



This Week in Lansing

MHSA • Muchmore Harrington Smalley & Associates, LLC

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

Volume XXIX – Issue 31

August 4, 2017

MENTAL HEALTH TASK FORCE HOLDS FIRST PANEL – The task force created by *House Speaker Tom Leonard* (R-DeWitt Twp) to address mental health issues across the state held its first panel on Tuesday, receiving comments from advocates and officials working in both corrections and treatment capacities. The bipartisan group of legislators known as the *CARES (Community, Access, Resources, Education and Safety) Task Force*, met at the *Livingston County EMS Center* in *Howell* to discuss access to and treatment for individuals with substance abuse issues or mental health disorders.

Addressing the panel, *Livingston County Sheriff Mike Murphy* noted that though his county recently opened an engagement center where citizens can be assessed by mental health professionals to get the necessary assistance, not all regions of the state have that capacity. *Mr. Murphy* also addressed the issue jails in the area have had with inmates who are mentally ill but have not received appropriate treatment.

Echoing that sentiment and offering a suggestion to the panel on a possible solution, *Judge Carol Reader* from the *53rd District Court* mentioned the need for more one-on-one services for individuals suffering from mental illness with the hope of getting them out of jail or prison. *Ms. Reader* told panelists that even if a prisoner has received treatment for mental illness, their records do not travel with them to jail, so the issue is more likely to go unaddressed. Housing and transportation for such prisoners can thus become challenging if the prisoner does not notify the jail or prison of their mental illness (therefore going untreated).

Other attendees including *Dr. Stephen Pinals* (*Saint Joseph Mercy Health System* psychiatry chair), *Judge Michael Hatty* (*44th Circuit Court – Drug Court* overseer), and *Dr. David Yanga* (*Brighton Center for Recovery* chief medical officer) commented on the lack of access as well as the lack of providers and overall treatment opportunities. *Mr. Hatty* noted the relationship between substance abuse and mental illness is a difficult one to break if not addressed quickly and accurately, something the state could assist in with increased outpatient services and early education for children and adolescents.

Mr. Yanga agreed, noting that by also lessening the demand for alcohol and drugs, those suffering would have greater chance of success. *Mr. Yanga* also stated that more partnerships between psychiatric and substance abuse providers need to be made or strengthened. Panelists will meet again on Thursday, August 17 at *Hope Network* in *Grand Rapids*.

CRC REPORT: STATE BUDGET COULD SEE LARGE LOSSES – Michigan's *General Fund* could see losses and diversions equaling 20 to 45 percent of the current monies, as no new revenue sources have been identified and the possibility of another economic downturn is a continuous worry, according to

the *Citizens Research Council of Michigan (CRCM)*. The report notes that by 2023, diversions could consume between \$2 and \$5 billion, something the *Legislature* may have to address in the near future.

Craig Thiel, research director for the *Council* commented on the potential losses, stating, “Tax credits and promises by previous legislatures and the governor to fund roads and personal property tax relief are starting to come due to the tune of \$2 billion a year. Minimal state revenue growth in future years, combined with the prospect of federal funding reductions in important programs like Medicaid and the Supplemental Nutrition Assistance Program (food stamps program), means that Michigan will have some tough choices ahead balancing future state budgets.”

Annual committed diversions from the state’s *General Fund*, as outlined in the report include:

- \$600 million until 2021 for the *Road Funding Package* passed in 2015
- \$500 million by 2025 for personal property tax reformations
- \$48 million for driver responsibility fee phase out to be fully in place by *Fiscal Year 2017*
- \$205.8 million beginning in 2018 (and rising from each year thereafter) for the expansion of the *Homestead Property Tax* via the *Road Funding Package*
- \$23.1 million (in its first year) and \$810.7 million (in its 30th year) for the newly reformed *Michigan Public School Employees Retirement System (MPERS)* defined contribution match

Non-annual diversions outlined include:

- \$210 million over the next six years for additional *Michigan Business Tax* credits
- \$5 billion in *Michigan Economic Growth Authority Credits* via the *Michigan Economic Development Corporation (MEDC)* by 2032
- \$465 million (potentially) if the *Health Insurance Claims Assessment (HICA)* expires in 2020

As for the possible reduction in federal funding, the report notes that \$121 million will be removed from two *U.S. Department of Education* programs and \$3 billion from the aforementioned *Medicaid* and food stamps programs. Citing the *Senate Fiscal Agency* projections as aligning with the reported estimate, the *CRCM* report states that “General Fund revenues seem to have plateaued”, something that could affect the state budget by billions of dollars in the years to come. The report, *Challenges Ahead In Balancing The State Budget*, can be viewed [here](#).

‘HIGHLY LIKELY’ MI WILL NEED MORE SOURCES FOR ELECTRIC SUPPLY – In a review of utilities throughout the state and their “resource adequacy assessments”, the *Michigan Public Service Commission (MPSC)* found that until 2021, the state is set in regard to its electricity supply, but could run into issues in the years following. According to the *MPSC* declaration, it is “highly likely” that the state will need to import power from other states as well as create additional resources from within.

The potential shortage could be the result of multiple issues effecting the state’s *Lower Peninsula*. A large section of the *Lower Peninsula* (currently part of the *Midcontinent Independent System Operator (MISO)*) will see reductions in customer coverage due to the decrease of energy waste as well as new generation facilities. Another issue that could potentially affect the *MISO* covered portion of the *Lower Peninsula* is that of the possible closure of the *Palisades Nuclear Plant* (the closure is still pending review from the *MPSC*)

As for the *Upper Peninsula* zones, including parts of *Wisconsin*, they are expected to see a surplus in the 2018-2019 planning year, totaling 6,000 megawatts. *MPSC* officials note that though supplies have increased regionally in the last year, that may not be the case once the surpluses run out and or fall short of any increase in needs as the years pass.

ELECTIONS

- According to a *Target Insyght* poll, **Kid Rock** (legally **Robert Ritchie, Jr.**) is only eight percentage points behind current **U.S. Senator Debbie Stabenow** (D-Delta Twp) in a hypothetical general election for **Ms. Stabenow's** seat
- In a poll of 377 **Democratic** voters, both former **Senate Minority Leader** and current **Democratic** gubernatorial candidate **Gretchen Whitmer** and **Southfield** attorney **Geoffrey Fieger** (yet to officially announce candidacy) tied at 35 percent for front runner in the 2018 gubernatorial race
- According to the most recently filed campaign finance reports, **Wayne County** assistant prosecutor **Tenisha Yancey** leads the race for **House District 1** in fundraising with \$47,560 noted; while former **U.S. Senate** staffer **Jeremy Hosking** leads the race for **House District 109** with \$37,630 noted
- In a survey of 344 likely **Republican** voters, **Attorney General Bill Schuette** is up 42 percent to **Lieutenant Governor Brian Calley's** 14 percent in the race for **Governor**
- **Senator Ken Horn** (R-Frankenmuth) and retired **Air Force Colonel Henry Gaudreau (Democrat)** both noted recently they will file campaigns for **Senate District 32**, currently held by **Mr. Horn**

ODDS & ENDS

- The **6th U.S. Circuit Court of Appeals** ruled late last week in favor of those seeking to file federal suits regarding the contamination of their water, reversing a decision to dismiss the potential suits
- **Governor Rick Snyder** is currently on his seventh trade mission to **China**, with the goal being to inform the country of the state's progress of autonomous vehicle technology as well as to gain investment opportunities in the state
- As announced by **Attorney General Bill Schuette, Josette Buendia**, former principal for **Detroit Public Schools**, will be required to forfeit \$10,304 per year from her pension due to her role in the bribery and kickback schemes in the school district
- Pre-proposals for the next round of **Aquatic Habitat Grant Program** funds are now being accepted, as announced last week by the **Michigan Department of Natural Resources (DNR)** (with the available funds totaling \$1.25 million)
- The **Michigan Court of Appeals** ruled last week spouses of nursing home patients cannot put money into a trust fund for protection while also drawing on **Medicaid** to pay for the patient's long-term care, with the **Supreme Court** also ruling the state can seek recovery from such estates as far back as July 2010
- Former legislator **Martin Buth** passed away on Monday of last week, having served in the Michigan **Legislature** from 1959 to 1982
- According to an audit released on Monday, neither the **Genesee County Health Department** or the **Michigan Department of Agriculture and Rural Development (MDARD)** could provide documentation for 35 percent of the food and water lead safety inspections purportedly conducted at food service establishments that used **Flint River** water
- The **Michigan Public Service Commission (MPSC)** announced three public hearing dates for public comment on the draft plan of regulations for rate-regulated utilities in regard to their integrated resource plans: September 6, 1-5 p.m. at **Schoolcraft College** in **Livonia**; September 13, 1-5 p.m. at the **L.V. Eberhard Center** in **Grand Rapids**; and September 19 at **Northern Michigan University** in **Marquette**
- According to officials with the **Michigan Department of Insurance and Financial Services (DIFS)**, insurance companies in Michigan have been approved for 30 additional days to post proposed health insurance rates for 2018

- **DTE Energy** has filed a certificate of necessity for a \$1 billion, 1,100-megawatt natural gas-fired power plant with the **Michigan Public Service Commission (MPSC)**, with the plant set to be built in **East China Twp** in **St. Clair County**
- The cities of **Lincoln Park** and **Pontiac** have been released from receivership, according to **State Treasurer Nick Khouri**, with each having been under emergency management since 2015 and 2013 respectively
- The **U.S. Environmental Protection Agency** has approved the **Michigan Department of Environmental Quality (DEQ)** to forgive \$20.7 million in debt owed by the **City of Flint** to the **Drinking Water State Revolving Fund**
- **U.S. Senators Gary Peters** (D-Bloomfield Twp) and **Debbie Stabenow** (D-Delta Twp) announced on Tuesday their support of the appointment of former **U.S. Representative Peter Hoekstra** as **U.S. Ambassador** to the **Netherlands**
- **U.S. Secretary of Education Betsy DeVos** met with roughly 25 Michigan school superintendents on Wednesday in **Holland**, following multiple school/college tours in **Grand Rapids** earlier this week
- **Jarrold Agen**, former chief of staff to **Governor Rick Snyder**, has been promoted to deputy chief of staff as well as director of communications for **Vice President Mike Pence**
- **Ontario** supports the use of the **Line 5** pipeline, according to a document sent to **Michigan Agency for Energy** from the province's **Ministry of Energy** on Tuesday
- 60 communities across the state will have new voting systems in place for next week's August 8 primary election, according to **Secretary of State Ruth Johnson** and **State Elections Director Sally Williams**
- Users will now be allowed to pay for electricity by the kilowatt hour (15 cents per kilowatt hour) at electric vehicle charging stations outside of the building where the **Michigan Agency for Energy** and the **Michigan Public Service Commission** reside, the first stations in the state to do so
- **President Donald Trump** declared major disasters for the counties of **Bay**, **Gladwin**, **Isabella** and **Midland** as well as the **Saginaw Chippewa Tribe** (in **Isabella County**) following severe flooding on June 22 and June 23
- **Genesee County Clerk John Gleason** announced on Thursday a petition for the recall of **Flint Mayor Karen Weaver** will be on next week's August 8 ballot after receiving more than the 5,750 required signatures
- **Lieutenant Governor Brian Calley** announced Michigan is now the ninth state set to use **FirstNet**, the **First Responder Network Authority** enabling first responders to use high-speed internet service in more remote areas
- **Senator Rick Jones** (R-Grand Ledge) noted his staff is drafting legislation that would require the state entity charged with overseeing police training academies to also be given the authority to request complete federal background checks on applicants, including fingerprints
- The **Michigan Technical Conference on Alternative Fuel Vehicles** is set to be held in Lansing next Wednesday from 8 a.m. to 5 p.m. at the offices of the **Michigan Public Service Commission (MPSC)** and the **Michigan Agency for Energy** (7109 W Saginaw Hwy, Lansing)
- **U.S. Senator Debbie Stabenow** introduced legislation calling for the allowance of people aged 55 and older to purchase **Medicare** benefits (currently the youngest age allowed for application is 65)

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