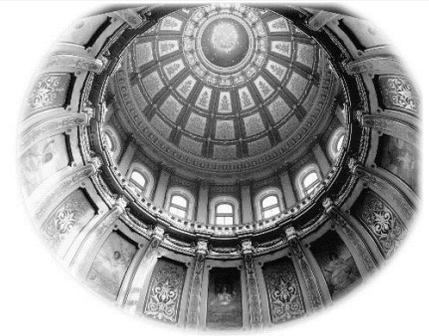


CAPITOL NEWS UPDATE

WEEK OF August 22, 2016

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LEGISLATURE RETURNS IN SEPTEMBER

With only 20 session days remaining for the House and 23 for the Senate from September through December, several issues left over from June will show up again this Fall.

No Fault Reform - The fight to pass no-fault auto insurance reform will likely heat up again in the fall. Representative Jason Sheppard (R-Lambertville) is expected to introduce legislation soon that will allow drivers coverage choice options in an effort to address the rising costs of auto insurance. This legislation will join two other packages of bills that have been passed by the Michigan Senate over the last 15 months which currently sit on the House floor. Following the elimination of a tax offset to cover the uninsured, an increase in the MCCA assessment and higher vehicle registration fees, drivers could be looking at a minimum \$100 increase per vehicle. That number could climb even higher if the cost of no-fault claims continue to accelerate.

Energy Reform - The first major energy reform package since 2008 - a plan to create competitive bidding on projects \$50 million or more by combining the certificate of need and Integrated Resource Plan (IRP) processes - stalled last June. Look for the Senate to take up a revised version of the plan during their second week in session this September.

Medical Marijuana Reform - The Legislature will continue to wrestle with setting up a proper regulatory structure for the Michigan Medical Marihuana Act (MMMA) which voters approved in 2008. HB 4210, which deals with marijuana edibles, was the sticking point in June.

3rd Grade Reading - The Legislature is looking for compromise on a bill that might require third graders who can't read at grade level, be held back. HB 4882 was in conference committee at the end of session.

Road Funding - The Governor's wants a rewrite of PA 51 in order to modernize the source, distribution and use of transportation funding in Michigan.

Veteran's Home Reform - There is potential for a comprehensive change to improve medical care for Michigan's Veterans.

MDE LOOKING INTO NEW STATE TESTS

In a formal move to explore revising state educational assessments, the Michigan Department of Education recently released a request-for-information (RFI) on the administration, scoring and reporting for statewide benchmark and summative assessments. The state could go out to bid for new assessments as early as this fall, with a potential revised testing scheme for students by the 2017-2018 school year.

State Superintendent, Brian Whiston, is proposing the state move from using a summative assessment, such as the Michigan Student Test of Educational Progress (M-STEP), which evaluates student learning at the end of an instructional unit by comparing it against a standard or benchmark, to a system that involves using multiple benchmark assessments throughout the year in grades 3, 4, 6 and 7. The proposed idea would leave required summative assessments in at least grades 5 and 8. M-STEP replaced the Michigan Educational Assessment Program (MEAP) in the spring of 2015. Responses to the RFI are due back to the state by Aug. 29.

WILL THE STATE CLOSE FAILING SCHOOLS?

Local school officials and the State Board of Education recently voiced concern with comments from the head of the School Reform Office (SRO), Natasha Baker, about whether or not any of the state's poorest performing public schools will be closed after the state releases its 2016 school assessment data on September 1.

Under Michigan law, the SRO may close schools whose state-issued test scores are among the bottom 5 percent for the three consecutive years. The Governor's administration, however, has said it is not expecting more than 10 buildings to be recommended for school closure.

After Baker met with several schools in August to discuss what can be done to improve test scores, local school officials and others voiced concern that the state was looking at closing 100 to 184 schools, which comes from a list of priority school buildings using 2011-14 data.

The SRO said that the meetings were not meant to discuss school closures. In addition, school closure is only one of many options for the SRO to work with schools on the Priority List.

The SRO also said that decisions will not be made until after the Department of Education releases the 2016 M-STEP scores in November or Early December and state officials have a chance to take a comprehensive look at school performance.

POSSIBLE LONG-TERM, CLEAN-ENERGY DEAL FOR UP

An agreement between Wisconsin-based WEC Energy Group and Ohio-based Cliffs Natural Resources was recently announced to collaborate on new natural gas-powered electricity generation across two sites in the U.P. The sites would replace the Presque Isle Power Plant, which is scheduled to retire in 2020. The Governor's office said Michigan ratepayers would continue to be protected from additional costs coming from operation of the Presque Isle plant until it's retired. The agreement will need approval from various regulatory agencies.

SCHUETTE ASKS FULL COA PANEL TO REVIEW STRAIGHT-TICKET VOTING

Attorney General Bill Schuette filed a motion with the 6th Circuit Court of Appeals that it convene an "en banc" review by the entire court to determine whether a lower court judge's stay on the state's law eliminating the straight ticket voting will stand. The motion comes after a three-judge panel declined the state's request to overturn a judge's order that upholds procedures to allow Michigan voters to cast straight-ticket ballots.

If the court says "no" to Schuette this time, it could eventually end up as an emergency appeal to the United States Supreme Court. A final decision is needed in the next few weeks in order for Michigan clerks to meet the legal deadline for printing and mailing absentee ballots to military personnel and other overseas voters.

SHKRELI CAN REPLACE GILBERT ON 8TH CONGRESSIONAL DISTRICT BALLOT

The Michigan Bureau of Elections said it will allow local democrats to replace Melissa Gilbert with Suzanna Shkreli on the ballot for the 8th Congressional district race. Elections Director Chris Thomas said that based on the reading of state law and a 1950 Attorney General opinion, "The role of the Secretary of State and County Boards of Election Commissioners is limited to the receipt of the party's certification of its new nominee and ensuring that his or her name is printed on the general election ballots." In 2010, Thomas treated the removal of 2010 8th Congressional District Democratic nominee Kande Ngalumulume differently, by conducting an investigation to check on the nominee's voter registration once he moved to Pennsylvania after winning the primary as the only candidate on the ballot.

The actress best known for her role on "Little House on the Prairie," Gilbert announced that she would be dropping out of the race in May, due to back and neck surgery.

State law allows a political party to drop a nominee when he or she is deemed "physically unfit to serve." Thomas said the state does not, however, have a role in verifying whether a candidate is physically unfit to serve and can be removed from the ballot.

M M & A BRIEFS

Unemployment rate lowest since January 2001. At 4.5 percent, Michigan's unemployment rate is at its lowest since January 2001. The number of unemployed in Michigan decreased 33,000 or 13.4 percent from July 2015 to July 2016. The national unemployment reduction was 5.8 percent over the same period. The state also averaged 8,000 jobs gained per month during 2016, according to the Bureau of Labor Market Information and Strategic Initiatives.

MSU Study shows hop industry boom. With 60 to 90 commercial hop farms and roughly 900 acres of hop plants, Michigan's hops industry is now the fourth-largest in the nation, according to a study by Michigan State University. The boom has been fueled by the increase in craft breweries in the state, which grew from 105 in 2011 to 205 in 2015. Michigan has the sixth-most craft breweries and produces the 10th-most craft beer of any state.

First day in court for charged state employees Sept. 7. The nine City of Flint and State of Michigan employees charged by Attorney General Bill Schutte as part of the investigation of the Flint water crisis will have a scheduling hearing in Genesee County's 67th District Court in Flint on September 7.

CALENDAR OF IMPORTANT EVENTS

- August 26 56th House District Candidate Tom Redmond Office Opening Fundraiser
Location: 5 p.m. Redmond Campaign Office, Temperance
- August 27 Michigan Pride (Sponsored by Michigan Pride, Inc.)
Location: 12 p.m. Capitol Building, Lansing
- August 29 Sen. Arlan B. Meekhof (R-Olive Township) Annual Golf Outing
Location: 7 a.m. Grand Haven Golf Course, Grand Haven
- August 29 Rep. Henry Yanez (D-Sterling Heights) Birthday Celebration
Location: 5:30 p.m. Century Banquet Club, Sterling Heights
- August 30 39th House District Candidate Michael Stack Evening Reception
Location: 6 p.m. Home of John Magee, Wolverine Lake
- August 31 91st House District Candidate Collene Lamonte Ottawa County Event
Location: 5 p.m. Home of Garry Post, Spring Lake
- September 7 Rep. Jon Hoadley (D-Kalamazoo) Breakfast Reception
Location: 8 a.m. Grand Traverse Pie Company, Lansing
- September 7 Rep. Vanessa Guerra (D-Saginaw) Breakfast Reception
Location: 8 a.m. Michigan Municipal League, Lansing
- September 7 Rep. David LaGrand (D-Grand Rapids) Breakfast Reception
Location: 9 a.m. Michigan Health and Hospital Association, Lansing
- September 7 Rep. Winnie Brinks (D-Grand Rapids) Brunch Reception
Location: 10:30 a.m. Michigan Municipal League, Lansing
- September 7 Michigan Association of Health Underwriters Legislative Day
Location: 11:30 a.m. Capitol Building, Lansing
- September 7 Rep. Bill LaVoy (D-Monroe) Evening Reception
Location: 5:30 p.m. Governors Room, Lansing
- September 8 Rep. Sam Singh (D-East Lansing) Breakfast Reception

Location: 8 a.m. Michigan Municipal League, Lansing

- September 8 Sen. Margaret O'Brien (R-Portage) Fall Fundraiser
Location: 8 a.m. Glazed and Confused, Lansing
- September 8 24th House District Candidate Dana Camphous-Peterson Breakfast Reception
Location: 9 a.m. Michigan Health and Hospital Association, Lansing
- September 8 Rep. Adam Zemke (D-Ann Arbor) Brunch Reception
Location: 10:30 a.m. Governors Room, Lansing
- September 8 Democratic State House Candidate Meet and Greet
Location: 5 p.m. The Governors Room, Lansing
- September 8 20th House District Candidate Colleen Pobur Evening Reception
Location: 5:30 p.m. Home of Dan Soenen, Plymouth
- September 10 Southwest Michigan Libertarian Party Picnic
Location: 1 p.m. Ross Township Park, Hickory Corners
- September 10 Rep. Winnie Brinks (D-Grand Rapids) Chili Cook-Off
Location: 5:30 p.m. Grand Rapids Firefighters Hall, Grand Rapids