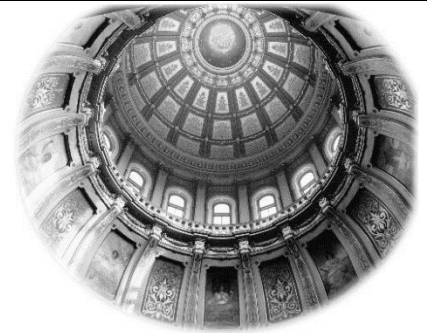


# CAPITOL NEWS UPDATE

WEEK OF NOVEMBER 27, 2017

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## **CALLEY ANNOUNCES OFFICIAL BID FOR GOVERNOR**

Lt. Governor Brian Calley announced he is running for Governor on his website Tuesday.

"I am running for Governor to make Michigan the most prosperous state in the nation. I represent a new generation, and in a time of extreme polarization and soundbite candidates, a real and sincere approach to public service," he wrote in a letter to his supporters on the website.

Speculation that Calley, 40, would run for Governor reached a high point earlier this year, when he pitched a major announcement which turned out to be a petition drive to support a part-time legislature.

In media interviews following the announcement, Calley discussed positive points about the state's economics, and took a few shots at his contender for the primary, Attorney General Bill Schuette, who is currently the Republican nomination frontrunner. Calley said the legal process surrounding the prosecution of several state employees for their actions during the Flint water crisis had been politicized because of Schuette's run for governor.

Calley was first elected to the legislature in 2006. Gov. Rick Snyder selected him as his running mate after he had served two terms in the House of Representatives.

Calley will face Attorney General Bill Schuette, Sen. Patrick Colbeck, Dr. Jim Hines, Earl Lackie, Mark McFarlin, Joseph Derosé, and Evan Space in the Republican primary.

The candidates running for the Democratic primary include former Senate Minority Leader Gretchen Whitmer, former Detroit health chief Abdul El-Sayed, Ann Arbor businessman Shri Thanedar, Detroit businessman Bill Cobbs, Kentiel White, and Justin Giroux.

## **RETIREMENT BENEFIT OVERSIGHT BILLS INTRODUCED AMID PROTEST BY POLICE AND FIRE**

Identical bills introduced in the House and Senate this week would open the door to allow state control over active and retired police and fire health care and pension benefits if a local government cannot fund those benefits on their own.

Police officers and fire fighters are currently opposed to HB 5298-99 and SB 686-7, saying the bills allow for too much state control by including a financial management team that would have broad powers over a local government's finances if that local government could not develop a plan to fund its systems and meet state requirements. The financial management team would be similar to an emergency manager, and would even be able to place the local government under the control of an emergency manager if the team felt it was necessary.

A coalition of police and fire fighter groups said that by giving the state control of local finances, the legislation contradicts the recommendations of the Governor's Responsible Retirement Reform for Local Government Task Force which supported giving local governments the tools they need to solve their challenges on the local level.

Hearings on the bills, which were sent to the House and Senate Michigan Competitiveness committees, are expected to start next week.

Following the task force report recommendations, the bills create a five-phase process that begins with establishing reporting requirements, funding ratios and triggers to help the state identify underfunded systems. The process also includes a five-year waiver for local governments who are tagged as underfunded, but already working to solve the challenge; and a way for local governments to negotiate a corrective plan within 180 days of being tagged as underfunded.

The final stage would include financial emergency and oversight by a governor-appointed financial management team.

Under the bills, retirement health plans that are at least 30 percent funded and pensions that are at least 40 percent funded until 2023 would be considered fully funded, with incremental increases until the plans are 80 percent funded by 2048. Local governments would also not be allowed to spend more than 10 percent of their General Fund on employer contributions to the system.

Several associations representing different levels of local government also have concerns about the financial management team part of the plan.

### **U.S. HOUSE LEADERS CALL FOR CONYERS TO RESIGN**

Elected Democratic leaders including House Minority Leader Nancy Pelosi, (D-Calif.), House Speaker Paul Ryan, (R-Wis.) and Rep. Jim Clyburn, (D-S.C.), have called on Rep. John Conyers, (D-Mich.), to resign after a former aide made public allegations of sexual harassment against the congressman, who is the most senior member of the U.S. House. U.S. Rep. Dan Kildee (D-Flint Twp.) has also called for Conyers to resign.

Reports say the 88-year-old Conyers is in Michigan and had been hospitalized as a result of the stress from the allegations.

"Zero tolerance means consequences for everyone," Pelosi said. "No matter how great the legacy, it's no license to harass or discriminate. In fact, it makes it even more disappointing."

### **HOUSE TRANSPORTATION TAKES UP PUBLIC-PRIVATE LEGISLATION**

The House Transportation and Infrastructure Committee took up a bill this week that would allow a public authority to issue bonds, notes, or other obligations to fund an eligible private project. The bill also authorizes user fees to repay these obligations, and requires the creation of an advisory board on public-private partnerships.

The bill does not, however, allow a public authority to charge or collect tolls on a transportation project.

Changes in the House bill from the previously approved Senate Bill 97 include the requirement of an oversight board which would report on the public-private projects to the House and Senate transportation committees, and clarifies the idea that eminent domain rights will not be extended to private parties.

## **MM&A Briefs**

### **MacGregor replaces Marleau on key Health and Human Services Subcommittee**

Sen. Peter MacGregor (R-Rockford) was named the chair of the Senate Appropriations Health and Human Services Subcommittee this week after two subcommittees – the appropriations Community Health Subcommittee and the Human Services Subcommittee – were merged into one.

MacGregor is taking over for former chairperson Sen. James Marleau (R-Lake Orion), who will become vice-chair.

### **New committee to fight legalization of marijuana**

Political consultant Scott Greenlee has become president of a new committee formed to oppose the legalization of marijuana in Michigan. Called “Healthy and Productive Michigan,” the group was formed after the Coalition to Regulate Marijuana Like Alcohol committee recently turned in enough signatures to tentatively qualify to get their proposal on the November 2018 ballot.

## **Calendar of Important Events**

- December 4     Sen. Dale Zorn (R-Ida) Fundraiser  
Location: 11:30 a.m., Monroe Golf and Country Club, Monroe
- Rep. Phil Phelps (D-Flushing) Fundraiser  
Location: 5 p.m., Jack's Place Flushing Lanes, Flushing
- Sen. Curtis Hertel (D-East Lansing) Fundraiser  
Location: 5:30 p.m., Beggar's Banquet, East Lansing
- Sen. Wayne Schmidt (R-Traverse City) Fundraiser  
Location: 5:30 p.m., Mulligan's Restaurant, Cheboygan
- December 5     Rep. Ben Frederick (R-Owosso) Fundraiser  
Location: 8 a.m., Michigan Municipal League, Lansing
- Rep. Henry Yanez (D-Sterling Heights) Senate Campaign Fundraiser  
Location: 11 a.m., Michigan Municipal League, Lansing
- Sen. Tom Casperson (R-Escanaba) Fundraiser  
Location: 12 p.m., Karoub Associates, Lansing
- House Minority Leader Sam Singh (D-East Lansing) Fundraiser  
Location: 5:30 p.m., Reno's East, East Lansing
- Rep. Daniela Garcia (R-Holland) Fundraiser  
Location: 5:30 p.m., Mitchell's Fish Market, Lansing

- December 6    Rep. Michael Webber (R-Rochester Hills) Fundraiser  
Location: 7:30 a.m., Michigan Restaurant Association, Lansing
- Rep. Christine Greig (D-Farmington Hills) Fundraiser  
Location: 8:30 a.m., Michigan Municipal League, Lansing
- Sen. Joe Hune (R-Whitmore Lake) Fundraiser  
Location: 4 p.m., Karoub Associates, Lansing
- December 7    Rep. Peter Lucido (R-Shelby Twp.) Fundraiser  
Location: 7:30 a.m., Michigan Municipal League, Lansing
- Rep. Kim LaSata (R-Bainbridge Twp.) Fundraisers  
Location: 8 a.m., Michigan Beer and Wine Wholesalers Association, Lansing
- Sen. Jim Stamas (R-Midland) Fundraiser  
Location: 8 a.m., Michigan Restaurant Association, Lansing
- Michigan Democratic Senate Campaign Fund  
Location: 8:30 a.m., Karoub Associates, Lansing
- Michigan Railroads Association Winter Board Meeting  
Location: 8:30 a.m., University Club of MSU, Lansing
- Rep. Pam Hornberger (R-Chesterfield) Fundraiser  
Location: 10:30 a.m., Kelley Cawthorne, Lansing
- Rep. Scott Dianda (D-Calumet) Fundraiser  
Location: 11:30 a.m., Michigan Health and Hospital Association, Lansing
- December 12   Rep. David LaGrand (D-Grand Rapids) Fundraiser  
Location: 9 a.m., Michigan Health and Hospital Association, Lansing
- Sen. Wayne Schmidt (R-Traverse City) Fundraiser  
Location: 4 p.m., Michigan Licensed Beverage Association, Lansing
- Rep. Ralph Liberati (D-Allen Park) Fundraiser  
Location: 4:30 p.m., Michigan Association of Counties, Lansing
- Rep. Kristy Pagan (D-Canton Twp.) Fundraiser  
Location: 5 p.m., Michigan Beer and Wine Wholesalers, Lansing
- December 13   Rep. Shane Hernandez (R-Port Huron) Fundraiser  
Location: 4:30 p.m., Michigan Beer and Wine Wholesalers, Lansing
- December 14   Rep. Hank Vaupel (R-Handy Twp.) Fundraiser  
Location: 7:30 a.m., Michigan Municipal League, Lansing