



Legislative Update

Deena Bosworth

April 25, 2023

**MICHIGAN
COUNTIES**

2023 LEGISLATIVE CONFERENCE

April 24-26, 2023 • Radisson/Lansing Center





Legislative Update

Today's Agenda

- 101st Legislature Recap
- 102nd Legislature
- MAC Priorities
- FY 2024 Budget
- Legislation of Interest
|
- Issues to Watch





Legislative Update

101st Legislature Recap

- **Enacted/Adopted:**
 - Four-year terms
 - \$25M boost in liquor tax revenue
 - Court funding sunset extension – May 2024
 - Secondary Road Patrol funding stream
 - Materials Management Plans
- **Defeated/Deferred:**
 - Mental health privatization
 - FOIA changes
 - Binding arbitration expansion





Legislative Update

102nd Legislature

- Democratic majority
- New leadership
- Slim margins
- Hot topic issues
- Former county commissioners





Legislative Update

2023 Priorities

- **Revising Open Meetings Act to Meet Demands of 21st Century**
- **Creating Fair Revenue Sharing System for Counties**
- **Enacting Reforms to Ensure Proper Funding of Local Courts**
- **Increasing Resources for Juvenile Justice Services**
- **Compensating Local Governments for Funds Diverted by Veterans Property Tax Exemption**
- **Revamping PPT Exemption to Provide Annual Reimbursement to Locals**





Legislative Update

2023 Priority: Open Meetings Act

- **Pre-pandemic remote participation rules:**
 - Bill sponsor: Sen. Klinefelt, D-Macomb
 - Remote participation and voting
 - Quorum must be present
 - Likely to have guardrails
 - Not a partisan issue
- **Linguistic rewrite:**
 - Bill sponsor: Rep. Bierlein, R-Tuscola
 - Re-introduction from last session





Legislative Update

2023 Priority: Revenue Sharing Trust Fund

- **Creation of dedicated fund:**
 - Automatic deposit of revenue into fund
 - Still subject to appropriation
- **MAC's preferred version:**
 - SBs 229-230 (Sen. Klinefelt, D-Macomb)
 - Percentage of sales tax
 - 50/50 distribution
- **MML version:**
 - SBs 182-183 (Sens. Webber, R-Oakland, & Moss, D-Oakland) & HBs 4274-75 (Reps. O'Neal, D-Saginaw, & Tisdell, R-Oakland)
 - Floor funding – no built-in growth
 - 47/53 split with CVTs

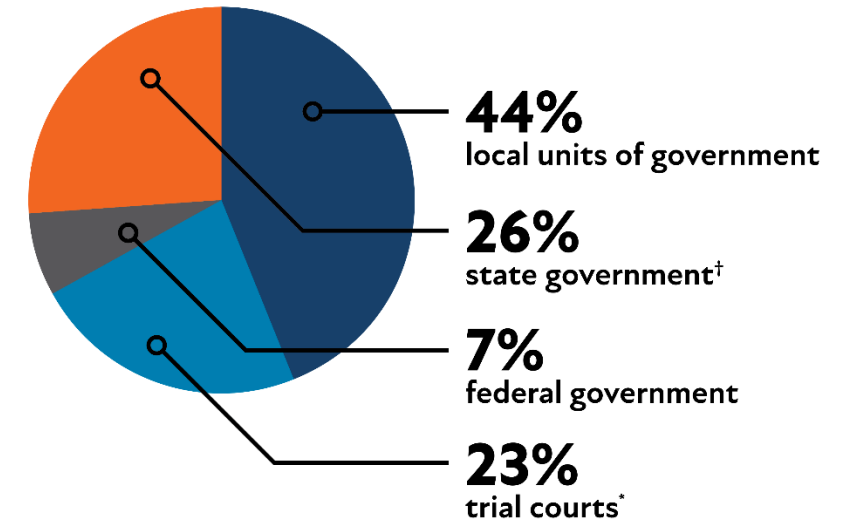




Legislative Update

2023 Priority: Trial Court Funding

- **Fee extension sunset - May 2024**
- **Trial Court Funding Commission recommendations:**
 - Uniform assessments
 - Centralized collections
- ***People v. Johnson* (MSC case)**
- **FY24 budget request: \$46M**



Court funding breakdown (FY22)



Legislative Update

2023 Priority: Juvenile Justice Resources

- **Increase in beds and facilities**
- **Funding for staff:**
 - Recruiting
 - Retention
 - Training
- **Support governor's call for 8% increase in foster care per diems**
- **Statewide ask: \$150M**





Legislative Update

2023 Priority: Veterans Property Tax Exemption Reimbursement

- **2013 statewide mandate:**
 - Close to \$100M lost to local governments
 - 14% increase in exemptions each year
- **Reimbursement method:**
 - SBs 95-96 Sen. Bumstead (R-Muskegon)
 - Refundable income tax credit payable to locals
 - Supported by veterans organizations





Legislative Update

2023 Priority: PPT Exemption Reimbursements

- **Effective this year:**
 - \$180,000 in true cash value
 - Estimated \$75M in local revenue lost
 - Money set aside
- **Reimbursement methodology:**
 - Failed to pass House (December 2022)
 - Reintroduction expected this week

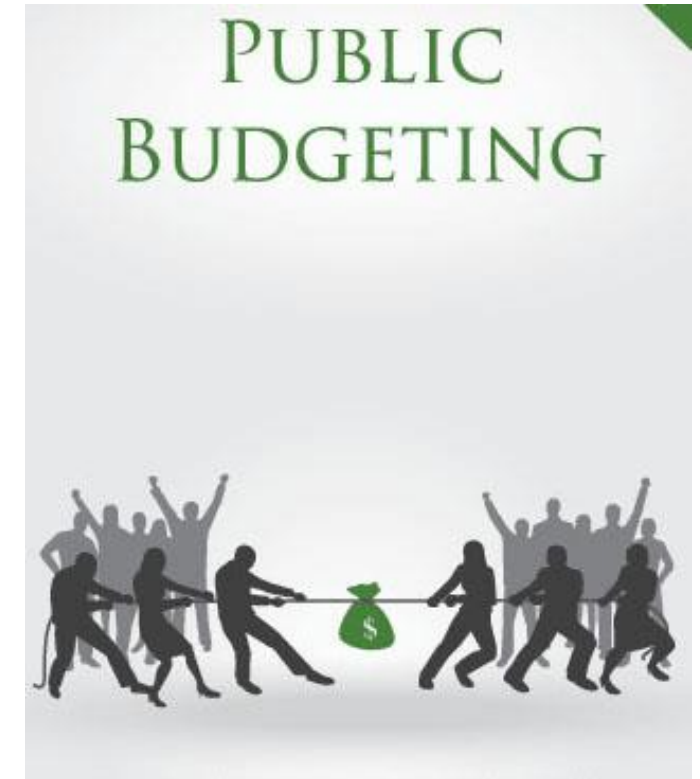




Legislative Update

FY 24 Budget

- Dwindling surplus
- Income tax rollback
- EITC increase
- SOAR funding/economic development
- Cuts to Exec Budget in subcommittee budgets
- May Consensus Revenue Estimating Conference





Legislative Update

Legislation of Interest

- **Solar PILT:**
 - Reintroduction: HBs 4317-18 (Reps. VanderWall, R-Mason, & Neeley, D-Genesee)
 - \$7,000 per MW
 - Distribution based on % of millage
 - Local option
- **Rail grade separation:**
 - SBs 124-125 (Sen. Camilleri, D-Wayne)
 - MDOT grant program
 - 20% local match





Legislative Update

Legislation of Interest

- **Criminal Justice Reform Policy Commission:**
 - HB 4173 (Rep. Aiyash, D-Wayne)
 - MAC appointee
 - Analyze corrections data
 - Modify sentencing guidelines
- **Juvenile justice reform:**
 - 18-bill package
 - Increase CCF reimbursement to 75% - community based services only
 - Enhanced screening – risk and mental health
 - Expands MIDC to juveniles





Legislative Update

Legislation of Interest

- **Aggregate mining:**
 - Local pre-emption for permitting
 - Anticipated introduction and fast movement

- **Watershed management:**
 - HBs 4382-83 (Reps. Morse, D-Kalamazoo, & VanderWall, R-Mason)
 - Stormwater management on watershed basis
 - Paid through special assessments
 - Varied eligible activities





Legislative Update

Legislation of Interest

- **Renewable energy:**
 - SB 271 (Sen. Geiss, D-Wayne)
 - 100% renewable by 2035
 - Eliminate coal and non-renewable generation
- **Public notice reform:**
 - HB 4428 (Rep. Coleman, D-Wayne)
 - Online publication
 - Archive and posting retention requirements
 - Distribution to newspapers
 - Annual first-class mailing option
 - Hundreds of trailer bills required





Legislative Update

Issues to Watch

- **Statewide Septic Code:**
 - Anticipated introduction this spring
 - Period inspection requirements
- **Binding arbitration expansion:**
 - HB 4438 (Rep. Breen, D-Oakland)
 - Expansion to county corrections officers
- **Stormwater utility:**
 - Reintroduction expected
 - Stormwater management within municipal boundaries

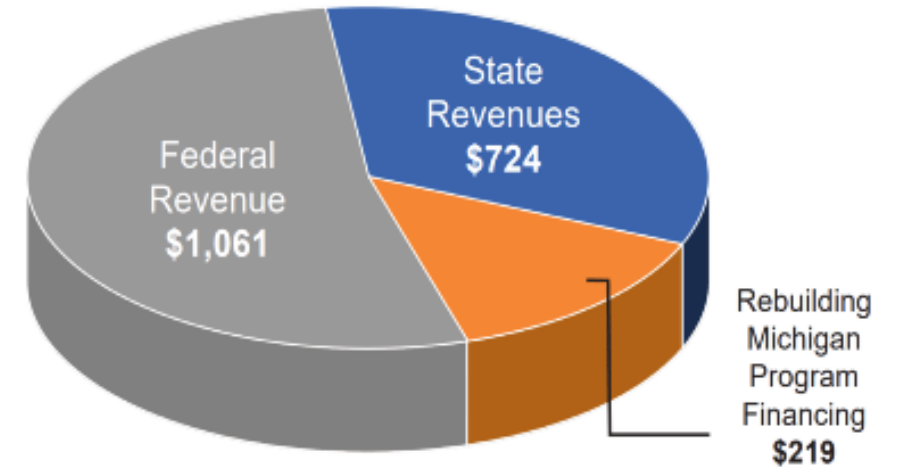




Legislative Update

Issues to Watch

- **Road funding:**
 - Declining gas tax revenue
 - EV market share
 - Urban vs. rural
- **Early warning:**
 - Supplement/supplant EM law
 - Stages of involvement by Treasury
 - Local appointees to assist local boards



2023-2027 Highway Program Estimated Average Annual Revenue, Including Routine Maintenance (in millions)



MAC Advocacy

Internal Committees

- **Appointed by President**
- **Member participation from across state**
- **Areas of focus:**
 - Finance and General Government
 - Environmental and Regulatory Affairs
 - Judiciary and Public Safety
 - Health and Human Services
 - Transportation and Infrastructure
 - Agriculture, Tourism and Natural Resources





MAC Advocacy



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MAC Advocacy



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

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Questions

