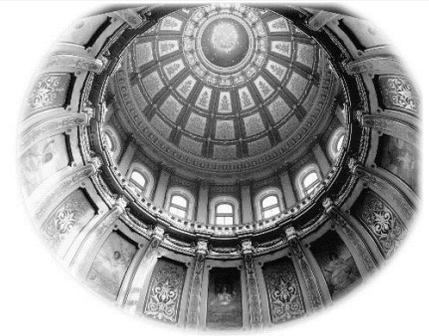


CAPITOL NEWS UPDATE

WEEK OF April 4, 2016

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McALVEY MERCHANT & ASSOCIATES CAPITOL NEWS UPDATE NEWLETTER COPY FOR The Week of April 4, 2016

DEQ HAS A CHANGE OF HEART ON TOXIC LIST

Citing public concerns, the Department of Environmental Quality (DEQ) has reversed itself and decided not to limit its list of air toxics to review in permit applications, in a set of pending rule changes.

The DEQ had proposed criteria for defining toxic air contaminants, which would have resulted in a list of roughly 600 chemicals to review during the air permit application process.

The current rules have the state examining all the chemicals proposed in an application except those on an exemption list.

“It is our conclusion that legitimate concerns were raised with compelling arguments and that is the basis for the change in our proposal,” said Barb Rosenbaum, air quality evaluation section chief at the DEQ’s Air Quality Division.

NEW 9-1-1 RULES RAISE CONCERNS

In order for 9-1-1 operators to better pinpoint an emergency, the state may require both big and small businesses to update their phone systems by the end of the year and that is drawing pushback from not only businesses but also the telecommunications industry.

Scott Stevenson, president of the Telecommunications Association of Michigan (TAM), said “all the technology that has come through since the rules were originally promulgated is a huge compliance issue for people.”

He said his members would like to see more work on the rules.

Charlie Owens, president of the National Federation of Independent Business – Michigan, said some small businesses may be encouraged to switch to cell phones or to VOIP service to save on the cost of upgrading phones.

The Michigan Public Service Commission (MPSC) say these rules are required under the Michigan Emergency 9-1-1 Services Enabling Act of 2007 and were originally set to take effect in 2011 but was pushed back to 2016 by legislative action.

Under the rules, businesses operating in 7,000 or more square feet of space and who have a particular phone system will be required by the end of the year to provide accurate location information when a user dials 9-1-1. Originally, it had been understood the rules would apply only to spaces over 40,000 feet.

GOVERNOR CREATES ANOTHER EDUCATION COMMISSION

Gov. Rick Snyder has created a second education commission – this one charged with identifying how Michigan can help students be more career and college ready, with the goal to have Michigan in the nation’s top 10 school systems in the next 10 years.

Snyder announced his plan for the 25-person 21st Century Education Commission in this year's State of the State address.

The group is tasked with devising ways to facilitate STEM education achievement and preparedness for skilled manufacturing jobs.

The commission must have a complete report by Nov. 30th to be provided to the state legislature and State Board of Education.

EDUCATION ADVISOR DROPS OUT

Karen McPhee, education advisor to Gov. Rick Snyder since March of last year, has resigned her position effective last Friday for personal reasons.

Snyder spokesperson Ari Adler would give no details about the resignation, saying there are no more details available.

No replacement has been named as yet.

SNYDER MAKES APPOINTMENT TO STATE INFRASTRUCTURE COMMISSION

Established by Executive Order 2016-5, Gov. Rick Snyder has announced the appointments of the new 21st Century Infrastructure Commission to identify long-term strategies to help ensure Michigan's infrastructure remains safe and efficient.

The 27-member commission, which will serve as an advisory body within the Executive Office, must present an infrastructure assessment and its recommendations no later than Nov. 30th, 2016.

The appointments are not subject to the advice and consent of the Senate.

M M & A BRIEFS

Former House Speaker dies. Funeral services were held last week for former House Speaker Curtis Hertel, Sr. who died Easter morning of natural causes. He was widely remembered for his ability to work in a bipartisan manner with Republicans during an historic 55-55 party split in the House. Hertel served during the 1993-1994 term with co-House Speaker Paul Hillegonds and held the Speakership outright from 1997 through 1998. He was first elected to the House in 1980.

DPS supplemental bill is signed. The \$48.7 million supplemental spending bill (HB 5296) to keep Detroit Public Schools (DPS) open until at least the end of the school year has been signed into law by Gov. Rick Snyder. The measure sends the money leftover in the tobacco settlement revenue to cover the costs and teacher salaries through June 30th. It is now Public Act 54 of 2016.

Mid-May is now target date for Ed Fund Adequacy Study. Although the law creating the Education Fund Adequacy Study mandated it is to be done by the end of March, it now looks like it will be mid-May before there will be details on how much it would cost to adequately fund a child's education in Michigan. The vendor doing the study requested an extension to May 13th.

Supreme Court announces new regional structure. The Michigan Supreme Court Administrative Office is implementing a new regional structure that it hopes will better support trial courts. The plan expands the number of regional administrators and realigns coverage areas so that service to trial courts will be more focused.

Bag bill is introduced. Under Senate Bill 0853, all local ordinances banning, regulating, or imposing taxes on bags, bottles, or other packaging designed to transport or protect food and merchandise would be pre-empted. The idea is to prevent local units of government from taxing plastic bags, a concept that has been undertaken by some states throughout the country in an effort to reduce waste and encourage recycling.

Beer and wine license modifications clear the Senate. Legislation (HB 4895) allowing grocery stores with an on-site gas station to sell beer and wine at both the grocery store and station has passed the Senate amid opposition from some lawmakers who say the bill is a carve out for large stores. Under the bill, a merchant who already is in possession of a license to sell beer and wine can extend that license to a secondary location if that location is a gas station and the license-holder keeps inventory of at least \$250,000 or operates from a location not less than 50,000 square feet. The House previously passed the bill 68-41.

Smith resigns his seat as of April 12th. Sen. Virgil Smith (D-Detroit) will be resigning his 4th District Senate seat on Tuesday, April 12th. He began serving a 10-month jail sentence two weeks ago for charges stemming from him shooting up his ex-wife's car last May with an assault rifle.

CALENDAR OF IMPORTANT EVENTS

- April 11 Rep. Christine Greig (D-Farmington Hills) Re-election Kickoff
Location: 5:30 p.m., Farmington Hills Manor, Farmington Hills
- April 12 Rep. Charles Brunner (D-Bay City) Breakfast Reception
Location: 8 a.m., Governor's Room, Lansing
- April 12 Rep. Julie Plawecki (D-Dearborn Heights) Lunch Reception
Location: MI Beer & Wine Wholesalers, Lansing
- April 12 Rep. Jeremy Moss (D-Southfield) 2nd Annual Post-Purim Party
Location: 5 p.m., Henry's on the Square, Lansing
- April 12 Rep. John Chirkun (D-Roseville) Evening Reception
Location: 5 p.m., Michigan Licensed Beverage Assn., Lansing
- April 13 Rep. Jason Sheppard (R-Temperance) Breakfast Reception
Location: 7:30 a.m., Michigan Municipal League, Lansing
- April 13 Rep. Marcia Hovey-Wright (D-Muskegon) Lunch Reception
Location: 11:30 a.m., Governor's Room, Lansing
- April 13 Rep. Frank Liberati (D-Allen Park) Lunch Reception
Location: 11:30 a.m., Michigan Municipal League, Lansing
- April 13 Rep. Christine Greig (D-Farmington Hills) Evening Reception
Location: 4 p.m., MI Beer & Wine Wholesalers, Lansing
- April 14 Rep. Earl Poleski (R-Jackson) Breakfast Reception
Location: 7:30 a.m., MI Beer & Wine Wholesalers, Lansing
- April 15 Rep. Kurt Heise (R-Plymouth) 'Coffee With Kurt'
Location: 7:30 a.m., Connor's Family Dining, Northville
- April 15 INCOME TAX FILING DEADLINE