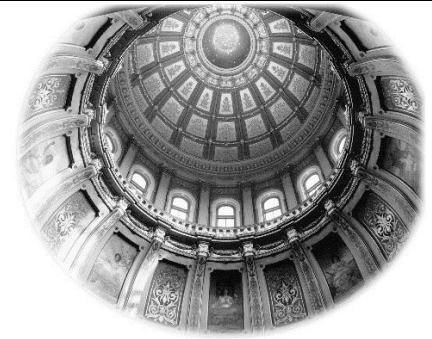


CAPITOL NEWS UPDATE

WEEK OF February 15, 2016

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The Week of February 15, 2016

GOP DPS PLANS DIFFER BETWEEN HOUSE AND SENATE

A package of Republican legislation introduced in the House this week, to help the beleaguered Detroit Public Schools (DPS) system, differs greatly from a plan introduced by Republicans in the Senate.

The House plan calls for a wait of eight years to fully elect a new school board and also places some restrictions on collective bargaining. The Senate plan would have a school board election this November and does not address the issue of collective bargaining.

In addition to phasing in an elected school board and prohibiting collective bargaining rights on items such as school calendars, work schedules, and contracting with third-party vendors, the House plan would also:

- Keep the old district and new district philosophy put forth by Gov. Rick Snyder,
- Convert new DPS employees from the traditional pension system to a 401(k) –type system,
- Use general fund dollars for 10 years to pay off the DPS debt, and
- Create an A-F building grading system for Detroit schools, including charters, which would be available to parents.

The plan has already drawn strong objection from House Democrats and the American Federation of Teachers-Michigan.

Senate Majority Leader Arlan Meekhof (R-West Olive) urged caution on the House package because the Senate has been working on the issue for months. The Senate began hearings this week on its legislation and those hearings are expected to continue next week.

LEGISLATION INTRODUCED TO COMBAT OPIOID ABUSE

A four-bill package of legislation (SBs 0769 through 0772) has been introduced in the Senate to address the growing prescription drug and opiate abuse problem in the state.

The measures would require doctors to check the Michigan Automated Prescription system before prescribing medications to new patients and failure to do so would require the physician to complete remedial continuing medical education. The bills would also increase penalties for physicians who overprescribe specified controlled substances.

Another set of bills (SB 0778 and HB 5326) would increase a pharmacy's ability to dispense Naloxone, a medication used to reverse the side effects of an opioid overdose.

The legislation is part of the recommendations released by the Governor's Prescription Drug and Opioid Abuse Task Force.

NO FIX FOR PA 269 ...YET

House Bill 5219, meant to "fix" the recently enacted law (PA269) banning schools and local governments from using mailers, media ads or robo-calls to educate voters 60 days before an election, has been put on hold by GOP leadership after House Republicans were not able to muster the needed votes for the replacement bill.

The legislation isn't going to move until the bill's sponsor, Rep. Lisa Posthumous Lyons (R-Alto), works through amendments that Republicans and Democrats both offered to her "compromise" bill.

A federal judge has issued a preliminary injunction on one section of the new law.

PRESUMPTIVE PAROLE NOT PROCEEDING FOR NOW

With Sen. Rick Jones (R-Grand Ledge) continuing to hold out against House-passed legislation that removes the amount of subjectivity the Parole Board can use in releasing inmates, the lobbyist for Hope Network pushing the presumptive parole issue says he hasn't tossed in the towel for good. However, it is apparent that portion of the legislation isn't going to move anytime soon.

Still left on the table is legislation to reduce the prison head count by releasing the infirm and the elderly.

DEMOCRATS REINTRODUCE FRACKING PACKAGE

An eight-bill package of legislation has been reintroduced by House Democrats that would, according to them, increase safeguards on Michigan's fracking industry by putting a halt on new wells until regulations are put in place.

The bills are the same set of proposed fracking rule legislation they introduced during the 2013-2014 legislative session that went nowhere in the Republican-controlled legislature.

The measures would require oil and gas drillers to use the state water-withdrawal-assessment tool to monitor impacts on all waterways when their water use exceeds 100,000 gallons a month, ban the use of fracking wastewater as a roadway dust control spray, allow local governments or interested parties to request a public hearing on a permit application in the community where the well would be located, and allow local units of government to regulate fracking operations in their communities.

STUDY: STATE TO EXCEED 10% RENEWABLE STANDARD IN 2015

A Michigan Public Service Commission (MPSC) annual report released last week shows the mandated renewable portfolio standard (RPS) of 10 percent will be exceeded in 2015. The report is expected to set off a wave of calls to continue increasing the standard.

The report found that 9.1 percent of the state's electricity came from renewable standards in 2014, and in 2015 that percentage is expected to exceed the 10 percent requirement.

The latest energy legislation that languishes on the House floor carries a goal to draw 30 percent of Michigan's energy from renewable sources by 2025, but not with the hard-and-fast standard set in law during the last energy reform go-round in 2008.

POLITICS AND POLLS

Special election set to fill Miller seat. Voters in the 28th House District will vote in the August primary and again in the November general election to fill the seat left vacant last month when Derek Miller (D-Warren) resigned to become the Macomb County Treasurer. Voters will decide who will fill the remaining few weeks of Miller's term ending Dec. 31st and who will hold the seat for a new two-year term beginning Jan. 1st.

Petition is filed to recall Lt. Gov. Brian Calley. The Board of State Canvassers will meet Feb. 22 to decide if language filed by Genesee County resident Quincy Murphy to recall Lt. Gov. Brian Calley meets the clarity standards need to be approved. Murphy wants Calley gone because of an e-mail he wrote to Gov. Rick Snyder expressing concern about Flint Clerk Inez Brown publishing a wrong deadline to turn in their petition signatures for Flint mayor and city council.

Recall petition against Snyder is approved. A petition language to recall Gov. Rick Snyder has been approved by the Board of State Canvassers. Benjamin Lazarus wants Snyder recalled for his executive order that creates the State School Reform/Redesign Office within the Department of Technology, Management and Budget. To get the approved recall petition on the ballot, 789,133 valid signatures have to be gathered in 60 days' time.

M M & A BRIEFS

House passes money for Flint water bills. The House has passed, sent to the Senate, and then sent to the Governor for his expected signature, a current year supplemental bill (SB 0136) that provides \$30 million to provide a 65 percent credit on any water bill Flint residents received from April 2014 to April 2016. The measure implements Gov. Rick Snyder's "Consumption and Consumer Use Credit" which he put forth two weeks ago.

House puts brakes on speed limit bill. Legislation that would allow for 80 MPH speed limits on some Michigan freeways came to a quick halt in the House this week when the main bill in the five-bill package fell three votes short needed for passage. Two of the bills passed (HBs 4426 and 4427) but were pulled after the main bill (HB 4423) faltered. Votes on the others were reconsidered and passed for the day.

Michigan halts work on new federal power plant standards. After the U.S. Supreme Court last week blocked the new U.S. Environmental Protection Agency (EPA) rules aimed at curbing carbon emissions from coal power plants, the Michigan Agency for Energy (MAE) announced this week it would “suspend activities to comply with the rule and its timeline for submissions” while it waits for resolutions through the courts.

Smith agrees to resign as part of plea. Sen. Virgil Smith, Jr. (D-Detroit) has agreed to resign from office under a plea agreement reached with county officials to settle a four-count criminal complaint against him. The plea deal calls for Smith to serve 10 months in jail and be on probation for five years. The deal also says Smith cannot run or serve in public office during the five year probation and will need to surrender the gun he used to shoot up the car belonging to his ex-wife. Wayne County Circuit Court Judge Lawrence Talon has accepted the plea agreement but has withheld his decision on whether to accept the sentencing deal until March 14.

Judge sues over age restriction. Court of Appeals Judge Peter O’Connell has filed suit in the Court of Claims in an effort to circumvent the state’s constitutional limitation on judicial candidates running for election or re-election once they reach the age of 70. The suit was filed by O’Connell against the Bureau of Elections in an attempt to run for a seat on the Court of Appeals two years early. His current term expires Jan. 1, 2019 at which time he will be 70. He is seeking to run for a six-year Court of Appeals term this November.

CALENDAR OF IMPORTANT EVENTS

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| Feb. 25 | Rep. Lee Chatfield (R-Levering) Breakfast Reception
Location: 7:30 a.m., Governor’s Room, Lansing |
| Feb. 25 | Rep. Mike Callton (R-Nashville) Breakfast Reception
Location: 7:30 a.m., MI Beer & Wine Wholesalers, Lansing |
| March 1 | Rep. Andy Schor (D-Lansing) 3 rd Annual Beer Tasting Event
Location: 5 p.m., Michigan Municipal League, Lansing |
| March 2 | Rep. Sam Singh (D-E. Lansing) Birthday Reception
Location: 5:30 p.m., Reno’s East, East Lansing |
| March 3 | Rep. Tim Greimel (D-Auburn Hills) Breakfast Reception
Location: 8:30 a.m., Governor’s Room, Lansing |
| March 8 | MICHIGAN PRESIDENTIAL PRIMARY ELECTION |
| March 9 | Rep. Tom Cochran (D-Mason) Breakfast Reception
Location: 8 a.m., Governor’s Room, Lansing |
| March 9 | Sen. Vincent Gregory (D-Southfield) Lunch Reception
Location: 11:30 a.m., Governor’s Room, Lansing |
| March 9 | Rep. Stephanie Chang (D-Detroit) Breakfast Reception
Location: 11:30 a.m., Michigan Municipal League, Lansing |
| March 9 | Sen. Ken Horn (R-Frankenmuth) Afternoon Dessert Reception
4 p.m., Governor’s Room, Lansing |
| March 10 | Rep. Sheldon Neeley (D-Flint) Brunch Reception
Location: 10:30 a.m., Michigan Municipal League, Lansing |
| March 13 | DAYLIGHT SAVINGS TIME BEGINS |
| March 17 | ST. PATRICK’S DAY |