

A stylized blue line-art graphic of a suspension bridge with two towers and a central span, positioned above the year.

**2021**

**MICHIGAN COUNTIES**  
*ANNUAL CONFERENCE*

**SEPTEMBER 26-28**

**MAC Legislative Update**

## FY22 budget highlights

- 2% Increase in base revenue sharing; unfunded pension strings attached
- \$148.9M in Michigan Indigent Defense Commission Grants, which includes implementation of standard 5
- \$16M one-time appropriation to the state 911 fund for NextGen
- \$29.1 million to the Raise the Age Fund to cover cost outside of Child Care Fund eligible expenses for 17-year-olds
- EMS Medicaid reimbursements increase; fee schedule would be set at 100% of Medicare; increase of \$54.3 million
- \$51.4M for essential local public health services, with strings attached depending on local health orders – likely unenforceable

## **FY22 budget (cont.)**

- \$414.5M in gross (\$146.1 million GF/GP) for a \$2.35/hour direct care worker wage increase
- \$26.5M gross, \$5M General Fund(6.0 FTEs) to support a two-year implementation for Certified Community Behavioral Health Clinic
- \$5.1M for the second year of a five-year phase-out of the use of Local CMH Local Match funding to support the Medicaid Restricted Mental Health Services line
- \$14.5M for PFAS Remediation grants
- \$13M to fund a Dam Safety Grant Program with an additional \$6M for the Emergency Dam Safety Action Fund
- \$14.3M in High Water Infrastructure Grants
- \$5.2B transportation budget includes an additional \$52.8M for local road agencies for a total to local road agencies of \$1.8B

## **FY22 budget (cont.)**

- \$4.25M to the county veteran service fund, \$200,000 of which can be used by the MVAA to fund administration and technical assistance to counties
- \$2M in one-time money for the secondary road patrol to compensate for lost revenue due to the COVID; total support to \$15M
- \$14.8M in the county jail reimbursement, plus agreement to remove language that bars reimbursement for any county that enacts or enforces any law or ordinance concerning the immigration status of an individual
- \$2M for local conservation district operational support with an additional \$1M one-time funding for FY22
- \$2.1M increase to fully fund PILT payments
- \$3M increase for the Michigan Infrastructure Council

## American Rescue Plan – Match Program

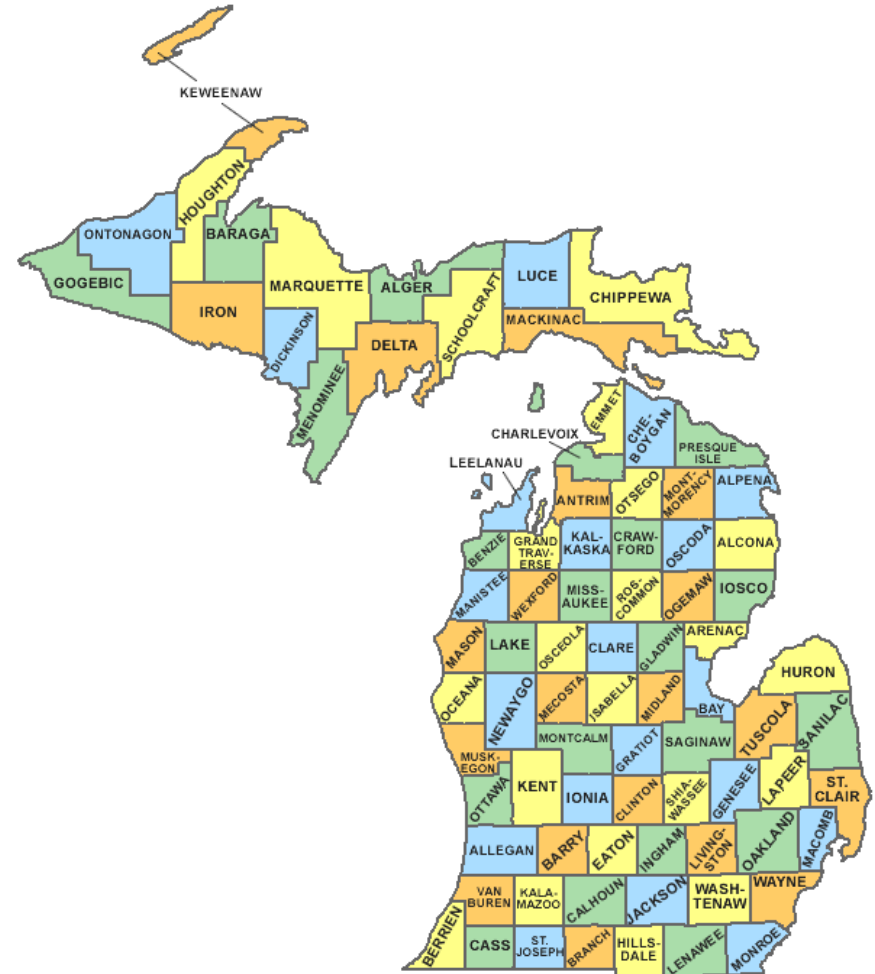
### a

- Leverage our \$1.9B as potential match for part of the state's remaining \$5.76B
- Coalition formed with other locals, businesses, philanthropy and environmental organizations
- Ask centers around 5 key areas of recovery:
  - Water infrastructure and broadband
  - Local capacity and fiscal stability
  - Housing and community development
  - Comprehensive economic development
  - Public health and safety



## 4-year commissioner terms

- Michigan is among only 5 states in nation that limit all commissioner terms to 2 years
- All other elected county officials receive 4-year terms
- **MAC supports Senate Bills 242 & 245, which would enact 4-year terms, starting with 2024 presidential election**
  - Bills passed Senate 32-4
  - House committee vote in October



## Binding arbitration

- Expansion to include corrections officers
- MAC has already testified against HB 4639 and HB 4725 by Rep. Kelly Breen and Rep. Robert Bezotte
- MAC opposes any expansion to other bargaining units due to the cost of the process, the long-term liabilities associated with third party decisions and the unequal treatment such a system provides to those bargaining units
  - HB 4725 passed House 97-10
  - Referred to Senate Economic and Small Business Development Committee



## Veterans property tax exemption

- HB 4624 & 4626 by Reps. Beau LaFave and Kevin Coleman would reimburse localities for any lost revenue through a PILT payment, tying the hands of the DNR for future land purchases if not paid
- SB 540-541 by Sen. Ed McBroom and HB 5008-10 by Reps. Sara Cambensy and Gary Howell – 100% reimbursement for losses but takes the reimbursements out of our existing LCSA payments
- HB 4914 by Rep. Phil Green – one and done filing until the property is no longer eligible
- Sen. Jon Bumstead working on draft to reimburse locals without a State appropriation through a similar homestead tax credit as well as curb eligibility





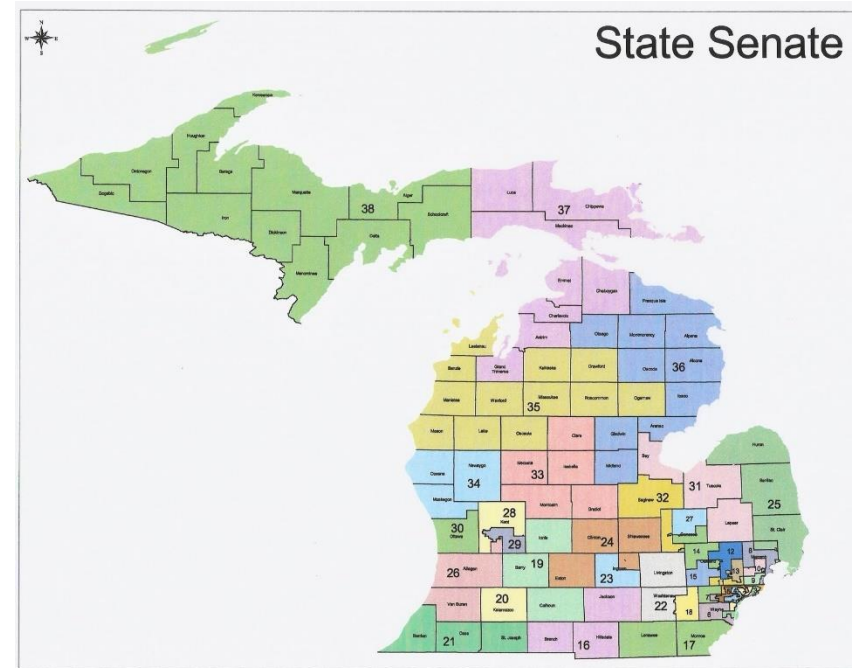
## Solar Personal Property Tax

- Governor vetoed \$4,000 per MW PILT last session
- STC recommendation invoked loud opposition; now \$12,700
- Buildout will require abatement – likely between 40 and 50% depending on STC amended recommendation
- PILT legislation shall be for large scale solar and be optional for the local assessing unit
- Larger abatement for brownfields, multiple use sites



## Independent redistricting

- MI Supreme Court decided to not indemnify the Independent commission should they not meet the final deadline for maps. Likely a premature request.
- First draw of maps were due Sept. 17
- 45-day cycle to ensure public comment when fist draft maps are made available



## Indigent defense

- FY22 budget included \$148.9M for indigent defense grants to local funding units
- Local share study approved in August; overall recommendation is no changes at time
- Upcoming meetings:
  - Oct. 13 (special meeting to select candidates to interview for the Executive Director position)
  - Oct. 19- regularly scheduled meetings; remaining plan approvals



## Opioid settlement

- AG Dana Nessel has officially signed on to the proposed settlement of \$26 billion, \$800 million for Michigan
- Settlement default is 15% state, 15% local, 70% abatement fund OR better deal can be made with state/locals
- Attorneys working through MOU; better deal than default and will maximize funds; expect MOU in 4-6 weeks
- Litigating subdivisions or local units over 10K are eligible for direct pay
- Legislation will be needed to direct state funds and to bar local subdivisions from future litigation in order to ensure maximum funds
- [AG-OpioidLitigation@michigan.gov](mailto:AG-OpioidLitigation@michigan.gov)
- <https://nationalopioidsettlement.com/>



## Mental health (Senate & House)

- SBs 597-98 (Shirkey/Bizon) – shifts financial administration from PIHPS to private health plans
- Whiteford-led bills (HB 4925-29) creates state entity to manage Mental Health services
  - Proposal to replace the state's 10 Prepaid Inpatient Health Plans with a single nonprofit or administrative services organization (ASO is designated by DHHS)
- MAC supports **local control and a public** mental health system (MAC testified **in opposition** to the Senate bills in committee)



## Raise the Age

- All counties should have submitted a plan to DHHS detailing the additional costs for raise the age – that are not CCF eligible (prosecutor/patrol car) plus 100% CCF additional expenditure
- \$29M included in FY22 Raise the Age Fund for the cost outside of CCF
- Starts Oct. 1, 2021 (TA through DHHS continues to be available for reporting)



## 9-1-1 funding sunset

- Emergency 9-1-1 Service Enabling Act expires at the end of year
- FY22 budget included \$16M one-time appropriation to the state 911 fund for NextGen
- Appropriation allows Legislature to eliminate a fee increase in HB 5026 for postpaid phones and reduce the fee increase for prepaid to 1%
- HB 5026 (Rep. Calley, R-Ionia) would:
  - Extend authorization for 9-1-1 operations and funding to Dec. 31, 2027
  - Ensure fee revenues are on target with projected costs of statewide implementation of Next Generation 911 (NG911)
  - Increase pre-paid surcharge from 5% to 6.5%
  - Increase post-paid fees 5 cents to 7 cents
  - Provide a fee rollback process if more revenue is generated than needed
  - **Substitute bill anticipated for Oct. 6 committee hearing**

