2022 MICHIGAN COUNTIES ANNUAL CONFERENCE

SEPT 18-21 • BLUE WATER CONVENTION CENTER • PORT HURON, MI

MAC Legislative Update

What's the Big News?

- **Budget / Supplementals**
- **Elections / Political Landscape**
- **Key Policy Issues for Lame Duck**

Legislative Update

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Show Me the Money!

- **FY 22-23 Budget**
- **What's Left / Supplemental(s)**

Elections Have Consequences

- **Statewide Elections**
  - **Potential turnover**
  - **New leadership**
- **Fall session and Lame Duck**
  - **September, November, December**
  - **What that means for us**

Top Priority: Revenue Sharing Trust Fund

- SBs 1160-61 (Schmidt, R-Gr. Traverse)
  - Create the fund
  - Allocate 10% of the state sales tax for fund
  - 50/50 split between counties and CVTs
  - Increase county revenue sharing in FY24 to > $350M

Top Priority: Revenue Sharing Trust Fund

- HBs 6133-34 (Ellison, D-Oakland, and Tisdel, R-Oakland)
  - Require a minimum deposit into the fund
  - $231.5M for counties
  - $311.2M for CVTs

Top Priority: Revenue Sharing Trust Fund

- FY01: CRS was $228.7M or 3.6% of sales tax
- Sales tax revenue for FY23 will be roughly $9.9 billion
- 3.6% of that amount would be just over $350 million

Court Funding Reform, Sunset & Litigation

- Cost authorization expires 10/1
- MI Supreme Court/*People v. Johnson*
- HB 5956 (Lightner, R-Jackson) extends sunset to May 2024
- Expect Legislature to vote out HB 5956 by 9/28; must be signed by governor before 10/1

Mental Health Proposals

- SBs 597-598 (Shirkey, R-Jackson)
  - Shift from public oversight/responsibility for managing services and supports to private plans
  - Please use MAC advocacy tool to send message of opposition to SBs 597-598
- HBs 4925-29 (Whiteford, R-Allegan)
  - Replace the state's 10 Prepaid Inpatient Health Plans with a single nonprofit or administrative services organization

Open Meetings Act

- 12 bills introduced to address remote participation
- Best bet is HB 6238, (Calley, R-Ionia)
  - Remote participation of member with written notice
  - Capped at the lesser of 10% of meetings or 3 in a year
  - Allows one member of the body to deny remote participation
  - Amendments offered

- **House legal team is working on line-by-line rewrite of OMA and will be accepting stakeholder input; MAC participating**

Opioid Settlement

- $26B settlement; Michigan set to receive $800M (over 18 years)
- 50/50 state-local split intrastate agreement
- All counties have participation agreement in place
- First and second allocations of funds slated for 2nd and 3rd quarters, and annually after that (exception, those local jurisdictions that have amounts $7,500 or less)
- **MAC to host a position sponsored by Vital Strategies to assist counties in determining allocation and application of the funds**

Veterans Property Tax Legislation

- SBs 783 & 1084 (Bumstead, R-Newaygo)
  - Maintain current exemption
  - Locals reimbursed via refundable income tax exemption
  - Supported by the veterans groups
  - May require counties to consolidate claims and funnel reimbursements to all taxing units
  - **Important note: Priority for Speaker Wentworth (R-Clare)**

Veterans Property Tax Legislation

- HBs 4624 & 4626 (LaFave, R-Dickinson and Coleman, D-Wayne)
  - Reimbursement through PILT/non-payment by state would penalize MDNR
- SBs 540-541 (McBroom, R-Dickinson) & HBs 5008-10 (Cambensy, D-Marquette & Howell, R-Lapeer)
  - Take reimbursements out of our existing LCSA payments
  - Rob Peter to pay Paul
- Please use MAC advocacy tool at micounties.org

Personal Property Tax Exemption

- SBs 1060-62 (Huizenga, LaSata, MacDonald)
  - Reimbursement for expansion of PPT exemption for property of $80,001-$180,000
  - $75M appropriated in work project to reimburse locals for first year of the exemption;set to go into effect in 2023
  - Swift action on these bills is anticipated in fall

Binding Arbitration

- HB 4725 (Bezotte, R-Livingston)
  - Expands PA 312 benefits to county corrections officers
  - On Senate floor
  - MAC pushing to kill bill there

Freedom of Information Act

- HBs 5921-25 (Johnson, O'Malley, VanWoerkom, Fink, Posthumus)
  - Penalties on public bodies when mistakes are made
  - Remove anonymity of volunteer task force members when serving their communities
  - $500 penalty for adding new reasons for denial; payable to requestor
  - Require acknowledgment and description of exempt records
  - Allow for civil actions regarding determination if record considered primarily for public benefit (no fees)

Solar PILT

- SBs 1106-07 (VanderWall, R-Mason, & Daley, R-Lapeer)
  - Solar energy districts authorized by local municipalities
  - Developers to apply for an exemption from local property taxes
  - PILT: $7,000 per MW of nameplate capacity per year for 20 years
  - Distribution based on proportions of taxes
  - Solar on brownfields or secondary use: $2,000/MW for 20 years

Secondary Road Patrol Funding

- HBs 5732 & 5772-73 (Brann, R-Kent, Martin, R-Genesee, & Mueller, R-Genesee)
  - $15M to Secondary Road Patrol and Training Fund from liquor tax
  - Inflation adjustment every five years
  - Eliminate $10 SRP fee on moving violations
  - Reset MOE to lesser of road patrol expenditures in 1978 or 2021
  - Awaiting Senate action

Removal from Office Legislation

- HB 4885 (Marino, R-Macomb)
  - Malfeasance or Misfesance
  - Requires decision by governor

Consolidated Elections

- SBs 130-133 (Nesbitt & Wojno) & HBs 4530-33(Calley, Filler, Whitsett & Puri)
  - Move August primary elections to June
  - Move up filing deadlines
  - House bills now in the Senate

Fiscal Early Warning Systems

- SB 780 (Ananich, D-Genesee) & HB 6296 (Yaroch, R-Macomb)
  - Phases of Treasury assistance and oversight of fiscal stability
  - “Emergency Manager Light”

"Zillow" Legislation

- HB 4730 (Calley, R-Ionia)
  - New substitute version of bill increases fees
  - Does not require treasurers to provide information they do not maintain for current year

2022 Ballot Proposals

- **Proposal 22-1 (Term Limits)**
- **Proposal 22-2 (Voting Options)**
- **Proposal 22-23 (Reproductive Freedom)**

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MACPAC

- **Provides financial support to incumbent state legislators who are friends of county government**

- **28 former county commissioners now serving in the Michigan Legislature (MAC County Caucus)**

MACPAC
MICHIGAN ASSOCIATION OF COUNTIES POLITICAL ACTION COMMITTEE

Donate at www.micounties.org

MAC Policy Committees

Six committees that study legislation and make recommendations to Board:

- Finance/General Government – Meets 1st Friday at 10 a.m.
- Environmental/Natural Resources/Regulatory Affairs – Meets 2nd Friday at 10 a.m.
- Health/Human Services – Meets 4th Monday at 10 a.m.
- Judiciary/Public Safety – Meets 4th Monday at 2 p.m.
- Transportation/Infrastructure – Meets 4th Friday at 10 a.m.
- Agriculture/Tourism – Meets at call of the chair

- To join a MAC committee, fill out application at micounties.org