



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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GOVERNOR WHITMER TO DELIVER DEMOCRATIC RESPONSE TO PRESIDENT

TRUMP'S STATE OF THE UNION – *U.S. Speaker of the House Nancy Pelosi (D-CA)* and *Senate Democratic Leader Chuck Schumer (D-NY)* announced today that *Governor Gretchen Whitmer* will deliver the democratic response to *President Donald Trump's State of the Union* on *February 4th*.

Heaping high praise on *Governor Whitmer*, *Speaker Pelosi* released a statement saying, “Since day one, *Governor Whitmer* has rolled up her sleeves to get things done for the people of *Michigan*... Her decades of hard work on behalf of the people should serve as a model for our nation. She’s a forward-looking leader who is laser-focused on solving problems for everyday *Michiganders* and is uniquely qualified to deliver *Democrats’* message of progress for all *Americans*.”

In response to the announcement, *Governor Whitmer’s* office also released a statement quoting the *Governor* as saying, “Across the country, *Democrats* are staying focused on building a stronger, more sustainable country for future generations. As leaders, it’s our responsibility to ensure a safe, healthy future for our children and families, and that’s exactly what we’re working toward in *Michigan*... This response is an exciting opportunity to show the *American* people that not only are *Democrats* getting things done for them, but also for future generations to come”.

Congresswoman Veronica Escobar of Texas will deliver the *Spanish* language response to the speech.

GOVERNOR WHITMER EXPLORING THE OPTION TO FIX ROADS UNILATERALLY –

As political pundits anxiously await the release of *Governor Gretchen Whitmer’s* second *State of the State Address*, many have begun prognosticating about the contents of the speech, particularly how the *Governor* will approach road funding. Last year’s legislative impasse over a \$0.45 proposed gas tax has some insiders speculating the *Governor* may pursue a proposal that bypasses the legislature all together.

Senate Democratic Appropriations Vice Chair Curtis Hertel Jr. (D-East Lansing) has hinted *Governor Whitmer* is exploring funding options she could execute unilaterally and that would prioritize repairing the worst roads in *Michigan*. While *Governor Whitmer* previously hoped for a comprehensive \$2.5 billion-a-year program, she may be signaling a more modest, less costly approach in prioritizing *Michigan’s* worst roads first.

This move is being supported by *Senate Minority Leader Jim Ananich (D-Flint)* and *Senator Curtis Hertel Jr. (D-East Lansing)*, who both agree the worst roads in *Michigan* need “real investment” and not

filling potholes. The plan to prioritize the worst roads could mean *Michigan's* more populated areas see funding first, with the assumption those roads see heavier utilization and are therefore more damaged.

Senator Ananich and *Senator Hertel* also remain open to working with the *GOP Legislature* to devise a comprehensive plan to fix all the roads if their conservative counterparts show an appetite for a more wholesale approach. However, it is currently unclear if *Governor Whitmer* will give bipartisan reform another chance, or if she will act unilaterally.

21 MICHIGAN RESIDENTS SELECTED TO BE A PART OF MICHIGAN'S FIRST ENVIRONMENTAL JUSTICE ADVISORY COUNCIL – Twenty-one *Michiganders* have been selected to participate on the first *Michigan Advisory Council for Environmental Justice (MAC EJ)*. The appointments were made by *Governor Gretchen Whitmer* and announced by the *Department of Environment, Great Lakes and Energy (EGLE)* this week. A key focus of the council will be to ensure all *Michigan* residents, irrespective of geography, race, color, origin or income are benefitting equitably from *Michigan's* environmental laws and regulations.

The *MAC EJ* will work collaboratively with the *Interagency Environmental Justice Response Team* lead by *Regina Strong*, the *State's Environmental Justice Policy Advocate*. One of the *MAC EJ's* responsibilities will include providing public and impacted community input for the directors appointed to the *Response Team*, who will work to make necessary changes. Additionally, the *Response Team* is planning to host regional roundtable meetings to solicit as much public input as possible and to ensure as many diverse voices are at the table when it comes to environmental issues.

“To address ongoing environmental justice issues, it was absolutely critical that those impacted daily have a seat at the table,” *Governor Whitmer* said about those selected to be on the council. “We must ensure that the implementation and enforcement of environmental protections, regulations and policies in *Michigan* will be fair and meaningful to all *Michiganders*.”

A complete list of the 21 residents appointed to the *MAC EJ* can be found [here](#).

GENERAL MOTORS TO REDUCE MEGA CREDITS; INVEST HEAVY IN MI – This week, the *Michigan Strategic Fund (MSF) Board* approved amendments to an agreement between *General Motors (GM)* and the state requiring *Michigan's* largest employer to invest \$3.5 billion over the next decade with significant investment directed at its *Detroit-Hamtramck* facility.

At the board meeting, the *MSF* also reduced *GM's Michigan Economic Growth Authority (MEGA) tax credit* by \$325 million over the next 10 years. In addition to the \$3.5 billion in promised investment, *GM* will increase the average weekly wage to \$1,300, which was previously \$650. Another agreement between *GM* and the *MSF* is to terminate the *MEGA* credit that it had at the *Brownstown Township* facility, which will lower the states liability by \$4.1 million.

This move is a part of a “long-standing productive collaboration with the *State of Michigan* and we look forward to building on this important relationship,” *GM* spokesperson *Daniel Flores* said. The amended *MEGA* credit “sets the stage for us to continue our significant commitment and investments in *Michigan*.” To date, the *MEGA* credit has allowed *GM* to invest more than \$10 billion in the facilities in *Michigan*.

ELECTIONS

- *Joe Kent (R)*, a former 2016 *Republican* house candidate, announced he is running for *Oakland County Treasurer*.

- **Gina Johnson (R)** announced her candidacy for the 71st house district seat, currently held by **Representative Angela Witwer (D-Delta Township)**. At a minimum, **Ms. Johnson** will face fellow **Republican Christine Barnes (R)** who previously announced her run for the seat in a primary election.

ODDS AND ENDS

- **Senate Bill 714**, which would allow homeowners along **Michigan's** great lake coastline to put up a temporary erosion control barrier, passed through the **Senate Environmental Quality Committee 5-2**, with all **Republicans** voting yes and **Democrats** voting no.
- A series of lead testing bills that deal with testing lead levels in veterans' housing facilities, codifying the **Michigan PFAS Action Response Team** and notifying residents that they have lead service lines all passed through the **House Natural Resources Committee**. **The package includes House Bill's 4742, 4743, 4744, 4745, 4746, 4747, 4748, 4749 and 4750.**
- Combined **General Fund (GF)** and **School Aid Fund (SAF)** collections by the state in **December** were up \$165.3 million, approximately 13%, above **May 2019** consensus estimates.
- According to the **Gerald R. Ford School of Public Policy** half of all local governments in the state have instituted some measures to address energy efficiency within their government buildings. This has come in the form of recycling programs, water conservation, thermostat regulation and utilizing renewable energy sources.
- With the hope to expand the states infrastructure, **Consumers Energy** is issuing 387 electric vehicle charging station rebates, with approximately 200 being in a public location or workplace. This comes through the **MiPowerDrive** program which aims to provide more charging stations for electronic vehicles.
- **House Bills 4266** and **5266** passed the House this week 105-1 and require electric cooperatives to provide access to easements and poles by providers for rural broadband to expand throughout **Michigan**.
- A bill package in the **Senate** that would provide protections for patients who receive care from "out of network" providers passed out of the **Senate Insurance and Banking Committee** this week. The package includes **Senate Bills 570, 571, 572, and 573.**
- The **House Oversight Committee** voted 8-1 to pass **House Bills 5217, 5218** which would allow student-athletes to profit off their name, image and likeness. The two **house bills** are now heading to the **House Ways and Means committee**.
- **Michigan's December** unemployment rate was at **3.9 percent**, which previously was at **4 percent**. **Michigan** sits slightly above the national unemployment rate, which is **3.5 percent**.
- The state's **Going Pro Talent Program**, which was cut by **Governor Gretchen Whitmer's** line item vetos, would be restored under **Senate Bill 752** which was introduced by **Senator Ken Horn (R-Frankenmuth)**. The bill would restore more than \$36.5 million to honor existing grants, as well as fund 2020 applicants.

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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