MCALVEY MERCHANT & ASSOCIATES CAPITOL NEWS UPDATE

February 16, 2018

CAPITOL NEWS UPDATE

WEEK OF FEBRUARY 12, 2018

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SNYDER, LAWMAKERS COMPROMISE ON PERSONAL EXEMPTION AND DRIVER RESPONSIBILITY FEES

Gov. Rick Snyder cut deals with the House of Representatives and the Senate on Wednesday to deciding to set the personal income tax exemption at \$4,900 and eliminating costly driver responsibility fees beginning Oct. 1.

Snyder, the Senate, and the House have been in discussions on the final amount for the personal income tax exemption since the federal tax package passed and effectively eliminated personal exemptions.

With this compromise, the legislature has raised the exemption from \$4,000 to \$4,900 over four years. This will save Michigan families more than \$100 a year.

Driver responsibility fees were also on the House and Senate agendas this week, with both voting unanimously to eliminate these costly fees beginning Oct. 1. The move means forgiving \$637 million in debt owed by 350,000 drivers. The Secretary of State will provide information on its website at www.michigan.gov/sos and has set up an new hotline (888-767-6424) to help drivers get licenses reinstated.

Snyder had warned lawmakers that he was concerned about the impact of both of these issues on the state budget – the tax exemption will cost the state about \$190 million and between \$35 to 40 million a year from the driver responsibility fees. However, on Wednesday he said that the compromise was a good one.

"Now that we have acted to reduce the financial burden on taxpayers, we can focus on other important priorities for Michiganders — funding road improvements, more money for education and another responsibly balanced budget finished months ahead of schedule," Snyder said in a statement.

LEGISLATURE MULLS CHANGES TO ELECTED BOARDS AT MSU, UM, WSU

A proposal to change how the governing bodies at Michigan State University, University of Michigan and Wayne State University are selected was taken up in the House Elections and Ethics Committee this week, but was not voted on.

Currently, board members at the three major universities are elected, while 12 other university governing boards are chosen by the governor. The proposal up for debate would turn the 3 major university boards into governor appointments also.

Making the change would require a two-thirds majority in the House and Senate, and voter approval. This could make it a tough task considering opposition voiced in the committee and that Speaker of the House, Tom Leonard (R-DeWitt), does not support the bill.

NEW CHALLENGE MADE TO PREVAILING WAGE BALLOT INITIATIVE

Opponents to the repeal of Michigan's prevailing wage law issued a new challenge to the petition this week, arguing that the group Protecting Michigan Taxpayers has not gotten enough signatures to send the proposal to the Legislature or voters.

The Michigan Laborers Union is opposing the repeal, and said that an independent review of 4,443 signatures shows the sample is at least 361 signatures short of the 2,954 needed to show the petition meets the required number.

An earlier review of 535 sample signatures found only 370 valid — three short of the 373 needed tmove the petition forward.

The petition seeks to change the current wage law which mandates union-level wages for public projects like schools and government buildings.

MM&A Briefs

Whitmer's campaign manager resigns

Democratic gubernatorial candidate Gretchen Whitmer's campaign manager, Keenan Pontoni, resigned on Thursday. It's reported that Whitmer asked him to leave because she had received a "credible report" that Pontoni had previously behaved inappropriately in a workplace setting.

Former U.S. Rep. Joe Knollenberg Dies

Former U.S. Rep. Joe Knollenberg died last week at age 84 from complications due to Alzheimer's disease. Knollenberg served in Congress from 1992 until he was beat by now U.S. Sen. Gary Peters in 2008.

He is the father of Sen. Marty Knollenberg (R-Troy).

Tlaib runs to replace Convers

Former Rep. Rashida Tlaib announced she is joining the race to succeed former former U.S. Rep. John Conyers Jr. in the 13th U.S. House District.

Tlaib joins a large group of candidates including Conyers' son, John Conyers III; Conyer's grand-nephew, state Sen. Ian Conyers; Sen. Coleman Young II; Rep. Sherry Gay-Dagnogo; and Detroit City Council President Brenda Jones.

Tlaib is currently an attorney for the Sugar Law Center for Economic and Social Justice.

VanderWall enters 35th District Race

In a surprise move, first-term Rep. Curt VanderWall (R-Ludington) announced this week that he will be running for the 35th Senate District seat. Republican former Rep. Bruce Rendon of Lake City and Republican former Rep. Ray Franz of Onekama are also running to represent this 12-county district in the northern Lower Peninsula.

Calendar of Important Events

Feb. 20 Rep. Daniela Garcia (R-Holland) Senate Campaign Fundraiser Location: 8 a.m., Karoub Associates, Lansing Rep. Thomas Albert (R-Belding) Fundraiser Location: 8 a.m., Michigan Municipal League, Lansing Rep. Sara Cambensy (D-Marquette) Fundraiser Location: 11:30 a.m., Karoub Associates, Lansing Wolverine Caucus on Poverty in Michigan Location: 11:30 a.m., Rm. 5550, Binsfeld Senate Office Building, Lansing Feb. 21 Rep. Tommy Brann (R-Wyoming) Fundraiser Location: 7:30 a.m., Michigan Municipal League, Lansing Rep. Beth Griffin (R-Mattawan) Fundraiser Location: 8 a.m., Michigan Municipal League, Lansing Feb. 22 Rep. Triston Cole (R-Mancelona) Fundraiser Location: 8 a.m., Michigan Credit Union League, Lansing Rep. Robert Wittenberg (D-Oak Park) Fundraiser Location: 11:30 a.m., Michigan Municipal League, Lansing Feb. 27 Rep. Curt Vanderwall (R-Ludington) Fundraiser Location: 4:30 p.m., Michigan Beer & Wine Wholesalers, Lansing Feb. 28 Rep. Donna Lasinski (D-Scio Twp.) Fundraiser Location: 8 a.m., Michigan Municipal League, Lansing Rep. Kim LaSata (R-Bainbridge Twp.) Senate Campaign Fundraiser Location: 8 a.m., Michigan Beer and Wine Wholesalers, Lansing Sen. Vincent Gregory (D-Southfield) Fundraiser Location: 11:30 a.m., Karoub Associates, Lansing Sen. Peter MacGregor (R-Rockford) Fundraiser Location: 4 p.m., Kelly's, Lansing 68th House District Candidate Sarah Anthony (D) Fundraiser Location: 5:30 p.m., 2210 Moore's River Dr., Lansing March 1 Rep. Diana Farrington (R-Utica) Fundraiser Location: 7:30 a.m., Michigan Municipal League, Lansing

Rep. Mary Whiteford (R-Casco Twp.) Fundraiser Location: 7:30 a.m., Michigan Beer and Wine Wholesalers, Lansing

Rep. Phil Phelps (D-Flushing) Fundraiser Location: 10 a.m., Karoub Associates Lansing