

May 2017

BUDGET: LESS MONEY TO SPEND

Based on numbers approved by the Consensus Revenue Estimating Council (CREC), lawmakers will have \$292.2 million less in the General Fund (GF) to spend this year and on next year's (FY) 2018 budget that starts October 1, but \$340.3 million more in the School Aid Fund (SAF) than expected.

What that means is a rather tiny \$47.7 million increase in expected state revenue for the current year and next.

These are the final numbers that lawmakers and the Governor's office will have to reach final "targets" for the FY '18 budget.

The General Fund is projected to have a \$2.072 billion hole in five years, and the latest numbers did nothing to improve that picture.

One option is to use SAF money to cover the growing liability in the state's teacher pension system in the FY '18 budget. That will prove to be politically difficult.

Another option is to use the \$600 million in GF money dedicated from the 2015 road package to support any proposed closing of the hybrid teacher retirement system to new hires, but House Speaker Tom Leonard said he will not support such a plan.

CPAN PROPOSES FEE SCHEDULE

A plan to control medical treatment prices for car accident victims has been proposed by the Coalition to Protect Auto No-Fault (CPAN). That is if insurance companies are banned from using ZIP codes and credit histories to set ratings.

The group is proposing a fee schedule for all health care providers, including hospitals, that is set at 185 percent of the Workers Compensation schedule and yet-to-be determined rate caps for family-provided attendant care.

Also being suggested by the group is a yet-to-be determined rate cap on hourly rates for family-provided attendant care and an insurance fraud authority.

LEGISLATION EASING GUN REGISTRATION AND CONCEALED CARRYING HAS BEEN INTRODUCED.

Registering of pistols and obtaining a concealed carry permit would be eliminated under legislation (HB 4554) introduced by Speaker Pro Tem Lee Chatfield (R-Levering).

The bill would make pistol registration optional and eliminate the \$250 fine for not registering and allows previously registered pistol owners to request their information be removed from a state database.

Meanwhile, Representative Gary Glenn (R-Midland) is pushing legislation that would legalize open carry without a permit.

The bill package does keep the current permitting system in place for state residents who want concealed carry reciprocity with other states.

HOLDING A CELL PHONE WHILE DRIVING? NEW LEGISLATION WOULD PROHIBIT

Under legislation (HB 4466), it would be illegal to hold, talk or otherwise use a “portable electronic device” while driving. Calls would be allowed if the driver uses a hands-free or voice-activated device.

Map apps would be permitted under the bill if they could be activated by voice command or a single swipe.

Currently, only texting while driving is banned in Michigan.

PRE-LABOR DAY SCHOOL BILL IS LABORING IN THE SENATE

Senate Majority Leader Arlan Meekhof (R-West Olive) says at this point there is not enough support in the Senate GOP caucus for the Pre-Labor Day School Bill (SB 271) sponsored by Senator Marty Knollenberg (R-Troy). However, Senator Meekhof said the legislation is “still alive.”

The measure would allow school districts to start their school years prior to Labor Day without a Department of Education waiver.

FLINT PROMISE ZONE BILL CLEARS THE SENATE

The Senate has passed legislation (SB 98) making Flint Michigan’s 11th Promise Zone to allow the pooling of resources and use tax increment finances to help its students afford a college education.

The measure now goes to the House.

LINE 5 BALLOT PROPOSAL PETITION GETS O.K.

The Board of State Canvassers has given approval to ballot language that would terminate the 1953 easement that led to the Line 5 pipeline beneath the Straits of Mackinac and prohibit pipelines beneath the Great Lakes from carrying oil.

According to promoters of the initiative, the petition would not shut down the pipeline itself, but would prevent the flow of crude oil.

COALITION PUSHES FOR LEGALIZATION OF POT

Language has been filed with the Secretary of State to be placed on the November 2018 statewide ballot that would legalize adult consumption of marijuana in Michigan.

Similar to the state’s recently passed medical marijuana law, the Coalition to Regulate Marijuana Like Alcohol’s (CRMLA) initiative would create five categories of licensed marijuana businesses that would be regulated by the state and be subject to local control. The initiative

would also make available special licenses for microbusiness, legalize the cultivation of hemp, and proposes a 10 percent marijuana excise tax at the retail level.

CRIMINAL JUSTICE REFORM BILLS ARE SIGNED INTO LAW

A massive criminal justice reform package that supporters claim will keep criminals from re-offending has been signed into law by Governor Rick Snyder.

The new laws require: that by 2018, the Department of Corrections (DOC) adopt a new program that will have harsher penalties for violating the terms of parole; recidivism will be uniformly defined, and require the DOC to report the number of parole-eligible inmates who have not been released.

Two bills in the 20-bill package were vetoed by Governor Snyder – one requiring better data collection in the criminal justice system, the other requiring the state to create a program under which prisoners might be housed in county jails.

SNYDER NAMES WILDER TO STATE SUPREME COURT

Michigan Court of Appeals Judge Kurtis Wilder has been appointed to the Michigan Supreme Court by Governor Rick Snyder. Justice Wilder replaces former Chief Justice Bob Young who stepped down to join a Lansing law firm – and may be considering a U.S. Senate run.

FIEGER CONSIDERS BID FOR GOVERNOR...AGAIN

On statewide television, Southfield attorney Geoffrey Fieger said he was “darn serious” about running for governor.

It would be the sixth time Fieger has threatened to run for public office since he was handily defeated by Governor John Engler in 1998.

CALLEY READY TO ANNOUNCE FOR SOMETHING; SCHUETTE NOT YET

Lieutenant Governor Brian Calley has taken to social media indicating he will make a major announcement on May 30 but the information does not say for what. Betting speculation is that it will be to seek the Republican nomination for Governor in 2018.

Meanwhile, Attorney General Bill Schuette, who is also presumed to make a gubernatorial run, says he’s not yet ready to make any formal announcement.