

January 2020

## **MORE MONEY**

Based on agreed to estimates, the Consensus Revenue Estimating Conference (CREC) is expecting the state will see an additional \$235 million in General Fund (GF) revenue and an additional \$85.7 million in support of the School Aid Fund (SAF) for the current Fiscal Year (FY) 2020.

Estimates are also looking up for FY 2021. Officials are expecting an additional \$274 million in GF and \$138 million in SAF.

CREC set the current year total GF budget at \$11.01 billion in GF resources and \$14.3 billion in SAF resources.

However, State Treasurer Rachael Eubanks said that “while the agreement shows a slight increase in both the School Aid Fund and General Fund, revenues remain relatively flat.”

As a side note, in the first six weeks, the state has collected in excess of \$10 million in revenue from recreational marijuana sales.

## **FUNDING FOR THOSE ‘DAMN ROADS’**

With Governor Gretchen Whitmer’s 45-cent-per-gallon fuel tax increase to fix Michigan’s roads failing to get support last year, she said last week that she will now shift to smaller steps...describing that as “triage” for the roads.

Governor Whitmer didn’t provide details, but her comments to reporters suggested her plan will be one of smaller steps and with a range of revenue sources.

The Governor indicated she is looking at a range of possible options including borrowing and the use of tolls on bridges.

Meanwhile, Senate Majority Leader Mike Shirkey (R-Clarklake), in response to a reporter’s question, said part of solving Michigan’s road funding gap could be doing something with the state’s sales tax.

Senator Shirkey said his “...focus is to make sure whatever we do has the best chance to be sustainable and that we don’t have to revisit it again and again.”

Voters would have to approve an increase in the sales tax.

### **LEGISLATION WOULD HAMPER TRANSPORTATION COMMISSION TO BOND**

Senator Roger Victory (R-Hudsonville) has introduced legislation, SB 716, that would not allow the Michigan Transportation Commission to bond for more than \$100 million annually without the Legislature's approval. Current law allows the commission to bond for up to \$1 billion with the Legislature's approval.

### **STATE TAKES ON CORPORATIONS OVER PFAS CONTAMINATION**

As a way to cover the cost of environmental and public damages caused by toxic PFAS, the State of Michigan has filed suit in Washtenaw County against 17 different entities.

The lawsuit alleges that chemical giants deliberately concealed PFAS' danger and withheld scientific evidence. The state also alleges the companies also "recklessly sold," distributed, disposed and used PFAS containing materials in a way that they knew would contaminate natural resources and expose Michigan residents to harm. Among those being sued are 3M, DuPont, and other manufacturers of PFAS chemicals.

### **MSP TO PULL BREATHALYZER UNITS FROM THE FIELD**

Based on suspected falsification of records, Colonel Joseph Gasper, director of the Michigan State Police (MSP), announced the department is investigating potential fraud committed by contract employees of Intoximeter and is moving to pull 203 breathalyzer instruments from the field.

As a result, the MSP will keep the devices out of service until the state can inspect and verify each of the instruments to ensure they are properly calibrated.

Meanwhile, the state is encouraging police agencies to utilize blood draws rather than breathe tests to establish evidence of drunk driving.

### **BALLOT PROPOSAL LAUNCHED TO EXTEND ELLIOTT LARSEN**

A proposal that would ban discrimination based on sexual orientation and gender identity would be covered under the Elliott Larsen Civil Rights Act in an initiated legislation proposal unveiled by Fair and Equal Michigan, a coalition of business, labor and civil rights groups.

If the language is approved by the Board of Canvassers at a meeting the week of January 27, the group is setting a May 27 deadline to collect the necessary 340,047 valid Michigan voter signatures.

### **STATE TO SPEND \$17.5 MILLION TO FIGHT OPIOID CRISIS**

The State of Michigan will spend the \$17.5 million federal grant money to distribute Narcan to high-risk areas and population, for medication to treat opioid addiction in emergency rooms and in jails, for replacement programs, and for mobile care units.

A portion of the money also will be used for new treatment services, community engagement in minority communities, and outreach to increase the number of providers offering medications to treat opioid addiction.

### **SUPREME COURT TO ALLOW CELLPHONES INTO COURT**

Beginning May 1, the public can bring cellphones into Michigan courtrooms based on a recent rule change by the Michigan Supreme Court amending a current rule that allowed chief judges at the local level to set their own cellphone policies.

Under the new rule, the public will be allowed to use portable electronic devices to retrieve or store information, including notetaking, as well as to access the Internet and text and reproduce court documents in a clerk's office. However, video recording, broadcasting or live streaming is still contingent on the approval of the courtroom judge.

### **ATTORNEY GENERAL NESSEL SAYS MORE CHARGES COMING IN CLERGY SEX ABUSE INVESTIGATION**

More charges are expected, some as early as this month, from the Attorney General's office's investigation into alleged sexual abuse by clergy at the state's seven dioceses, according to Attorney General Dana Nessel.

While Attorney General Nessel didn't provide a specific number of potential defendants, she said in a statement that the investigation team has identified 552 victims who have identified 270 priests as abusers based on paper document review of only three dioceses.

Attorney General Nessel said the clergy abuse investigation will eclipse the Nassar/MSU case, but said while the MSU case is at an impasse, the investigation has not been suspended.

## **GOVERNOR WHITMER LEAVES NRC IN CHARGE OF BAITING, FEEDING**

Governor Gretchen Whitmer put her veto pen to House Bill 4687, which overturned the Natural Resources Commission's (NRC) ban on baiting for deer hunting in the Lower Peninsula as well as the core chronic wasting disease (CWD) surveillance area in the western Upper Peninsula.

In vetoing the bill, Governor Whitmer contended baiting increases the chance of spreading CWD or bovine tuberculosis to other deer or even domestic animals, including dairy and beef cows.

The veto leaves the authority over baiting and feeding with the NRC in accordance with voters who passed Proposal G in 1996.

## **ATTORNEY GENERAL NESSEL RESTRUCTURES AG'S OFFICE**

Under a department restructuring of the Attorney General's office, consumer protection education and safety will get special emphasis, according to Attorney General Dana Nessel.

The realignment is also intended to ensure that "key investigations and initiatives are appropriately staffed to succeed," according to Nessel.

The restructuring also includes reassignment of four criminal attorneys to focus solely on elder abuse investigations and prosecutions, establishment of a Public Administrator Division, strengthening and expanding the Civil Rights Division, bolstering the enforcement components of the Corporate Oversight Division, strengthening Child and Youth Services, expanding the Flint Criminal Prosecution Team, and strengthening environmental protection in the Environment, Natural Resources and Agricultural Division.

## **DATE IS SET FOR STATE OF THE STATE ADDRESS**

Governor Gretchen Whitmer's office has announced that the Governor will deliver the annual State of the State address before a joint session of the Legislature the evening of January 29, 2020.