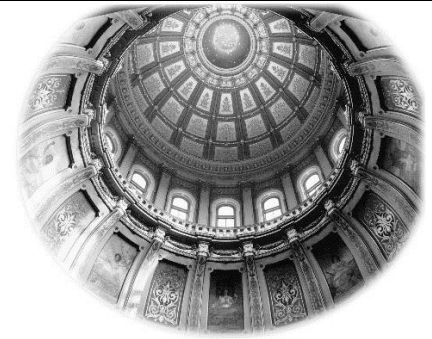


CAPITOL NEWS UPDATE

WEEK OF January 4, 2016

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McALVEY MERCHANT & ASSOCIATES CAPITOL NEWS UPDATE NEWSLETTER COPY FOR The Week of January 4, 2016

LAWMAKERS FACE UNFINISHED BUSINESS

When the legislators return next week from their holiday break, there will be a plethora of legislation that was laid over from last year, not the least of which is Detroit Public Schools reforms, energy reform, and No-Fault insurance.

There are also the issues of presumptive parole, medical marijuana, concealed weapons in school, ethics/transparency reform, and bus rapid transit.

And of course, wedged in between all of those is the hammering out of a budget for the FY 2016-2017, which commences on October 1st of this year.

SNYDER DECLARES EMERGENCY OVER FLINT WATER FEDS LAUNCH INVESTIGATION

On the same day Gov. Rick Snyder declared a state of emergency for Flint and Genesee County due to the contaminated drinking water problem, the U.S. Attorney's Office confirmed in a release that it is investigating the contamination of the water supply.

The state of emergency declaration authorizes the Michigan State Police's Emergency Management and Homeland Security Division to coordinate state efforts and makes available all state resources in cooperation with local response and recovery operations.

In other developments related to the Flint water problem:

--Department of Environmental Quality (DEQ) Director Dan Wyant has resigned. Snyder has named the Department of Natural Resources (DNR) Director to become interim director of the DEQ. Bill Moritz, currently the natural resources deputy at the DNR, will now be serving as the interim director in this department.

--DEQ's communication director Brad Wurfel also resigned and Snyder indicated that he is making "other personnel changes" within the department.

--Gov. Rick Snyder met with Flint Mayor Karen Weaver on Thursday for 45-minutes, setting a new partnership between the two in motion. Weaver told reporters at the end of the meeting that the cost to fix the problem ranges "from millions up to \$1.5 billion."

--Auditor General Doug Ringler, in a letter, said the state, not local officials, made the final call to switch water resources for City of Flint residents, concluding that the final call was made by the State's Emergency Manager while waiting for the city's switch to the uncompleted Karegnondi Water Authority.

--The Governor's special task force charged with studying the Flint water issue is moving onto other issues, including a review of the emergency manager's role. This follows its flagging of the Department of Environmental Quality for mishandling the contamination problem.

--House Oversight Committee Chair Ed McBroom (R-Vulcan) said he plans to hold a hearing on the findings of the Auditor General's audit of the state's Office of Drinking Water and Municipal Assistance, which is expected in February relative to the water quality in Flint.

--Senate Minority Leader Jim Ananich (D-Flint) says Legislative oversight, a much higher standard when it comes to drinking water, beefing up infrastructure, and replacing lead service lines are just a few of the priority items on his list for this year.

SNYDER SIGNS CONTROVERSIAL CAMPAIGN BILL

Senate Bill 0571, which has sparked strong opposition and controversy, was signed into law Wednesday by Gov. Rick Snyder.

The measure, among other things, would limit what local governments and school districts can say about money-related ballot proposals such as millages and bonding proposals 60 days before an election. School districts, local governments, and librarians expressed strong concern over the bill, fearing their ability to share information on ballot questions that directly impact their money flow will be drastically altered.

In signing the bill, Snyder called on the Legislature to revisit the issue this year to make it clear that locals' freedom of speech rights are not infringed on.

To that end, Rep. Lisa Posthumus Lyons (R-Alto), chair of the House Elections Committee, said she is among many lawmakers willing to push legislation clarifying what local officials can say about local ballot proposals.

Multiple House and Senate Republicans say they expect some type of clarification.

"I don't believe that the legislation says that an elected official can't share their personal views," Lyons said.

The legislation also bans corporations with political action committees (PACs) from administering payroll deductions for their unions who use those funds for their own PACs.

STRAIGHT-TICKET VOTING BAN GETS SNYDER SIGNATURE

Legislation (SB 0013) that eliminates single-party straight-ticket voting in Michigan has been signed into law by Gov. Rick Snyder.

Local clerks had expressed concern the legislation would result in long lines at the polls this November.

In signing the bill, Snyder urged the state Senate to also pass a bill (HB 4724) that would allow voters to cast absentee ballots without having to provide a reason.

Snyder said enacting "secured no-reason absentee voting" would alleviate concerns about longer lines for voters.

POLITICS AND POLLS

Calley to seek State House seat. No, not Lt. Gov. Brian Calley . . . but his wife, Julie, who is chair of the Ionia County Commission. She is also the chair of the Michigan Community Service Commission. According to state records, Julie formed a campaign committee at the end of 2015 and confirmed she will seek the GOP nomination in the 87th House District. The spot is currently held by term-limited Rep. Mike Callton (R-Nashville).

Recall papers filed against Meekhof. Recall language against Senate Majority Leader Arlan Meekhof (R-West Olive) has been filed with the Secretary of State's office because of his support of the gas tax increase and higher vehicle registration fees. The language was filed by Frank Boersma of Holland with the grassroots support of the conservative group ICaucus, the same group that is advising a recall attempt against Sen. Wayne Schmidt (R-Traverse City). Meanwhile, an ICaucus board member says recall language against five more state senators is coming if the Board of State Canvassers approve, on Jan. 14th, the wording of those seeking to remove Meekhof and Schmidt.

M M & A BRIEFS

Distribution of Epi-Pens is expanded. Gov. Rick Snyder has signed into law legislation (HB 4438) that will allow pharmacists to dispense Epi-Pens to authorized entities with a prescription, such as recreation camps, youth sports leagues, amusement parks, and other similar locations or events. The bill is now Public Act 221 of 2015.

Disbanding of County Road Commissions is extended. Under legislation (HB 4212 and HB 4215) signed into law by Gov. Rick Snyder, county commissions will be allowed to vote to absorb the duties of their respective county road commissions for at least four more years. The legislation extends the sunset allowed for the activity until 2020. Thus far, only three counties – Ingham, Jackson and Calhoun – have disbanded their road agencies.

MPSC Chair to leave. John Quackenbush, chair of the Michigan Public Service Commission (MPSC) is leaving by March 31st for the private sector. Gov. Rick Snyder has appointed Commissioner Sally Talberg as the new chair. However, Quackenbush's replacement on the commission has not been announced. Snyder appointed Quackenbush in 2011 and Talberg in 2013. Norm Saari became the third Snyder appointee on the three-member commission in 2015.

Former GR mayor named to Transportation Commission. Gov. Rick Snyder has appointed former Grand Rapids Mayor George Heartwell to the State Transportation Commission. Heartwell, a political independent, replaces Jerrold Jung, who served as commission chair and has now resigned. Transportation Commission member Todd Wyett was appointed as the new chair.

Michigan may lose another U.S. House seat. New Census data is projecting that Michigan could lose another U.S. House seat if the districts had to be redrawn now. If this were a redistricting year, Michigan would drop from 14 U.S. House seats to 13. The state is growing in population, but not fast enough. Ed Sarpolus of Target-Insyght said the birth rate isn't high enough and there are still not enough people moving into the state.

CALENDAR OF IMPORTANT EVENTS

- Jan. 13 House and Senate to return to session
- Jan. 14 Consensus Revenue Estimating Conference (CREC)
- Jan. 18 MARTIN LUTHER KING, JR. DAY
- Jan. 19 State of the State Address by Gov. Rick Snyder before a joint session of the Legislature