

CAPITOL NEWS UPDATE

WEEK OF SEPTEMBER 21, 2020

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LEGISLATURE APPROVES 2020-21 BUDGET DEAL

Whitmer to sign bills with limited cuts, better-than-expected increases

Legislators in both houses passed a \$62.75 billion budget deal on Wednesday, with only about \$250 million in cuts from state agency budgets, instead of billions of dollars in cuts as previously predicted. Governor Whitmer also said she will be signing the legislation.

In an unusual move, Republican legislative leaders and the Whitmer administration negotiated almost completely behind closed doors, with no sub-committees, no amendments and just two bills – one for education, and one for everything else. The House and Senate adopted both bills. The details were released and passed by both chambers on the same day in a matter of hours, with both sides commenting on a positive collaborative process.

The education portion of the bills passed in the Senate 36-1, and the House 103-2. The General Fund bill passed in the Senate 37-0 and 105-4 in the House.

Along with bipartisan collaboration, the budget process went more smoothly than expected due to a boost in federal funding from the CARES Act and a surprising upswing in state revenues meant the deal avoided major cuts to school aid and other areas due to the COVID-19 Pandemic.

After the plans were announced on Wednesday, the Education and General Fund Budget bills passed with bipartisan support hours later and included:

- \$17.65 billion for the education budget for K-12 schools, community colleges and universities
- \$15.5 billion for School Aid Fund budget
- \$45.1 billion for General Fund

The proposal cut about \$250 million from the budget, including savings from a planned closure of the Detroit Reentry Center Michigan Department of Corrections.

Just weeks ago, many were concerned about facing drastic cuts to the education budget. Wednesday's bills, however, quelled fears with an education budget that was up from last fiscal year.

Highlights from the education budget:

- A one-time \$65 per pupil increase for K-12 schools
- \$53 million in hazard pay for K-12 teachers
- \$20 million in payments for school support staff
- \$5 million for first-year teacher incentives to stay in Michigan
- \$5.6 million increase to behavioral health services for students
- 2 million for districts to improve virtual learning

Highlights from the General Fund budget bills include:

- \$994 million for the Healthy Michigan plan
- \$896 million to Medicaid costs (\$100 in state funding, and the remainder from federal funding)
- \$600 million to help pay for road repairs – meeting the full amount called for in the 2015 road funding agreement.
- \$40 million for the Family Independence program
- \$30 million for Whitmer’s Michigan Reconnect program offering Michigan residents 25-years and older financial assistance to attend community college.
- \$28.7 million to for Going Pro program to help businesses recruit students
- \$23.5 million to expand maternal and infant health and support programs
- \$15 million to Pure Michigan campaign from the general fund, with \$10 million extra in allowances from the tourism industry or local agencies.
- \$14.3 million to expand broadband internet access in state
- \$4.2 million to the jail and pre-trial incarceration task force, including crime victims and health crisis training for police, dispatchers and jail officers.
- \$3.5 million for Michigan State Police trooper school
- \$4 million additional for training of correction officers
- For local government, statutory revenue sharing is maintained in this budget at 2020 levels, but constitutional revenue sharing is reduced by \$13.6 million aligning with reduced sales tax revenue.

The deadline for finalizing the budget is Oct. 1, which is the start of the 2020-21 Fiscal Year.

CONSUMERS ENERGY JOINS ELECTRIC VEHICLE CHARGING NETWORK

Consumers Energy, along with DTE, announced Tuesday it will be joining with four other utilities to push for the development of an electric vehicle charging network related to interstate travel. The utilities say the goal is to enhance fast charging and expand the ability for electric vehicle users to travel interstate. The additional network would extend from Michigan to Kansas.

Along with Consumers and DTE, Ameren Missouri, Ameren Illinois, Oklahoma Gas and Energy, and Evergy are the other utilities involved in the infrastructure buildout, which would be subject to regulatory approval in each state.

MM&A Briefs

Poll Shows James Catching Peters

A new poll released by the Marketing Resource Group this week showed the race for U.S. Senate between U.S. Sen. Gary Peters (D-Bloomfield Twp.) and Republican John James tightening to a near “statistical” tie with Peters having 42 percent of the potential vote and James 40 percent. The poll was based on a group of 600 voters polled between Sept. 14-19, 2020.

Unemployment Rates on Decline

Michigan’s regional unemployment rates declined in August, and many areas saw employment gains, according to the Bureau of Labor Market Information and Strategic Initiatives. The decline ranges from 6.9 percent to 11.4 percent – down from 0.9 to 1.5 percentage points – with a median decrease of 1.2 percentage points. Total employment also increased in all of the state’s 17 major labor markets.

Expungement Bills on Way to Governor’s Desk

The House passed final approval on a package of bills on Thursday that will make it easier for Michigan residents to have past convictions erased from their records. House Bills 4980-4985 and House Bill 5120 were passed by the Senate on Wednesday. Supporters say the bills will allow people who can have convictions removed from their record to seek better jobs and housing.

Calendar of Important Events

Sept. 26 Rep. Kara Hope (D-Holt) Kayaking Fundraiser
Location: 10 a.m., Esker Landing Park, 1694 Cedar St., Holt

Sen. Stephanie Chang (D-Detroit) PAC Fundraiser
Location: 10:30 a.m., Virtual

U.S. Rep. Elissa Slotkin (D) Fundraiser
Location: 4:30 p.m., Address provided with RSVP

Rep. Kevin Hertel (D-Saint Clair Shores) Fundraiser
Location: 5:30 p.m., 22401 Lavon St., St. Clair Shores

Sept. 29 Rep. Mary Whiteford (R-Casco Twp.) PAC Fundraiser
Location: 7 a.m., Karoub Associates, Lansing

45th House District Candidate Mark Tisdell (R) Fundraiser
Location: 7:30 a.m., Michigan Restaurant and Lodging Association, Lansing

10th U.S. House District Candidate Lisa McClain (R) Fundraiser
Location: 8 a.m., Lambert, 114 West Allegan St., Lansing

Rep. Brad Paquette (R-Niles) Fundraiser
Location: 8 a.m., Michigan Beer and Wine Wholesalers, Lansing

13th House District Candidate Tullio Liberati (D) Fundraiser
Location: 11:30 a.m., Michigan Beer and Wine Wholesalers Association, Lansing

- Sept. 29** **Rep. Kevin Coleman (D-Westland) Fundraiser**
Location: 11:30 a.m., Karoub Associates, Lansing
- 38th House District candidate Chase Turner (R) Fundraiser**
Location: 4:30 p.m., Karoub Associates, Lansing
- Rep. John Cherry (D-Flint) Fundraiser**
Location: 4:30 p.m., Michigan Beer and Wine Wholesalers, Lansing
- Rep. Matt Maddock (R-Milford) PAC Fundraiser (debate watch party)**
Location: 7 p.m., Milford Opera House, 339 North Main St.,
- Sept. 30** **Rep. Michael Webber (R-Rochester Hills) PAC Fundraiser**
Location: 7:30 a.m., Michigan Restaurant and Lodging Association, Lansing
- Rep. Jason Sheppard (R-Temperance) PAC Fundraiser**
Location: 8 a.m., Karoub Associates, Lansing
- Sen. Jim Runestad (R-White Lake) Fundraiser**
Location: 8 a.m., Michigan Beer and Wine Wholesalers, Lansing
- Sen. Mike MacDonald (R-Macomb Twp.) Fundraiser**
Location: 8 a.m., Lambert & Co., 114 West Allegan St., Lansing
- 7th House Districts Candidate Helena Scott (D) Fundraiser**
Location: 11:30 a.m., Michigan Beer and Wine Wholesalers, Lansing
- Sen. Dayna Polehanki (D-Livonia) Fundraiser**
Location: 11:30 a.m., Midtown Brewing Co., 402 S. Washington Square, Lansing
- Rep. Diana Farrington (R-Utica) PAC Fundraiser**
Location: 12 p.m., Karoub Associates, Lansing
- Rep. Donna Lasinski (D-Scio Twp.) PAC Fundraiser**
Location: 5 p.m., Karoub Associates, Lansing
- Oct. 1** **Rep. Ann Bollin (R-Brighton) PAC Fundraiser**
Location: 8 a.m., Karoub Associates, Lansing
- Sen. Dale Zorn (R-Ida) PAC Fundraiser**
Lambert & Co., 114 West Allegan St., Lansing, 8 a.m.
- Rep. Alex Garza (D-Taylor) Fundraiser**
Location: 10:30 a.m., Karoub Associates, Lansing
- Michigan Political Leadership Program Annual Dinner**
Location: 5 p.m., Kellogg Hotel and Conference Center, East Lansing

- Oct. 1** **43rd House District Candidate Nicole Breadon (D) Fundraiser**
Location: 6 p.m., Virtual
- Oct. 2** **Rep. John Reilly (R-Oakland Twp.) Fundraiser**
Location: 5 p.m., 1597 North Adams Road, Rochester Hills
- Oct. 6** **Rep. Luke Meerman (R-Coopersville) PAC Fundraiser**
Location: 8 a.m., Karoub Associates, Lansing
- Rep. Angela Witwer (D-Delta Twp.) Fundraiser**
Location: 5 p.m., Michigan Beer and Wine Wholesalers, Lansing
- Oct. 7** **Sen. Peter Lucido (R-Shelby Twp.) PAC Fundraiser**
Location: 7:30 a.m., Karoub Associates, Lansing
- Rep. Jason Wentworth (R-Clare) Fundraiser**
Location: 8 a.m., Michigan Beer and Wine Wholesalers, Lansing
- Rep. Steve Marino (R-Harrison Twp.) Fundraiser**
Location: 11 a.m., Karoub Associates, Lansing
- House Republican Campaign Committee GOPToberfest**
Location: 5 p.m., Michigan Beer and Wine Wholesalers, Lansing
- Rep. Robert Wittenberg (D-Huntington Woods) Fundraiser**
Location: 5 p.m., Virtual
- Oct. 8** **Genesee County delegation for Michigan House Democratic Fund Fundraiser**
Location: 5:30 p.m., Home of Dale Weighill, 1127 Ranfield Lane, Flint
- Oct. 9** **Sen. Roger Victory (R-Georgetown Twp.) PAC Fundraiser**
Location: 9 a.m., Pigeon Creek Golf Course, 10195 120th Ave., West Olive
- Rep. John Cherry (D-Flint) PAC Fundraiser**
Location: 10 a.m., Grand Blanc Sportsman Club, 9046 Irish Road, Grand Blanc