

CAPITOL NEWS UPDATE

WEEK OF JUNE 7, 2021



McAlvey Merchant
& ASSOCIATES

SENATE PASSES 25 HOURS OF WALK-IN SERVICES AT SOS, EXTENDS EXPIRATION DATES

The Senate passed three bills Thursday that would require the Secretary of State to reopen branch offices to walk-in traffic without an appointment for at least 25 hours per week and extend the expiration date for state ID cards and driver's licenses.

The bills are in response to Secretary of State Jocelyn Benson's COVID-19 strategy, which replaced non-scheduled walk-in service at branches with an appointment-only format. Opponents of the appointments say they led to many cases of months-long wait times for people to even get an appointment. Benson recently addressed the complaints by adding 350,000 branch office appointments across the state, and some walk-in options depending on availability.

The bills, SB 507, 508, and 509, would extend the expiration date of enhanced driver's licenses and state ID cards; standard driver's licenses and state ID cards; and vehicle registrations to Sept. 30, 2021 (retroactive to April 1).

The tie-barred bills waive late fees until Michigan Secretary of State branch offices are open for walk-in services; with one bill defining it as 25-hours per week of walk-in availability and another as 8-hours per day.

WHITMER PROPOSES SPENDING \$250 MILLION ON PARKS

Gov. Whitmer announced a proposal on Thursday that would spend \$250 million of the billions in federal aid the state has received for the 2021-22 fiscal year budget, on state parks and trails to address infrastructure projects and modernize areas.

"Tourism is vital to our economy and to our overall economic health. And COVID disproportionately hit our tourism industry and hospitality sectors. So, this is a valuable use of federal funds to help communities who rely on tourism to rebound from the impacts of the pandemic," Whitmer said.

After years of disrepair, Michigan's state parks saw an uptick in funds and visitors from the state parks passports which were established in 2010. These also have led to an increased need for renovations.

According to Gov. Whitmer, the state's outdoor recreation industry sustains 126,000 jobs and more than \$4.7 billion in wages and salaries. Investment in this area has declined and causing a

current \$264 million backlog of maintenance requests. Whitmer said using the federal funds would be a good head start toward a sustainable fix in the future.

Department of Natural Resources Director Dan Eichinger, Michigan Parks and Recreation Association Executive Director Clay Summers, Linda Hubbard with the company Carhartt, and former adviser to Governors Rick Snyder and Bill Milliken, Bill Rustem were also at the press conference.

Eichinger remarked on the bigger economic impact of the state's parks. "Attracting people to our parks and giving them reason to return year after year is an integral part of the economic development of our communities ... people don't just visit a park: they eat in our restaurants, they shop and spend money in our stores and other businesses, and with the way the nature of work has changed, many of them are buying homes and relocating to these communities," he said. "Investing in our parks is about more than that – it's investing in the communities that support and surround them. We can build back better."

Examples of how the money could be spent include:

- \$2.5 million to Algonac State Park for restroom and showers, roads, electrical updates and a new campground registration office.
- \$1.6 million to Cheboygan State Park for water and sewer distribution systems
- \$300,000 to Fort Wilkins State Park to upgrade its water and sewer system.
- \$1 million to Hoffmaster State Park for road and parking lot improvements.
- \$1.8 million to Straits State Park for bathroom and shower buildings
- Approximately \$4 million to complete restoration of the Lake Lindon Trail, which was destroyed during a 2018 flood in Houghton County.

UNPRECEDENTED INCREASE IN STATE REVENUE COULD MEAN EXTENDED BUDGET DEADLINE

Ongoing budget negotiations between Gov. Whitmer's administration and a Republican-led legislature are reportedly going well, but unprecedented revenues could mean the process will go far past its July 1 deadline.

Senate Appropriations Chair Sen. Jim Stamas (R-Midland) introduced a bill Thursday lifting this year's budget deadline and pushing it to the end of the current fiscal year on Sept. 30.

Reports released Thursday from the House and Senate Fiscal agencies on May revenues show a record surge in the state's revenues. According to the HFA report, General Fund revenues up \$752.1 million above forecast with School Aid Fund revenues \$258.7 million above what was expected. The SFA report was similar with General Fund revenues up \$709.6 million over the estimate, and School Aid Fund revenues \$298.7 million over. The Department of Treasury also had revenues at \$920 million over the forecasted estimate.

The huge increase in numbers means that Gov. Whitmer and the Legislature now have \$4.5 billion in unanticipated state revenues to work with as they negotiate the supplemental legislation for the current fiscal year and the upcoming 2021-22 fiscal year budget.

The revenues are being driven by individual income tax which made up more than 80% of the difference, the stock market recovery, and the unexpected effects of the COVID-19 federal relief funds. In addition, the federal and state income tax deadlines were moved from April 15 to May 17. Furthermore, sales tax collections for the month of May were the second-highest on record, and above \$100 million for the third consecutive month.

Analysts are still uncertain if the \$1 billion was a one-time surge or ongoing. Such an unexpected revenue increase in the same month as the actual revenue conference, which was held on May 21, 2021, is historically unmatched.

THE MICHIGAN SUPREME COURT ORDERS BOARD OF STATE CANVASSERS TO CERTIFY UNLOCK MICHIGAN PETITION

The Michigan Supreme Court today ordered the Board of State Canvassers to certify the Unlock Michigan petition, which aims to repeal the Emergency Powers of the Governor Act of 1945 that Gov. Whitmer used to declare the state under a state of emergency during the COVID-19 pandemic, before the Supreme Court ruled the law unconstitutional.

The Supreme Court order said the Board had a clear legal duty to certify the petition, and that the board's actions to investigate the collection of signatures went beyond its authority, stating that the board's investigatory power is limited only to whether petitions have been signed by the requisite number of qualified and registered electors.

After it is certified, the petition will go to the legislature for approval or to be placed on the ballot.

MM&A BRIEFS

STATE COVID-19 RATE FALLS TO LOWEST OF PANDEMIC

On Wednesday, Michigan's seven-day average of tested residents who tested positive for COVID-19 is reported to be the lowest of the pandemic at 2 percent. Also this week, the state's seven-day average for newly confirmed cases dropped to 301, and hospitalizations have decreased to 654 adults with confirmed or suspected cases of the virus as of Thursday.

GOP POLL SHOWS CRAIG UP 45% TO 38% ON WHITMER

A survey of 809 voters from May 26-June 4 by the Michigan Republican Party shows former Detroit Police Chief James Craig polling at 45% of the vote compared to 38% for Gov. Gretchen Whitmer. The survey also shows former U.S. Senate candidate John James behind Whitmer 50% to 45%. The Competitive Edge Research survey was published by Deadline Detroit.

CALENDAR OF IMPORTANT EVENTS

- June 14** **Golf Scramble with Rep. Julie Alexander (R-Hanover)**
Location: 8:30 a.m., Deer Run Golf Course, Hanover
- Rep. Donna Lasinski (D-Scio Twp.) Flag Day Celebration**
Location: 5 p.m., Chelsea Depot, 125 Jackson Street, Chelsea
- June 15** **Rep. Ann Bollin (R-Brighton) Fundraiser**
Location: 8 a.m., Karoub Associates, Lansing
- Sen. Kim LaSata (R-Bainbridge Twp.) for State Senate**
Location: 8 a.m., Michigan Beer and Wine Wholesalers Association, Lansing
- Michigan Republican Party - State PAC**
Location: 4:30 p.m., Kelly's Downtown, 220 South Washington Square, Lansing
- Rep. Kevin Coleman's (D-Westland) Summer Soiree**
Location: 4:30 p.m., Michigan Beer and Wine Wholesalers Association, Lansing
- June 16** **Rep. Ann Bollin (R-Brighton) for State Rep**
Location: 8 a.m., Karoub Associates, Lansing
- Rep. Pauline Wendzel (R-Watervliet) Breakfast Reception**
Location: 8:30 a.m., Michigan Beer and Wine Wholesalers Association, Lansing
- Beers with Rep. Beau LaFave (R-Iron Mountain)**
Location: 10:30 a.m., Capitol House, 322 West Ottawa Street, Lansing
- Rep. Karen Whitsett (D-Detroit) Summer Lunch Fundraiser**
Location: 11:30 a.m., Karoub Associates, Lansing
- Rep. Mary Whiteford (R-Casco Twp.) Evening Cocktail Hour**
Location: 5 p.m., Michigan Beer and Wine Wholesalers Association, Lansing
- Michigan House Democratic Fund - Gala in the Garden**
Location: 5:45 p.m., MSU Horticulture Gardens, 578 Wilson Road, East Lansing
- June 17** **Rep. Andrew Fink (R-Hillsdale) Reception**
Location: 8 a.m., Details Forthcoming
- Rep. David Martin (R-Davison) Breakfast Reception**
Location: 8 a.m., Karoub Associates, Lansing

June 17

Sen. Sean McCann (D-Kalamazoo) for State Senate

Location: 8:30 a.m., Michigan Beer and Wine Wholesalers Association, Lansing

Friends of Rep. Mark Huizenga (R-Walker)

Location: 5:30 p.m., 3009 Lakeshore Drive, Holland

June 21

HRCC Annual Golf Outing

Location: 12 p.m., Eagle Eye & Hawk Hollow Golf Courses, Bath

Sen. Stephanie Chang (D-Detroit) for Senate

Location: 5:30 p.m., Westcroft Gardens & Farm, 21803 West River Road,
Grosse Ile

June 22

Rep. Matt Hall (R-Emmett Twp.) Majority Fund Reception

Location: 8 a.m., Michigan Beer and Wine Wholesalers Association, Lansing

Rep. Felicia Brabec (D-Pittsfield Twp.) Lunch Reception

Location: 11:30 a.m., Hop & Vine, Michigan Beer and Wine Wholesalers
Association, Lansing

Rep. Padma Kuppa's (D-Troy) Summer Send-Off

Location: 12 p.m., Karoub Associates, Lansing

Rep. Helena Scott (D-Detroit) Happy Hour Event

Location: 4:30 p.m., Kelly's Downtown, 220 South Washington Sq., Lansing

Rep. Jim Haadsma (D-Battle Creek) Summer Solstice

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

Senate Republican Campaign Committee

Location: 5 p.m., Egypt Valley Country Club, 7333 Knapp Street North East,
Ada

Rep. Joe Tate (D-Detroit) Leadership PAC

Location: 6 p.m., Norma G's, 14628 East Jefferson Ave., Detroit

June 23

Rep. Rodney Wakeman (R-Saginaw Twp.) Breakfast Reception

Location: 8 a.m., Karoub Associates, Lansing

June 23

Rep. Kara Hope (D-Holt) Breakfast Fundraiser

Location: 8 a.m., Michigan Beer and Wine Wholesalers Association, Lansing

Rep. Christine Morse (D-Texas Twp.) - Lunch with the Morse Force

Location: 11:30 a.m., Karoub Associates, Lansing

Rep. Brenda Carter (D-Pontiac) - Summer Fun

Location: 5 p.m., Michigan Beer and Wine Wholesalers Association, Lansing

June 24

Rep. Stephanie Young (D-Detroit) Breakfast Reception

Location: 8 a.m., Karoub Associates, Lansing

Rep. Pamela Hornberger (R-Chesterfield) Reception

Location: 8 a.m., Michigan Beer and Wine Wholesalers Association, Lansing