

## **SNYDER GETS BUDGET, LAWMAKERS HEAD HOME**

Michigan's \$56.8 billion budget for Fiscal Year 2019 is headed for Governor Rick Snyder to dissect after lawmakers put the final touches on it Tuesday- the last day of session before they head home for summer break.

The budget has record levels for education and transportation money, but with pointed concern from Democrats about "raiding" \$900 million in K-12 money to bail out the stagnant General Fund.

Republican leadership was able to add \$330 million more than expected into roads, \$60 million to upgrade school security and pad the state's Budget Stabilization Fund (Rainy Day Fund) to \$1 billion thanks to lower welfare caseloads and higher-than-expected state revenues.

The budget also calls for closing a second state prison and prison food going back to in-house operation.

Also, 155 new state police officers are included in the budget to replace 80 retiring troopers and hire an additional 75 officers allowing the Michigan State Police (MSP) to near the 1,400 level. The MSP budget is 2.5 percent higher than last year's and nearly \$5 million more than what Governor Snyder recommended.

The spending plan in Senate Bill 848 and House Bill 5579 spends less money than the FY '18 budget and keeps the state's General Fund at \$10 billion as the result of lawmakers making some substantive alterations to Governor Snyder's original budget proposal.

## **SENATE PASSES AUTO INSURANCE REFORM BILLS, HOUSE DOESN'T ACT**

Last week the Senate passed legislation (SB 787 and 1014) that would allow seniors 65 and older to choose a \$50,000 personal protection auto insurance policy as opposed to the otherwise mandated unlimited lifetime benefit as part of a scaled-back auto insurance package.

The measures also exempt auto insurance providers from being liable in a lawsuit if a person feels they weren't properly informed of their choices between the two options, creates a type of fraud authority, places some limits on attendant care and makes changes to the assigned claims system.

However, the House took no action on the auto insurance reform bills before leaving for summer break.

## **MARSHALL PLAN MARCHES TO THE GOVERNOR'S DESK**

The House and Senate gave approval on a vote of 105-4 to Governor Rick Snyder's Marshall Plan for Talent (SB 941 and 942).

Senate Bill 941 sets aside \$100 million in FY 2019 from the Talent Investment Fund for a collection of grants, scholarships and assorted administrative tools designed to link students and the unemployed with the training needed to fill in-demand jobs.

Senate Bill 942 would allow the \$100 million payment into Talent Investment Fund from the more than \$140 million balance in the Student Loan Operating Fund.

The House and Senate also put on a fast track and passed 11 related pieces of workforce development bills intended to make sure students know what kinds of jobs will be available in the near future.

### **PREVAILING WAGE NO LONGER PREVAILS**

The law requiring construction workers on state building projects be paid the prevailing union wage has been repealed.

Legislative action on the citizens' initiative led by the Associated Builders and Contractors (ABC) came a week after the state Supreme Court ordered the State Board of Canvassers to certify the petitions submitted by Protecting Michigan Taxpayers (PMT).

The prevailing wage law was enacted in 1965.

### **SNYDER SAYS HE WILL SIGN MEDICAID BILL**

Governor Rick Snyder says he will sign a bill requiring many Medicaid recipients to work at least 80 hours.

The bill is a compromise from the initial proposal which included a 29-hour work week requirement and a provision that would allow counties that had unemployment rates of 8.5 percent or more to be exempt from the work requirements. That provision was stripped from the bill.

Senator Mike Shirkey (R-Clarklake), sponsor of the bill, estimated that about 350,000 of Healthy Michigan recipients will have to comply with the 80-hours-a-month work requirement.

Only people age 19 to 62 must comply; people would get a three-month grace period each year in case they are seasonal employees, and there is a 48-month limit on benefits.

The bill will take effect on January 1, 2020.

### **LEGALIZATION OF MARIJUANA GOES TO VOTERS**

The House took no action on the last day of the 40-day constitutional deadline to legislatively adopt and amend a citizen initiative to legalize recreational use of marijuana so the issue will go on the November ballot for voters to decide whether to make pot legal in Michigan.

Had the House taken action, it would have given Republican lawmakers an easier shot at amending the proposal to better regulate home-brew marijuana businesses, potency restriction, and possession amounts.

### **VNP ASKS COURT FOR HELP**

Voters Not Politicians (VNP) is asking the Court of Appeals (COA) to force the Board of State Canvassers (BSC) to certify its constitutional amendment petition.

BSC Chair Norm Shinkle decided to cancel a May meeting that had the VNP redistricting reform proposal on the agenda, saying he would like to wait for legal challenges mounted against the VNP to play out and that there is no immediate deadline to take action.

### **COALITION FILES PAID SICK TIME PETITIONS**

Petition signatures calling for passage of a mandatory paid sick time leave policy in Michigan have been filed with the state's election division by the Michigan Time to Care Coalition.

If approved, employees could bank up to 72 hours, or nine days, of paid sick leave a year for those who work for employers of 10 employees or more. Those working in smaller shops could bank up to 40 hours of paid leave with 32 more hours of unpaid leave.

Lawmakers would have 40 days to decide the issue if the State Board of Canvassers certify the signatures.

The coalition suggests that 2 million workers would benefit if either the Legislature or the voters say yes.

### **SNYDER KILLS HICA TAX**

Governor Rick Snyder pulled out his veto pen and officially killed the Health Insurance Claims Assessment (HICA).

However, the legislation (SB 992, 993 and 994) which eliminates the tax also replaces it with the new Insurance Provider Assessment (IPA). HICA is a 0.75 percent tax on paid health insurance claims. The new IPA assesses a tax on health insurers on a per-member, per-month basis.

The bills are now Public Acts 173-175.

### **IT'S OFFICIAL, SNYDER PROHIBITS ANCHOR DROPS IN STRAITS OF MACKINAC**

Governor Rick Snyder has made the Straits of Mackinac an official no-anchor zone via an emergency rule issued by his administration.

The action comes from concerns over rupturing the Line 5 pipelines because an independent analysis said an anchor strike is a top threat to Line 5 and an anchor strike has been suspected for causing the mineral oil leak from an electric cable line that also lies at the bottom of the Straits.