

# CAPITOL NEWS UPDATE

WEEK OF JULY 18, 2022



McAlvey Merchant  
& ASSOCIATES

## UPCOMING PRIMARY ELECTION: STAY INFORMED WITH MCALVEY MERCHANT & ASSOCIATES

One of our primary responsibilities at McAlvey Merchant that we take very seriously is making sure our clients are informed and up-to-date on all breaking news from Lansing. As a result, our team will be closely tracking the upcoming primary election results on Tuesday, August 2<sup>nd</sup>. We intend to send text alerts. If you would like to receive up-to-date texts with the latest election results on primary night, please send an email to Scottie Barton at [scottie@mcalvey.com](mailto:scottie@mcalvey.com) noting that you would like to get on our list and include the best cell phone number to text you at. Our team will be stationed in war rooms with campaign leadership working hard to get you election results, so if you want to receive our notices again, please send a quick email to Scottie. We look forward to making sure you are the best informed across the state!

## MCALVEY MERCHANT & ASSOCIATES JOINS FACEBOOK: COME FOLLOW US!

McAlvey Merchant & Associates recently joined Facebook! In an effort to share more about the work we do and amplify the amazing things our clients do each and every day, we started a Facebook account. Come follow us! You will find us at [www.facebook.com/McAlveyMerchant](https://www.facebook.com/McAlveyMerchant). And after you follow and like our account, encourage your coworkers, friends and family to do the same, too!

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## WHITMER SIGNS STATE BUDGET

Governor Gretchen Whitmer signed into law the last part of the \$76 billion 2022-23 fiscal year state budget on Wednesday. The final bill, HB5783, was mostly supported by legislators from both sides.

Although the signed budget does not include any tax cuts, Whitmer and legislators will continue negotiating over the \$7 billion in extra revenue available to cover these cuts. The budget bill also paid down the state's \$2.6 billion in debt.

Whitmer also vetoed \$20 million designated to "promote adoption and help women facing a crisis pregnancy," including \$10 million for a marketing program promoting adoption over abortion, \$3 million for organizations that promote "childbirth and alternatives to abortion," and \$100,000 to the Department of Corrections for legal defense of a ban on using state funds for gender reassignment surgeries or therapies while people are in state prisons.

Highlights of the signed budget include:

- \$6 billion toward state and local roads, bridges and other transportation projects.
- About \$2.6 billion toward public pension systems.
- Funding for local law enforcement and first responders.
- \$832.7 million (\$552.7 million General Fund) for the Department of State Police — including more than \$9.2 million General Fund for a trooper school to graduate 50 new troopers and hiring and train 120 new troopers.
- Nearly \$33.4 billion for the Department of Health and Human Services, which appropriates \$103.7 million General Fund to make up for Medicaid match rate and Children's Health Insurance Program match rate decreases.
- \$20 million for the Department of Labor and Economic Opportunity budget including \$5 million more for Michigan Reconnect and \$15 million more for Going Pro.

Funding for West Michigan projects includes: \$10 million for a new children's rehabilitation hospital in Grand Rapids, \$6.5 million to help cover transition costs for the Michigan Veteran Homes at Grand Rapids, \$38 million for a new pediatric mental health facility, \$30 million for a new amphitheater in Grand Rapids, pipeline repairs in Holland Twp., Kalamazoo river restoration and upgrades to Binder Park Zoo in the Battle Creek area, redeveloping the Third Street Wharf and channel lighthouse in Muskegon and water infrastructure improvements in Sparta and Lawton.

Funding for Detroit-area projects includes: about \$40 million for the 27.5-mile Joe Louis Greenway, \$100 million for the Detroit Center for Innovation, \$100 million for the Wayne State Medical School Cancer Institute, \$1 million for the Wayne Port Authority, \$5 million for the Global Talent Initiative, \$2.5 million for Detroit's Sickle Cell Center, \$1 million to the Ruth Ellis Center, \$590,000 for the Alternative for Girls homeless shelter and support program, \$500,000 for Detroit Downtown Boxing, 12 million for Eastern Market, \$6 million toward operations of the Charles H. Wright Museum of African American History, \$4 million to the Detroit Historical Society Museum, \$45 million for a Detroit Wayne Integrated Health Network psychiatric campus, and about \$5 million for the Detroit Medical Center's Children's Hospital.

Sen. Jim Stamas (R-Midland), chair of the Senate Appropriations Committee said the budget will benefit communities throughout Michigan. "The greater sum was actually put into these buckets to help all across Michigan...I think we're seeing that opportunity equal across the state," he said.

Gov. Whitmer also signed the education omnibus budget last week, increasing the per-pupil funding by nearly 5.2% to \$9,150 for K-12 students, investing \$250 million for infrastructure and \$50 million for school districts for increasing access to mental health services.

"This budget has something remarkable for every community across the state of Michigan," Whitmer said. "This budget is focused on every part of the state of Michigan and every person in the state of Michigan."

## **MICHIGAN SEEKS STAY IN ENFORCEMENT OF MINIMUM WAGE HIKE DURING COURT APPEAL**

On Thursday, the state's attorneys asked the Michigan Court of Appeals to pause the enforcement of a 2018 ruling that would increase the minimum wage and require paid sick leave, asking for the new rules to be suspended while the issue is debated in court

The request comes after Michigan Court of Claims Judge Douglas Shapiro restored the laws earlier in the week by ruling that the adopt-and-amend strategy the Republican-led Legislature used in 2018 was unconstitutional. At the time, the Legislature adopted the citizen-initiated proposals that raised the minimum wage and required paid sick leave, then quickly depleted the measures by amendment.

The state's attorneys have begun the process of filing an appeal with the Court of Appeals and have asked for a stay in the ruling and a decision on the stay by August 2, to give businesses and others affected by the ruling stability until the court battle is resolved.

If the ruling were to take effect, the initiative would require the state to increase its minimum wage to \$12 per hour by Jan. 1 (raised from the current \$9.87) and eliminate a much lower tipped wage for workers by 2024 and require businesses across the state to offer up to 72 hours of paid sick leave to employees each year.

"The people of the state deserve predictability and stability in the status of the law governing sick leave and minimum wage," Deputy Solicitor General Eric Restuccia wrote in a court filing.

## **COURT OF APPEALS REJECTS REQUEST TO REMOVE KELLEY FROM BALLOT**

The Michigan Court of Appeals ruled on Thursday that Republican gubernatorial candidate Ryan Kelley will remain on the ballot and is eligible to become the Republican gubernatorial nominee if he wins the August Primary.

*In Estes v. Secretary of State*, an appellate panel that included Judge Michael Gadola, Judge Kathleen Jansen and Judge Michelle Rick, rejected the request to keep Kelley off the ballot by declaring him an "insurrectionist." The plaintiff argued that Kelly's candidacy was in violation of the Insurrection Clause of the U.S. Constitution, which states that no one can run for office if they were tried and convicted of open rebellion against the United States.

Judge Gadola wrote that the request was denied because federal prosecutors have not yet proven whether Mr. Kelley was guilty of destruction of property and entering a restricted building when he participated in the U.S. Capitol insurrection attempt on Jan. 6, 2021. Kelley has pleaded not guilty to the charges and the case is still in early phases in the U.S. District Court for the District of Columbia.

## **THE UNEMPLOYMENT INSURANCE AGENCY ISSUES WAIVERS FOR OVERPAYMENT**

The Michigan Unemployment Insurance Agency has issued another round of waivers for Michigan workers who were paying back unemployment claims that had been issued, providing relief to

residents who received unemployment benefits, only to be told later they were ineligible for the benefits they received.

"The waivers provide fresh hope for Michiganders who faced paying back the federal government for benefits they received based on frequently shifting federal and state program rules. Over the past three months, we have waived more than \$484.2 million on 62,300 claims," said UIA Director Julia Dale in a statement.

Legislators and claimants have argued for the waivers, saying that people who received ineligible benefits should not have to pay back the claims because the UIA had incorrect criteria on its website.

### **INTEREST IN ELECTRIC VEHICLES INCREASES**

On Monday, Consumers Energy announced that it has provided more than 2,000 incentives for Electric Vehicle chargers at homes, businesses and public locations in less than 3 years, and plans to provide power to an additional 200 chargers in the next two years.

The company provides incentives for EV charging through the PowerMIDrive and Bring Your Own Charger programs.

"We continue to be excited to see the electric vehicle transformation race ahead of even the expectations we set for ourselves just a couple of years ago. Consumers Energy will continue to help this transformation by working with homeowners and businesses to provide incentives and education as they make the easy, affordable and clean switch to EVs," Sarah Nielsen, Consumer's Energy executive director for electric vehicle programs, said in a statement.

### **MM&A BRIEFS**

#### **ANGERER NAMED DEPUTY DIRECTOR AT MDARD**

Former Rep. Kathy Angerer was recently named a deputy director at the Department of Agriculture and Rural Development. Ms. Angerer served in the House from 2005-10 and most recently was city manager of Hamtramck.

#### **PISCHEA DIES AT 59**

Mark Pischea, a Republican operative who founded the Conservative Energy Network, died this week at the age of 59 after being on medical leave for several months.

Pischea began his career as political director with the Michigan Republican Party and with the National Republican Congressional Committee. He also ran campaigns in the late 1990s and early 2000s and worked as a vice president of Marketing Resource Group, executive director of the MotorCities National Heritage Area, president of The Rossman Group and a partner in the Sterling Corporation.

## **FORMER REP. GIRE DIES AT 76**

Former state Rep. Sharon Gire, a Macomb County Democrat, died from cancer earlier this month. She was 76. After being elected to the House in 1986, Gire for 12 years mostly representing Clinton Township and Mount Clemens. She was known for her passion for health care, women's rights and child well-being. She also served in the Executive Branch.

## **CALENDAR OF EVENTS**

- July 23 Sen. Jim Runestad (R-White Lake) - Running Michigan Right Fund**  
Location: 3:30 p.m., Big Paws Ranch, 240 East Dawson Road, Milford Twp.
- July 25 U.S. Rep. John Moolenaar (R) for Congress**  
Location: 9 a.m., Bucks Run Golf Club, 1559 South Chippewa, Mt Pleasant
- 13th Senate District Candidate Jason Rhines (R) Fundraiser**  
Location: 5:30 p.m, Cantoro Market & Trattoria-Mezzanine Room, 15550 North Haggerty Road, Plymouth
- Rep. Terry Sabo (D-Muskegon) for State Senate**  
Location: 6:45 p.m., Aquastar Cruises, 560 Mart St., Muskegon
- July 27 Rep. Kevin Coleman (D-Westland) 2022 Re-election Kickoff**  
Location: 5:30 p.m., Mangia Pizza and Catering, 38413 Joy Road, Westland
- Rep. Lori Stone (D-Warren) Totally 80's Fundraiser**  
Location: 6 p.m., The home of Lorie and Bill Barnwell, 5182 Cutty Lane, Warren
- July 28 Sen. Sean McCann (D-Kalamazoo) for Michigan**  
Location: 5:30 p.m., 3915 Old Colony Road, Kalamazoo