

# CAPITOL NEWS UPDATE

## WEEK OF JANUARY 20, 2025



### FROM THE PARTNERS DESK

*Bill Jackson*

It's been two weeks since the 103rd session of the Michigan legislature began, and so far, it's been a mix of action and wait-and-see. Speaker Hall, after raising the gavel on January 6th, wasted no time making moves. He kicked things off by appointing a special committee to hear testimony on House Bills 4001 and 4002 (more on those in a moment) and announced his picks for Appropriations Chair, Judiciary Chair, and today, the Chair of the newly created House Oversight Committee.

House Bills 4001 and 4002, with bipartisan support, pick up where the lame-duck session left off, tackling Michigan's minimum wage, tipped-wage credit, and employee sick time. After two days of testimony, the bills passed the House 63-41, following passionate speeches on both sides. Now, it's in the Senate's hands. The big question is how Senate Majority Leader Brinks and her Democratic majority will respond to the Republican-led House's quick action.

On the slower side, Speaker Hall is taking his time with committee assignments. Rather than following the traditional Committee on Committee process, he's been making decisions with his team behind closed doors in his Capitol office. As of now, he's named Representative Ann Bollin as Appropriations Chair, Representative Sarah Lightner as Judiciary Chair, and Representative Jay DeBoyer as Chair of the new House Oversight "super committee." We're still waiting for other committee members to be named, and while some in Lansing are getting impatient, Speaker Hall seems focused on his broader strategy.

So, what do the first two weeks of the session suggest? It's clear that Speaker Hall has been planning this moment for some time and is executing his strategy with precision.

In short, the first couple of weeks of the 103rd session show that Speaker Hall is serious about making an impact. Whether it's pushing through key legislation quickly or taking a calculated approach with committee assignments, he's setting the stage for a session that could be marked by both swift action and careful strategy. As the dust settles and more pieces fall into place, it will be interesting to see how this leadership style shapes the legislature's work moving forward. For now, though, it's clear that Hall is playing the long game, and we'll be watching closely to see how it unfolds.

## NEWS

### **TIPPED WAGE, EARNED SICK TIME CLEAR HOUSE WITH BIPARTISAN SUPPORT**

Bills preserving a lower tipped minimum wage and making changes to the Earned Sick Time Act sailed through the House on Thursday with several Democrats joining Republicans in support.

"There was bipartisan support, so that encouraging," said Rep. Bill Schuette (R-Midland), who chaired the select committee on the bills (editor's note: this story has been changed to correct Schuette's party affiliation). "Now the ball is in Leader Brinks' and the governor's court, and I'd hope they would follow the bipartisan example that we set in the House."

HB 4001, which keeps the tipped minimum wage at 38 percent of the minimum wage, cleared the House in a 63-41 vote.

Rep. Peter Herzberg (D-Westland), Rep. Tullio Liberati (D-Allen Park), Rep. Carol Glanville (D-Walker), Rep. Will Snyder (D-Muskegon), Rep. Karen Whitsett (D-Detroit) and Rep. Angela Witwer (D-Delta Township) voted with the Republican majority. All the Democrats who voted in favor of the legislation served on the select committee.

The only Democrat to serve on the committee who voted against HB 4001 was Rep. Matt Longjohn (D-Portage), though he voted to report it out of committee. He also voted against HB 4002 on the floor, though he voted to report it out of committee.

Rep. Brad Paquette (R-Niles) voted against the legislation.

"Everybody is their own shade of red," Schuette said. "I think there are some people who had concerns about raising the minimum wage at all."

Schuette said that the bill demonstrated his caucus was willing to introduce legislation with compromise.

"There has been a version of legislation that was introduced that would just put everything back to how they were," he said. "We're introducing commonsense legislative fixes the problem that protects small business and our workers."

HB 4002, which makes scales back the paid sick leave law set to take effect February 21, passed 67-38.

Rep. Tyrone Carter (D-Detroit), who also served on the committee, voted in favor of the legislation, along with Rep. Noah Arbit (D-West Bloomfield), Glanville, Herzberg, Liberati, Rep. Amos O'Neal (D-Saginaw), Snyder, Whitsett and Witwer.

Schuette said House Republicans have not discussed putting an appropriation on the bills to make them referendum proof.

There have been discussions with members of the Senate on the legislation, though, Schuette said. He expressed hope that the Senate would move quickly to pass the legislation.

Senate Majority Leader Winnie Brinks (D-Grand Rapids) made it clear she had no intention of just passing the House's version of the legislation. The Senate has different concepts on the issue in SB 8 and SB 15.

"I believe we can achieve a balance that ensures that workers have strong rights, employers are able to run their businesses, and that the spirit of the initiative petition – which received hundreds of thousands of signatures – is upheld," she said. "The bills we have in the Senate are much better for workers, and we are continuing to focus on those. But I want to be clear: I will not rubber stamp a plan that takes earned sick leave away from a million Michiganders."

The House plan exempts all employers with fewer than 50 employees from the requirement to provide one hour of paid sick leave for every 30 hours worked with a minimum of 72 hours per year. The Senate plan is a smaller change to the law set to take effect. That law says employers with less than 10 employees only have to provide a minimum of 40 hours in paid leave plus 32 hours of unpaid leave.

Under the Senate Democratic plan, the threshold would rise to those employers with fewer than 25 employees having the 40 hours paid/32 hours unpaid minimums.

House Minority Leader Ranjeev Puri (D-Canton) said he was looking forward to more robust discussions with the Senate legislation.

Although there was bipartisan support on both bills, Democrats put forward several floor amendments that were rejected. Democrats proposed five amendments for HB 4001 and eight amendments for HB 4002.

"We've seen an abundance of amendments that came out for ways that can improve upon the disastrous bills that were offered today, so ... if we could have meaningful discussion, we'd love to engage in that," Puri said.

Puri said that he could not account for why House Democrats didn't take up the legislation last term when they were in the majority and could have facilitated those discussions themselves.

"I think the sooner we would have addressed this, the better off we would have been, but we obviously can't change what happened in the past," he said.

He also said he didn't think there was a need to pass legislation before February 21, when the current laws go into effect.

"We should be working toward a solution that is not fitting a political narrative," he said. "This law has been put into seven states around the country. There's not been instances of widespread layoffs in any of these states. There's not been thousands of displaced workers in these states because these laws have been implemented."

Schuetz, on the other hand, said the House bills struck a better balance for workers and employers.

"I'm an optimist," he said. "We're going to keep full pressure all the way down."

Several groups reacted to the House passing the legislation, with those who opposed the legislation coming down hard against Democrats who voted in support of it.

"Today, in a bipartisan fashion, the Michigan House of Representatives caved to corporate lobbyists and betrayed Michigan workers by voting to gut the state's minimum wage and paid sick leave laws," Sam Inglot, executive director for Progress Michigan, said in a statement. "The majority of Michiganders support the increase in the state's minimum wage laws, the elimination of the subminimum wage, and the implementation of paid sick leave for workers across the state. HB 4001 and HB 4002 strips workers of a well-deserved and overdue raise and strips too many workers of paid sick leave they need to take care of themselves and their loved ones. We urge the Michigan Senate to reject changes to the laws and allow them take effect as intended on February 21."

David Worthams, director of employment policy for the Michigan Manufacturers Association, said passage of the bill reining in the sick time law is a crucial step toward addressing the "onerous and nonsensical challenges" the law poses. Besides the requirement to provide one hour of paid time off for every 30 hours worked, employer groups have decried the law's apparent prohibition on employers providing a block of sick time to workers at the start of the year, requirements for employers to log hours worked and sick time accrued, prohibition on employers requiring advance notice of employees using sick time and more.

"The changes proposed in HB 4002 are necessary to ensure that manufacturers can continue to operate effectively while maintaining fair, competitive and sustainable paid time off policies," he said in a statement. "Whenever there is legislation that passes in such a bipartisan nature, it shows that there is clearly an issue that must be addressed quickly because it has such an impact on Michiganders across the state."

## **DEBOYER NAMED CHAIR OF OVERSIGHT; PURI EXPRESSES FRUSTRATION WITH COMMITTEE PROCESS**

The House Oversight Committee will look to put an end to government inefficiencies, said Rep. Jay DeBoyer (R-Clay), the newly appointed chair of the committee for the term.

Speaker Matt Hall (R-Richland Township) announced DeBoyer as his pick to chair the committee, which will focus on holding government departments accountable, during a press conference on Thursday.

"When we review these audits, when we look at what those inefficiencies are ... this is about changing the behavior of government to better benefit the taxpayers," DeBoyer said. "That's what the end goal of the Oversight Committee is... moving forward, Oversight is going to make our state better. It's going to make our state more efficient."

The committee will consist of six subcommittees including Weaponization of State Government, Child Welfare System, Corporate Subsidies, Public Health and Food Security, Homeland Security and Foreign Influence and State and Local Public Assistance Programs. The committee will have subpoena power.

DeBoyer said he wasn't coming to his position as chair with any preconceived goals other than serving the taxpayer.

"It would be great if there's no deficiencies in state government, but no one believes that," he said. "As we find them, we will offer legislation that will ensure we can improve that circumstance."

Hall and DeBoyer highlighted several audits that have gone unanswered.

"We have 44 audits out there that have findings from the auditor general," Hall said. "Elected officials should be the first ones to know when these departments of government are not following laws or are not spending taxpayer dollars appropriately."

Minority Leader Ranjeev Puri (D-Canton) said he agreed there was room in the Legislature for discussions around transparency.

"I don't see that as a bad thing in and of itself. I think we're waiting to see how this is going to come together. If this is going to be weaponized just to have political discussions, then I don't see the purpose of doing that," he said. "If we want to have meaningful discussions, like talking about the Flint Water Crisis, or the misuse of nonprofits and campaign accounts, then yeah, that would be a good use."

It's unclear when the rest of Hall's committee assignments will be rolled out.

Puri expressed frustration with the process on Thursday.

"I had the courage to put my recommendations very publicly forward. The speaker is not doing that. He is slow rolling his committee assignments," he said. "There's a growing amount of frustration on his side of the aisle, the fact that he's doing that, and there's a lot of members who are confused as to why this is taking so much time. I think the bulk of the people in this chamber want to come here to fight for common sense solutions for Michigan."

Puri said that if Hall was for bipartisan collaboration, his committee process did not show it. Puri also said that Hall was not working off the right information when he said that Rep. Julie Brixie (D-Okemos) was put forward by the Democratic Caucus as the person to serve as the minority vice chair on House Appropriations.

"We were very transparent. We provided it very publicly, what our recommendations are. Those recommendations didn't come directly from me, they came from a group of seven members on the Committee on Committees process," Puri said. "There's a tremendous amount of falsehoods that he speaks that get reported on. I'm telling you, there's no one that's being punished. The names I submitted were submitted in full on a list."

Puri said House Democrats were doing what they could to be good partners, though he had not spoken much with Hall.

"We feel that we've done everything that we need to do on our part," he said. "To make sure that this is setting ourselves up for a healthy relationship."

## **LIGHTNER TO CHAIR HOUSE JUDICIARY; NO WORD YET ON FULL COMMITTEE ROSTER**

Rep. Sarah Lightner (R-Springport) will be the new chair of the House Judiciary Committee, Speaker Matt Halll (R-Richland Township) announced at a press conference Wednesday afternoon.

"I'm super excited about the challenge," Lightner said. "I want to make sure we prioritize the victims and that there is truth in sentencing."

Lightner is serving her fourth term in the House, but prior to joining the Legislature, she was a paralegal specializing in criminal defense and family law. In 2015, she was appointed by then-Governor Rick Snyder to serve on the Criminal Justice and Policy Commission, a panel that was tasked with analyzing, researching and sharing data on sentencing police, prison and jail use, among other objectives. Lightner has also served as judiciary and public safety chair of the Michigan Association of Counties.

Rep. Brian BeGole (R-Perry), a former county sheriff, will serve as the majority vice chair.

"I picked these two because they're strong supporters of our law enforcement. They stand for law and order," Hall said. "Also, I think they'll do a great job with our court system in supporting our prosecutors."

Hall made the committee announcement during a press conference at which he outlined the judiciary priorities of House Republicans for the upcoming term (See separate story).

Lightner said she hoped to refocus the committee on policies that supported law enforcement, held criminals accountable and protected Michigan families.

"Some of the policy being pushed these past two years diminishes the public trust in our judicial system. I hope to have support in the House to make sure criminals are held accountable and not coddled in the system," she said. "We need to ensure victims receive the justice they deserve."

Hall said that completing the full roster of committee announcements is taking time because he didn't have recommendations he could trust from Minority Leader Ranjeev Puri (D-Canton).

"Leader Puri has been very overwhelmed with his responsibilities," he said. "One thing that we saw is a lot of efforts to punish his members... so we're going to look very carefully at those assignments and see."

During the press conference, Hall said that Puri did not recommend Rep. Will Snyder (D-Muskegon) as the minority vice chair of appropriations until after Hall named Rep. Alabas Farhat (D-Dearborn) as his pick. Rep. Julie Brixie (D-Okemos) was the only name Puri presented to House Republicans prior to Hall naming his appropriations chairs, Hall said.

"So, we'll look at the applications and find the right person," Hall said.

A House Democratic spokesperson could not immediately be reached for comment about Hall's claim.

## **BOLLIN TO CHAIR HOUSE APPROPS; HALL PICKS FARHAT FOR MINORITY VICE CHAIR OVER PURI'S CHOICE**

The chairs for the House Appropriations Committee are set for the term.

House Speaker Matt Hall named Rep. Ann Bollin (R-Brighton) as chair of the House Appropriations Committee and Rep. Matt Maddock (R-Milford) as the majority vice chair. Rep. Alabas Farhat (D-Dearborn) was named minority vice chair. Farhat was not House Minority Leader Ranjeev Puri's (D-Canton Township) choice for that position.

"We needed people that were meticulous, that will get into the weeds and the details and look at each one of these programs and determine where is the value for the taxpayer, what is the return on investment for the taxpayer?" Hall (R-Richland Township) said.

Bollin is a fourth-term member of the House who has served on the Appropriations Committee. Last term, she served as the minority vice chair of the House General Government Appropriations Subcommittee. She's also worked on the budget for Health and Human Services, Corrections, Agriculture and Rural Development, Higher Education and Community Colleges.

Bollin said her goal is to restore public accountability and fiscal responsibility.

"It's going to be a principled budget, not a political budget," Bollin said. "I look forward to working across the aisle with our Senate counterparts and the governor for a sustainable, fiscally responsible budget on behalf of the taxpayers."

Sen. Sarah Anthony (D-Lansing), the chair of the Senate Appropriations Committee, following the announcement, told reporters that she was excited to get to work on the budget with her House counterpart.

"I'm excited," she said. "Our constituents are looking for us to stand in the gap and mind the state's coffers, and whether that's looking at road funding, essential service in the DHHS budget. You can slice and dice the chairs all

you want. I want to make sure that people have the service they need ...I spend the most time with the House Appropriations chair, so knowing who that is so we can finally get to work was exciting, and I've worked with Representative Bollin since we first came into the House a few years back, so I'm looking forward to working with her."

Hall selected Maddock, one of the ultra-conservative members of the Republican caucus, as the majority vice chair.

"I came here to chew bubble gum and to cut budgets, and I'm all out of bubble gum," Maddock said.

Maddock, despite not serving on any committees last year, served on House Appropriations during his previous two terms.

As a freshman in the 2019-20 term, Maddock was chair of the Appropriations Subcommittee on Transportation. In his first Department of Transportation budget proposal, Maddock sought to take bids for some of the state's assets, including airports, rest stops and, most famously, the Blue Water Bridge in Port Huron. The latter of those proposals came under heavy criticism. Maddock was not assigned to chair a subcommittee in his second term.

Maddock and Hall have historically not been on good terms within the Republican caucus, but Maddock praised Hall for his ability to put together a strong team for the budget.

"We may not always agree on everything ... but I think Speaker Hall is wise enough to see real talent and use it where it's needed," he said. "I was looking for a good outcome, and I can't think of anything better than this team right now."

Hall also named Farhat the minority vice chair. The pick was not in line with Puri's recommendation, who publicized his recommendations Tuesday afternoon after submitting them to Hall.

During the press conference, Hall sent a member of his staff to find Farhat to join him, Bollin and Maddock in the House Appropriations Committee Room.

Prior to naming Farhat, Hall said that he wanted to make sure that he made good selections for both Republicans and Democrats based on their campaign promises, backgrounds and skill set.

At the press conference, Hall welcomed Farhat into the room and apologized for not sharing the news of the appointment with him sooner.

"I'm still composing what exactly to say right now," Farhat said. "I'll say this, though, the budget is a serious process ... It's a constitutional obligation we have to pass a balanced budget, and I'll be working with my caucus to deliver real wins and value to taxpayers. I know we agree on roads, so hopefully, there's a lot more alignment there. Right now, I think the conversation has to be around the cost-of-living crisis that people are experiencing and how we solve that and how we take real steps towards affordability, which I know we've started these past two years."

Farhat said he planned to lean on Anthony, who attended the press conference.

Tuesday's announcement was unconventional in a couple of ways. It's the latest a speaker has announced the Appropriations chair in 28 years. Since then, speakers generally have announced their choice in November or December. Also different was the use of a press conference. Speakers typically announce their pick via press release. That the speaker's choice for minority vice chair also was part of the press conference was another wrinkle.

What was not unusual was for Hall to spurn the minority leader's preference for minority vice chair. Former House Speaker Kevin Cotter did so in the 2015-16 term. And in the last term, Hall as minority leader wanted then-Rep. Andrew Fink as minority vice chair, but then-Speaker Joe Tate picked Rep. Sarah Lightner instead.

At the press conference, Farhat requested that House Democrats have input on committee assignments, which Hall granted, specifying he would take input from Farhat.

"I will give you that opportunity to give us the feedback, so that we can make sure we have good people that are ready to help bring value for our tax dollars," Hall said.

Hall alleged that Puri made committee recommendations to punish members, but no member of the Democratic caucus was left out of Puri's recommendations. A source speaking on background with knowledge of the process said the only decision that could be viewed as "punishment" in the Democratic recommendations was not recommending Rep. Angela Witwer (D-Delta Township) for House Appropriations. That decision had more to do with what Republicans were likely to accept, the source said.

Witwer was Appropriations chair in the 2023-24 term though she did not serve on the committee her first two terms in the House.

A Democratic source speaking on background said that there were members of the House Democratic Caucus who were not pleased with Farhat as the pick for minority vice chair.

Puri's pick was Rep. Will Snyder (D-Muskegon), though he did recommend Farhat serve on the House Appropriations Committee.

The Democratic recommendations that Puri submitted to Hall on Tuesday were based on an internal caucus Committee on Committees process, which was chaired by Rep. Jasper Martus (D-Flushing) and guided by the preferences of members and their experience, according to the letter Puri sent Hall.

"The CoC process was very collaborative, including multiple surveys as well as follow-up discussions with members as finalizations were made," Puri's letter said.

Snyder was recommended because he was seen as a middle ground pick who would still push back against Republican interests, the Democratic source said, because it seemed unlikely Witwer would be accepted by House Republicans.

The source compared the situation that unfolded Tuesday to what happened in 2015, when former Speaker Kevin Cotter appointed former Rep. Pam Faris as the minority vice chair of the Appropriations Committee despite the Democrats' preference for then-Rep. Brandon Dillon.

At that time, Faris and all other Democrats on House Appropriations Committee said that they would abide by the wishes of Democratic leadership and decline the vice chair slot. So, Cotter appointed then-Rep. Harvey Santana, who gained a reputation of working with Republicans and was ultimately asked not to caucus with Democrats.

Hall appointed Farhat prior to House Democrats publicizing their recommendations.

The source said although not all House Democrats were aware of the differences in what their Committee on Committees requested and Tuesday's minority vice chair appointment, members were likely to ask Farhat to reject the assignment.



Puri, though asked for comment on the Appropriations appointments, provided a statement on committee assignments more broadly.

"It is a long-standing tradition for minority leadership to weigh in on their caucus' committee assignments. These recommendations are an important part of the legislative tradition – it is fundamental to uphold the customs of our system in order to provide confidence in our democracy and ensure transparency in the process," he said. "Our caucus members shared which committees they felt best suited for, and it is from that process we have made our recommendations. ... With my recommendations today, we aim to continue representing and serving Michigan's diverse population by bringing our skills and commitment to the committee process."

Farhat, when asked about Puri's recommendation for the minority vice chair, reiterated that he was optimistic he could deliver for House Democrats.

"I spoke to the governor, we are ready to get to work," he said.

Hall said that he was uninterested in the relationship dynamics related to his Appropriations picks.

"These are the type of decisions that leaders have to make ... no one care about who I got along with or didn't get along with. All they care about is, are we putting the best people forward to get the results that we told the people of Michigan we were going to do?" he said. "I'm proud to say today these people leading our Appropriations Committee are going to deliver on that balance."

Hall said one of his priorities with the budget was to fund roads without raising taxes and to review programs for their effectiveness. He also expressed interest in limiting the use of conference committees for the budget process.

"We're not coming here because we want to slash," Bollin said. "All we want to do is increase the transparency and accountability and make sure that every program is giving us value for the dollar."

## **HALL ANNOUNCES APPROPS SUBCOMMITTEE REALIGNMENTS**

The House Appropriations subcommittees will be restructured this term, Speaker Matt Hall (R-Richland Township) announced during a press conference on Tuesday.

The biggest change will be dividing the Department of Health and Human Services budget into three subcommittees: Medicaid and Behavioral Health, Human Services and Public Health.

"Speaker Hall has a vision on how we can really make it a lot more manageable," said Rep. Ann Bollin (R-Brighton), chair of the House Appropriations Committee (See separate story). "We see that the DHHS budget, which is a monster – I've sat on that since I was a freshman – I think his vision to break it into parcels, if you will, is going to give us a path forward to look at what's working."

In a way, breaking up oversight and budgeting for DHHS is a throwback to what it used to be when there were separate departments for each function. There once was a Department of Public Health, Department of Mental Health and Department of Social Services. Through the 1990s, 2000s and 2010s, governors melded them into one super department.

Among the other changes, the Michigan Department of Lifelong Education, Advancement and Potential (MiLEAP) will be part of the subcommittee on higher education and community colleges instead of part of the Department of Labor and Economic Opportunity.

The Judiciary and Corrections budgets will also be combined into one subcommittee, and funding for the Department of State Police will be in a separate subcommittee from the Military and Veterans Affairs budget.

Sen. Sarah Anthony (D-Lansing), who chairs the Senate Appropriations Committee, said she didn't foresee any similar realignments of the Senate's Appropriations subcommittees.

"I think we've been able to manage," she said specifically about the DHHS budget. "But if the House needs additional resources to dig in, that's the Speaker's prerogative."

There have been no additional announcements about which House members will serve on the Appropriations Committee, and there is no clear timeline about when those may come, though Bollin expressed an eagerness to get started, noting that Governor Gretchen Whitmer will provide the Legislature with her executive recommendation early next month.

### **CALENDAR OF EVENTS**

- Jan. 29**      **Rep. Tom Kunse (R) - Breakfast Reception**  
Governors Room, Karoub Associates, 121 West Allegan Street, Lansing, 8 a.m.
- Rep. Stephanie Young (D) - 60th Birthday Brunch and Games**  
Governors Room, Karoub Associates, 121 West Allegan Street, Lansing, 11 a.m.
- Rep. Karl Bohnak (R) and Rep. Parker Fairbairn (R) – 103<sup>rd</sup> Kick-Off Reception**  
Michigan Beer and Wine Wholesalers Association, 332 Townsend Street, Lansing, 4:30 p.m.
- Feb. 4**      **Rep. Matthew Bierlein (R) - Breakfast Reception**  
Governors Room, Karoub Associates, 121 West Allegan Street, Lansing, 8 a.m.
- Feb. 5**      **Rep. Amos O'Neal - Winter Fundraiser**  
Governors Room, Karoub Associates, 121 West Allegan Street, Lansing, 4:30 p.m.

**ARTICLES PROVIDED AS PART OF OUR PARTNERSHIP WITH GONGWER NEWS SERVICE**