

CAPITOL NEWS UPDATE

WEEK OF JANUARY 6, 2020

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REVENUES UP FOR FY20 AND FY21

Fiscal experts from the state's legislative and executive branches agreed that the state can expect to see an additional \$235.2 million in General Fund revenue and \$85.7 million more in School Aid Fund support for the current Fiscal Year 2020, for a total of \$320.9M in 2020.

The Fiscal Year 2020-21 budget, which begins Oct. 1, will also see an expected increase of \$274 million in the General Fund and \$138 million in the School Aid Fund and a total increase of \$412M.

Agreement on the numbers was reached during the Revenue Estimating Conference this morning after about two and a half hours of presentations by representatives of the House and Senate Fiscal Agency, the Department of Treasury's Office of Revenue Tax Analysis, and officials from the Research Seminar on Quantitative Economics (RSQE) at the University of Michigan.

The numbers are up from estimates set at the May 2019 Consensus Revenue Estimating Conference, as expectations for Michigan's economy have increased. Results are based on consumer spending surviving trade wars and a 40-day long United Auto Workers General Motors strike. Changes in monetary policy also have reduced the risk of economic recession in 2020.

The new numbers give lawmakers and the Whitmer administration more money to work with for the current Fiscal Year, and as they begin work on the FY 2021 budget process.

INMAN RECALL EFFORT FALLS SHORT

An attempt to recall Rep. Larry Inman (R-Williamsburg) was short 208 of the 12,201 signatures needed, according to the Bureau of Elections on Thursday, and will not be able to get an election on the ballot.

Inman has been facing recall efforts for his seat after he was indicted in 2019 for lying to the FBI, soliciting a bribe and attempted extortion. Inman was not only acquitted of lying to the FBI, but the other charges ended in a mistrial.

The basis of the recall effort was the indictment and Inman's absence during 80 votes in the House. The effort also faced a court battle earlier, after it was thrown out entirely by the state because of typographical errors in the circulated petition.

The state has until today to make a final determination on challenges to the signatures, based on a Court of Appeals order.

MICHIGAN SUPREME COURT RULES TO ALLOW CELLPHONES IN ALL COURTS

The Michigan Supreme Court ruled this week that cellphones, laptops, tablets and all similar devices will be allowed in all Michigan courts beginning in May.

The ruling will strike any cell phone bans in Michigan's 242 courts. Banning cellphones is a common policy in many courts which are allowed to set their own policies.

The Court's decision was based on public testimony from lawyers and other advocates who said that not allowing cellphones in the courts created a barrier for many self-represented litigants, defendants, the indigent and their families.

Although allowing cellphones, the rule also bars audio or video recording of court proceedings without the permission of a judge, prohibits photos of jurors, and allows judges to sanction those who break those restrictions, including the ability to charge rule-breakers with contempt of court.

NEELEY WINS 34TH HOUSE DISTRICT DEMOCRATIC PRIMARY

Cynthia Neeley won the special Democratic primary on Tuesday in the 34th House District, comprised of most of the city of Flint.

Neeley won with 1,043 of the total 3,637 votes (28 percent). The rest of the votes were split among the other nine candidates in the low turnout primary.

Neeley is the wife of Flint Mayor Sheldon Neeley. The special election for the 34th House District was held after Neeley's husband won the mayoral election. Neeley currently owns the Make Me Over salon in Flint.

Neeley will likely go on to win the solidly Democratic seat in a run against Republican Adam Ford in the special general election.

BALLOT PROPOSAL LAUNCHED FOR LGBTQ DISCRIMINATION PROTECTIONS

A broad group of Michigan business leaders, politicians and advocates filed petition language this week with the State Board of Canvassers that could place discrimination protections for LGBTQ people on the November ballot, and expand the Elliott Larsen Civil Rights Act.

The group—The Fair and Equal Michigan committee—will need to collect at least 340,047 signatures from registered voters in the state in order to qualify get the proposal on the 2020 ballot.

If the signatures are obtained, the proposal could also go before the Legislature where it could be passed and automatically become law, the Legislature could offer its own version of the proposal or do nothing which would move the proposal to the ballot.

Bills to expand the Elliott Larsen act to include protections for the LGBTQ community have been proposed in every legislative session for at least 20 years but have never gotten support in either chamber. The biggest change in this version is that it has support from Equality Michigan

The language in this proposal seeks to expand the Elliott-Larsen Civil Rights Act to include sexual orientation and gender identity or expression. The proposal does not amend the protected categories

of people, but instead amends the definition of sex – already a protected category – to include "gender, sexual orientation and gender identity or expression."

MM&A Briefs

Whitmer announces State of State Jan. 29, McAlvey Merchant to host watch party

Gov. Gretchen Whitmer announced this week that she will deliver her second State of the State address on Wednesday, Jan. 29 at 7 p.m. in the House of Representatives chambers.

According to the press release, the speech “will highlight the fundamental challenges our state is facing and outline the governor’s policy priorities for building a stronger Michigan.”

McAlvey Merchant & Associates will be hosting a watch party at the McAlvey Merchant Loft, located on the third floor of 107 N. Washington Sq. in downtown Lansing. Doors will open at 6:00 p.m.

Please RSVP to Chloe at cjorae@mcalvey.com or by calling 517.482.9299 if you plan to attend.

Faxon leaves legacy of service, arts and education champion

Former Sen. Jack Faxon, 83, died this week following a battle with cancer. Faxon, a 30-year member of the Legislature, was one of the last living delegates to the 1961-62 Constitutional Convention.

Faxon, a Democrat, won three terms in the House in 1964, 1966 and 1968; and six terms in the Senate from 1971-94, with his district moving over the years. He spent his first term in the Senate representing a district wholly within the city of Detroit, and his later years in an area covering most of southern Oakland County. In addition to his service and work, Faxon was known for his colorful speeches and reputation.

Calendar of Important Events

Jan. 11 Rep. Lori Stone (D-Warren) Fundraiser

Location: 1 p.m., MRCC Banquet Center, 23401 Brown Road, Warren

Jan. 21 Rep. Alex Garza (D-Taylor) Fundraiser

Location: 4:30 p.m., Michigan Beer and Wine Wholesalers, Lansing

Jan. 22 Rep. Ann Bollin (R-Brighton) Fundraiser

Location: 7:30 a.m., Michigan Municipal League, Lansing

Jan. 29 State of the State Address

Location, 7 p.m., Michigan House of Representatives