not see the 2-year extension as a viable solution as it allows for two more years of uncertainty for *Flint’s* water system and its residents.

However, in the decision submitted to the court, *City Council* officials stated that the extension allows *Flint* to “position itself to build a better water distribution system” and would decrease the annual water cost by “almost \$16 million”. The proposal, extending the contract to October 31, 2019, was passed on an 8-1 vote on Monday evening.

BALLAST WATER DISCHARGE DISCUSSED IN HOUSE COMMITTEE – Export of the state’s agricultural supplies has essentially been closed due to Michigan’s regulations of ballast water discharge from ocean-going vessels, according to *Representative Dan Lauwers* (R-Brockway), something *House Bill 5095* would address.

The bill, as sponsored by *Mr. Lauwers*, received discussion in the *House Commerce and Trade Committee* on Thursday, with members seemingly receptive to the proposed changes. Under the legislation, the requirement to treat ballast water prior to discharge would be eliminated and would change the state’s standards and regulations to match those of the *Coast Guard* as currently used by other states and *Canadian* provinces.

Opponents to the legislation claim the *Great Lakes* will be at risk for invasive species and other harms, however, *Mr. Lauwers* disagreed. Commenting on his proposal, *Mr. Lauwers* told *Committee* members, “It doesn’t change anything as far as risk goes to the Great Lakes when we are the only state with these standards. We would be adopting the standards that everyone is already using...”. *Steven Fisher* with the *American Great Lakes Port Association*, agreed with *Mr. Lauwers*, noting that because of the state’s

strict regulations on ballast water, imports are still allowed but exports from the state are mostly shipped through ports in *Ohio* and *Indiana*, something that hinders the industry.

Chair of the *Committee*, *Representative Eric Leutheuser* (R-Hillsdale) contended the points brought forth should be considered, and he would like to hear more testimony, especially from the *Michigan Department of Environmental Quality (DEQ)* before moving to a vote.

AUTO NO-FAULT GOES TO FULL HOUSE FOR VOTE – Members of the *House Insurance Committee* reported *House Bill 5013* mostly on party lines on Thursday. The so-called *Duggan/Leonard* package would significantly change the auto no-fault law currently in place. *House Speaker Tom Leonard* (R-DeWitt Twp) noted a full chamber vote will be held soon. Originally proposed by *Chair* of the *House Insurance Committee Representative Lana Theis* (R-Brighton) at the urging of *Detroit Mayor Mike Duggan* and *House Speaker Tom Leonard* (R-DeWitt Twp), the bill received changes before approval by *Committee* members.

Included in the changes are amendments calling for rate reductions of 40 percent, 20 percent and 10 percent respectively on all three proposed tiers of *personal injury protection (PIP)* offerings of \$250,000, \$500,000 or the current unlimited. Also adopted were amendments to restore ambulance provider reductions as originally proposed in the bill, and notice to be given to those choosing a less expensive option that they will no longer be eligible for the full coverage required today.

Insurers and the *Michigan Chamber of Commerce* strongly support the proposal. However, many other stakeholders have concerns with the legislation including: some Detroiters who are concerned about non-driving factors being built into their premiums; medical providers; post-acute rehabilitation providers; many in the legal profession; and injured drivers and their families who are being cared for under the current system.

OPEB TALKS CONTINUE – The issue of unfunded liabilities throughout the state has resurfaced from last session year. Testifying in the *House Local Government Committee* on Wednesday on the issue, *Representative Thomas Albert* (R-Lowell) told *Committee* members that overall, roughly 30 percent of “other post-employment benefit” (*OPEB*) plans are funded, while 73 percent of city, township and county pension plans are funded. Local governments throughout the state have reported the same amounts as *Mr. Albert* found himself, according to *Chair* of the *Committee Representative Jim Lower* (R-Cedar Lake), showing the municipalities see the issue as well. *Mr. Albert* also told members that the unfunded liabilities continue to grow until an emergency manager is called in, by which time it is too late and retirees have lost all benefits promised to them.

Though the numbers of unfunded *OPEB* plans are not ideal, *Mr. Albert* noted a solution is possible, citing the *City of Grand Rapids* which closed its plan to new hires, moved non-vested employees to a defined contribution plan and began pre-funding its *OPEB* plans. *Mr. Lower* stated that solutions would be discussed at the next hearing on the centralized data from *Mr. Albert*.

ELECTIONS:

- *Democratic U.S. Senator Debbie Stabenow* has a total of \$6.9 million in cash on hand for her re-election campaign
- Former *Representative Brian Banks* announced his plans to run for *Senate District 2* in 2018, with the seat currently held by term-limited *Senator Bert Johnson* (D-Highland Park)
- Former *Representative Sean McCann* has filed to run for the *20th Senate District* in 2018
- *Representative Daniela Garcia* (R-Holland) has announced she will be running for the *30th Senate*

District seat in 2018, with the seat currently held by term-limited *Senate Majority Leader Arlan Meekhof* (R-West Olive)

- *Representative Jeremy Moss* (D-Southfield) has filed to run for the *11th Senate District* in 2018, with the seat currently held by term-limited *Senator Vincent Gregory* (D-Southfield)
- *Michael Saari*, a *Republican* from *Commerce Twp.*, has announced he will seek the *15th Senate District* seat, currently held by *Senator Mike Kowall* (R-White Lake), next year
- During the most recent reporting period, *Democratic* gubernatorial candidate *Shri Thanedar* deposited an additional \$2.7 million of his own money into his campaign account, while his fellow candidate, former *Senate Minority Leader Gretchen Whitmer* raised \$765,000
- *Robert Ritchie (Kid Rock)* announced on Tuesday he will not run for the *U.S. Senate* in 2018
- *Representative Chris Afendoulis* (R-Grand Rapids) announced he will seek election to the *29th Senate District* in 2018, with the seat currently held by term-limited *Senator David Hildenbrand* (R-Lowell). *Representative Winnie Brinks* (D-Grand Rapids) has also announced for the seat
- *Attorney General Bill Schuette* raised \$1.2 million in the most recent fundraising period, putting him ahead of his fellow *Republican* gubernatorial candidates
- *Democratic* gubernatorial candidate *Abdul El-Sayed* raised \$612,342 in the most recent fundraising period
- *Democrat Andy Levin*, son of *U.S. Representative Sander Levin* (D-Royal Oak), has recently been discussing the possibility of running for governor to gauge if he is “the best candidate to beat the Republican nominee”
- In his race for *House Speaker* next year, *Representative Lee Chatfield* (R-Levering) has \$102,914 on hand
- *Attorney General* candidate and current *Senator Tonya Schuitmaker* (R-Lawton) has \$248,718 on hand for her campaign, while *House Speaker Tom Leonard* (R-DeWitt Twp) has \$228,729
- *GOP Secretary of State* candidate *Stan Grot* reported having \$50,880 on hand, twice the amount of his competitor *Mary Treder Lang*, who reported \$24,525
- Gubernatorial candidate and current *Senator Patrick Colbeck* (R-Canton Twp) has reported \$13,232 on hand for his campaign
- *LaShaya Darisaw* announced her candidacy for the *49th House District* on Thursday, with the seat currently held by term-limited *Representative Phil Phelps* (D-Flushing)
- *Angela Witwer*, co-owner and president of *Edge Partnerships*, announced she will run for the *71st House District* in 2018, with the seat’s current *Representative Tom Barrett* (R-Pottersville) running for *Senate*
- *Representative Sylvia Santana* (D-Detroit) announced she will run for the *3rd Senate District* in 2018, with the seat currently held by term-limited *Senator Morris Hood III* (D-Detroit)
- According to campaign finance reports filed Wednesday, *House Republicans* have \$1.57 million on hand and *House Democrats* have \$674,400 while; *Senate Republicans* have \$2.89 million on hand and *Senate Democrats* have \$1.35 million on hand

ODDS & ENDS

- *Corinne Miller*, the state’s former chief epidemiologist, filed a suit in the *Court of Claims* this week claiming the state is violating its civil service rules by denying her legal representation in a civil suit where she is named because of a conflict in a separate legal matter
- *Attorney General Bill Schuette* announced late last week he has joined 17 other state attorneys general in calling on healthcare companies providing pharmacy benefit management plans to create and implement plans and programs to decrease opioid abuse
- During a meeting of agriculture directors from the *U.S., Canada* and *Mexico*, *Michigan Department of Agriculture and Rural Development (MDARD)* director *Jamie Clover Adams*

stated the *North American Free Trade Agreement (NAFTA)* is necessary to continue the flow of trade in the state

- The *Michigan Department of Licensing and Regulatory Affairs (LARA)* released a checklist for those applying for: licensure to grow, process, become a secure transporter of, or open a provisioning center or safety processing center for medical marijuana on Friday of last week. The list can be viewed [here](#)
- Committee replacements for *Senator Patrick Colbeck* (R-Canton Twp) have been announced: *Senate Education, Senator Joe Hune* (R-Whitmore Lake); *Elections and Government Reform, Senator Jack Brandenburg* (R-Harrison Twp); *Senate Appropriations State Police and Military Affairs Subcommittee, Senator Margaret O'Brien* (R-Portage); *Senate Veterans, Military Affairs and Homeland Security, Senator Ken Horn* (R-Frankenmuth); and *Senate Judiciary, Senator Judy Emmons* (R-Sheridan)
- *Governor Rick Snyder*, along with the *Premier of Ontario*, hosted the *2017 Leadership Summit of the Great Lakes and St. Lawrence Governors and Premiers* this past weekend, with events having been held in *Windsor* and *Detroit*
- A lawsuit filed by *Progress Michigan* seeking to publicly disclose emails sent using private accounts by *Attorney General Bill Schuette* and his staff to conduct state business will move forward in the *Court of Claims*
- *Senators Margaret O'Brien* (R-Portage) and *Rick Jones* (R-Grand Ledge) announced legislation on Monday that will allow victims of domestic violence, sexual assault, stalking or human trafficking to keep their home addresses confidential
- The *Pathfinder Program*, an online career exploration tool, was unveiled on Monday after having been developed by the *Michigan Department of Education (MDE)*, the *Michigan Talent Investment Agency*, the *Michigan Department of Talent and Economic Development*, the *Michigan College Access Network*, *Michigan Virtual University*, and *Michigan Works!*
- According to the *Bureau of Medical Marijuana Regulation*, almost 2,000 individuals have signed up for *Medical Marijuana* educational sessions beginning November 8
- *Michigan Technological University (MTU)* is set to conduct the next study of the *Enbridge Line 5 Pipeline*, following its announcement of having worked with the company in the past and with some of its students having received scholarships funded by *Enbridge*
- Michigan state budget and retirement officials have not yet looked at the issue potentially on the horizon for 401(k)s, with *U.S. House Republican* members considering cutting the amount of money an individual could deposit in pre-tax earnings into his/her 401(k)
- According to the *Michigan Department of Environmental Quality (DEQ)*, water in 99.4 percent of homes in *Flint* have tested well below the federal action level on lead
- The *Michigan Strategic Fund* approved \$15.98 million in tax incentives for the cleanup of a brownfield site that is to be developed into the headquarters and training facility for the *Detroit Pistons*
- *Senate* members did not hold session this week due to the *National Assembly of Sportsmen's Caucuses Legislators Summit* held in *Traverse City*
- *Jeff Mason*, *CEO* of the *Michigan Economic Development Corporation (MEDC)* told a Lansing media outlet recently that Michigan is a "serious contender" for *Amazon's* location of its next headquarters
- *Genesee County Judge Michael J. Theile* has filed an appeal with the *6th Circuit Court of Appeals* to reverse a *Detroit* federal judge's ruling that granted the state's request to dismiss *Mr. Theile's* lawsuit alleging the existing age limit for judges in Michigan is discriminatory and irrelevant to any governmental interest
- *Lieutenant Governor Brian Calley's Clean Michigan Committee* seeking to enact a part-time legislature has raised \$887,174 since its formation
- The *Michigan Public Service Commission (MPSC)* is seeking opinions from stakeholders in the

electric vehicle industry on the development of pilot programs related to the deployment of plug-in electric vehicles and future infrastructure demand. Comments are due by November 17 at 5:00 p.m.

- According to an audit released Wednesday, the **Michigan Department of Corrections (MDOC)** is effectively monitoring its contract with **Trinity Services Group** to provide food services in the state's prisons
- **President Donald Trump** signed an executive order Thursday formally declaring the opioid crisis across the nation as a public health emergency
- Members of the **House Education Reform Committee** passed **House Joint Resolution M** on Thursday, which calls for the allowance of Michigan voters to be asked if they would like to get rid of the voter-appointed **Michigan Board of Education** in favor of a gubernatorially appointed one
- The **Mackinac Bridge Authority** announced it will hold a special public meeting in Lansing on November 20 to gain more input on proposed changes to the annual **Labor Day** bridge walk. A location for the meeting is to be determined

MHSA • Muchmore Harrington Smalley & Associates, LLC

Patrick Harrington pharrington@mhsa.com | Jon Smalley jsmalley@mhsa.com | Sandra Jones - sjones@mhsa.com
Adrian Cazal acazal@mhsa.com | Bret Marr bmarr@mhsa.com | Evelyn Zois Sweeney esweeney@mhsa.com

124 West Allegan St., Suite. 1900 | Lansing, MI 48933 | Phone: 517-484-8800 | Fax: 517-484-4442 | Email: rsmith@mhsa.com

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