



Michigan Counties
Annual Conference

2024



September 24-26, 2024 | Grand Traverse Resort

Legislative Update

Deena Bosworth

MAC Director of Governmental Affairs

Legislative Calendar

November Election

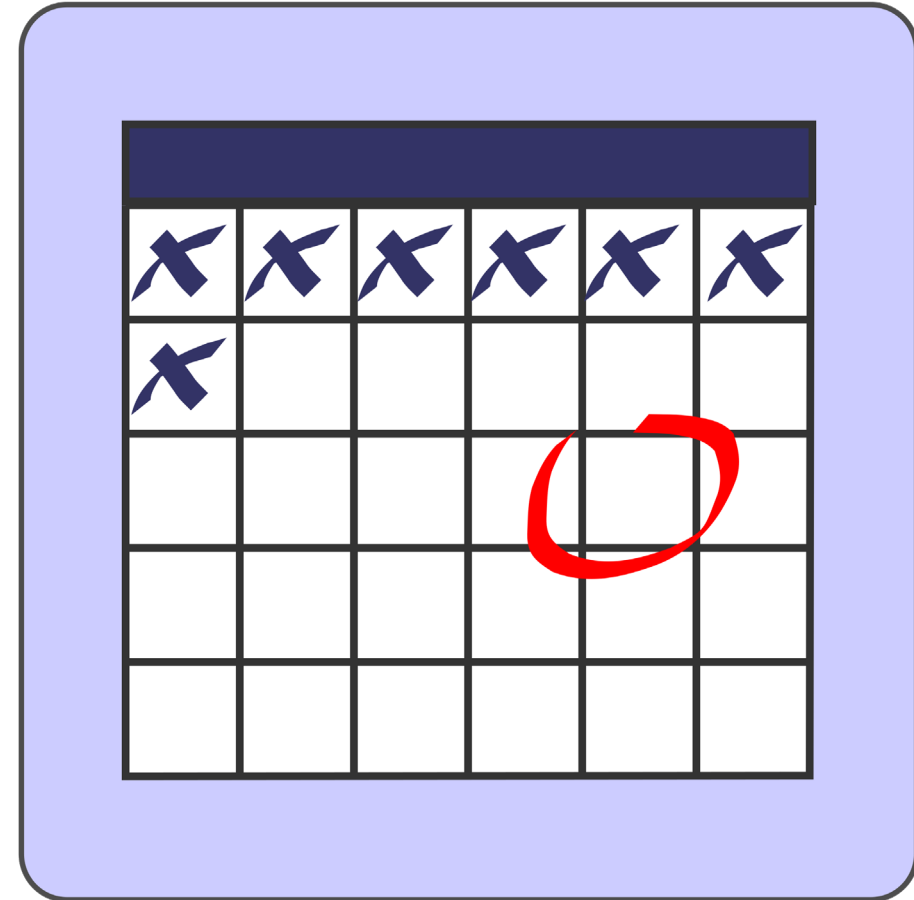
- Control of the House
- Impact on fall and lame duck sessions

Post-summer Session

Lame Duck

- Top three issues
- Governor's SOAR package
- Supplemental budget bill (\$300M)

Sine Die



Top Priority for 2024

Revenue Sharing Trust Fund (HBs 4274-75)

- Tie Revenue Sharing to percentage of state Sales Tax
- Passed the House (Nov. 2023) by 106-4
- Senate Committee on Finance (Chair Cavanaugh, Wayne Co.)
- Bills need to be modified to include distribution model established in the budget

PRIORITY

State Budget

MAC at the State Capitol



FY25 Budget Highlights

Revenue Sharing

- \$30M increase for County Revenue Sharing
- Every county will receive minimum of revenue sharing payment it received in FY24
- All counties will see an increase
- Increase distributed based on a county's inverse relationship to the taxable value compared with the rest of the counties across the state
- County Incentive Program (paper trail hoops) **ELIMINATED!**



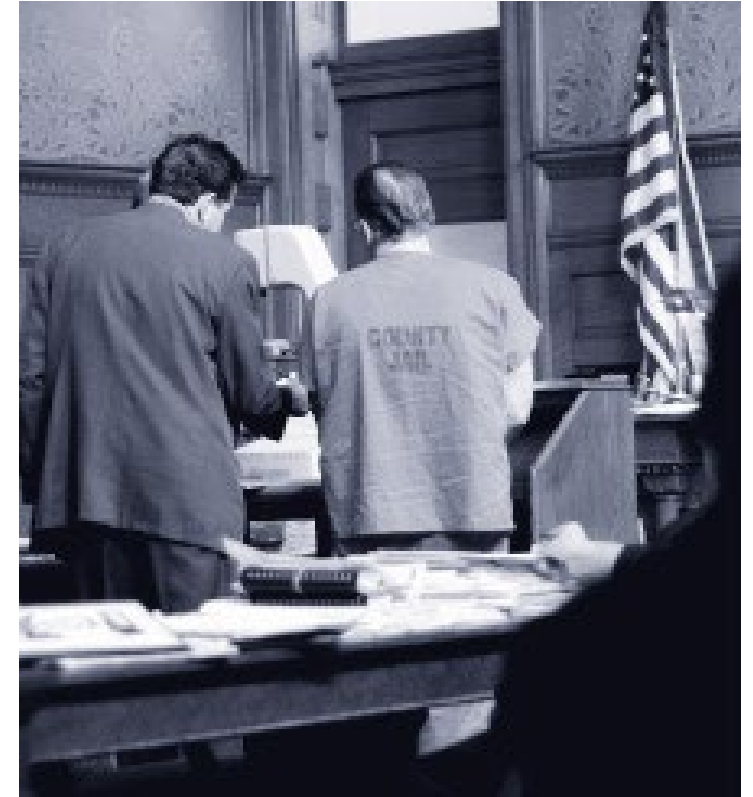
FY25 Budget Highlights

County Jail Reimbursement Program

- \$5 per diem rate increase

Michigan Indigent Defense Commission

- \$37.4M for MIDC standards 1-8
- Local prosecutor support grants
- \$17M for grants to offices of county prosecutors to reduce average caseload per attorney
 - For 15 counties with the most violent caseloads
 - Additional \$1M for Eaton County



FY25 Budget Highlights

Medicaid Coverage for Incarcerated Individuals

- NOT included

Juvenile Justice

- \$10.4M, 16 FTEs, to support staffing at the two state residential facilities: Bay Pines and Shawono Center
- Runaway and Homeless Youth Grants
 - Allocates \$5.3M to support program expansion
 - \$3.2M to 18 counties currently unserved by a runaway and homeless youth program
 - \$1.1M to 19 counties for infrastructure expansion
 - \$1.1M to 19 counties to upgrade technology and facilities



FY25 Budget Highlights

Certified Community Behavioral Health Clinics (CCBHCs)

- \$161.8M, 12 FTEs to expand into additional counties

Opioid Healing and Recovery Fund

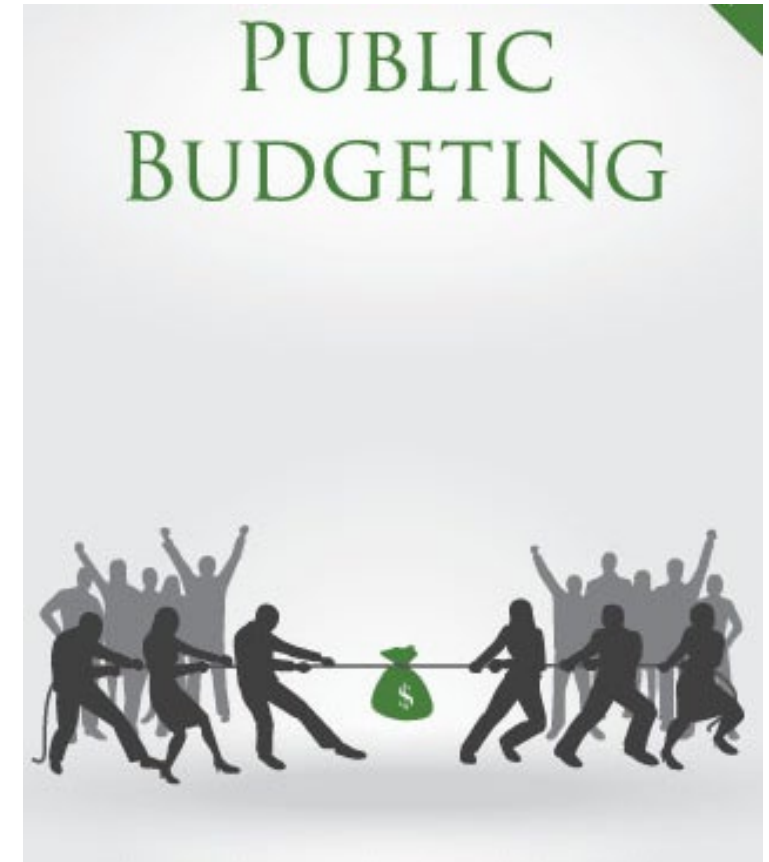
- \$25M on a one-time basis for regional community health entities (PIPHs)

Ground Emergency Medical Transport (GEMT)

- \$500,000 one-time to create system of recording/accepting Medicaid reimbursement for emergency transport services

County Child Care Fund

- \$9.1M increase



Victories

MAC at the State Capitol



Victories

Juvenile Justice (November 2023)

- Child Care Fund reimbursement increase from 50% to 75% for community-based services
- Expands diversion through use of risk and mental health screening tools
- Requires risk and needs assessments and reassessments every 6 months
- State Appellate Defenders Office to oversee appellate defense for juveniles
- Eliminates most fines and fees for juveniles
- Signed by Lt. Gov. Gilchrist



Victories

Trial Court Funding

- **Public Act 38 of 2024**
 - Extends sunset on authority for courts/judges to impose fees on criminal defendants to Dec. 31, 2026
- **Trial Court Funding Commission (TCFC)**
 - Provided recommendations to legislature in 2019
 - PA 47 of 2024 requires SCAO to conduct data collection on court costs, revenue, etc. and provide report to legislators by May 1, 2026
 - Next steps:
 - SCAO will begin data collection and survey processes to inform Legislature before revisiting TCFC recommendations



Victories

Lake Levels

- SB 662 (PA 112 of 2024)
 - Allows for variation of lake level without going to circuit court in every case
 - Allows the lake level district to seek interim financing

Governmental Immunity

- HB 4486
 - Moved without stripping counties of governmental immunity



Offense

MAC at the State Capitol





Offense

Veterans Property Tax Reimbursement (SBs 95-96 & 454-455; HBs 4741 & 4894-95)

- Came close to completion during lame duck of last session
- Reintroduced this year by Republicans and Democrats
- No movement
- Estimated price tag for full reimbursement: \$175M



Offense

Dark Stores (HBs 5865-66)

- Prohibit use of deed-restricted properties in comparable sales method
- Require Tax Tribunal to state findings of fact and conclusions of law for each of the following valuation approaches:
 - Market approach
 - Replacement approach
 - Comparable sales approach
 - Highest and best use approach

Offense

Public Act 152: 80/20 Cap

- Legislation being drafted to either repeal the act or amend the act to reset the cap and tie to a different inflationary factor





Offense

Ground Emergency Medical Transport

- HB 5695 requires MDHHS to apply for a federal waiver, thus allowing counties who provide emergency transport services to Medicaid recipients to be reimbursed for their services
- \$500,000 (one-time) in FY25 budget to create a system of recording and accepting Medicaid reimbursement for emergency transport services



Offense

Tipping Fees

- Governor proposed increasing fees to \$5 per ton
 - Was not included in the budget
- HB 5333 increases fee from \$0.36/ton to \$0.72/ton
 - 25% of revenue to locals, 75% to state
- **MAC prefers** funds utilized for long-term implementation of new Materials Management Plans and waste infrastructure

Defense

MAC at the State Capitol





Defense

Statewide Sanitary Code (SBs 299-300)

- 5-year evaluation cycle for all septic tanks
- Eliminates point-of-sale ordinances
- Latest drafts include:
 - Prioritization of high-risk tanks:
 - Systems older than 30 years
 - Within 300 feet of body of water
 - Systems that did not receive a permit for initial construction
- 10-year phase-out of Point of Sale ordinance
- 10-year inspection cycle
- **MAC opposed**
 - Local control/decision-making
 - Financial support for both health departments and residents



Defense

Polluter Pay (SBs 605-611)

- Remedial Action & Due Care
 - Baseline environmental assessment
 - Due care plan
 - Monitoring and reporting every 5 years
- Criteria
 - Residential cleanup (highest level) unless technically infeasible
- Removal of Criteria from Rules
 - EGLE could circumvent rule-making process – cleanup criteria not subject to rules
- Financial Assurance
 - Bond for 70% of estimated response activity costs if all polluting materials on site released



Defense

Polluter Pay (SBs 605-611) (cont.)

- Statute of Limitations Emerging
 - Any emerging contaminate would require new remediation
- Medical Monitoring
 - If contact with contaminate, medical monitoring benefits
- Statute of Limitations for Discovery
 - SOL for environmental claims would begin when contamination discovered
 - New owner could rediscover contamination that may have been remediated to an older standard and potentially seek damages
- EGLE and sponsors on different pages
- MAC opposes with business groups



Defense

Juror Reform (HBs 5689-93)

- Increase rate of compensation
- MAC fought this unfunded mandate and recent bill drafts have remedied this, adding \$10M of state dollars into juror compensation reimbursement fund
- Counties will not have to contribute to increased costs associated with increasing the rate of juror compensation
- No movement



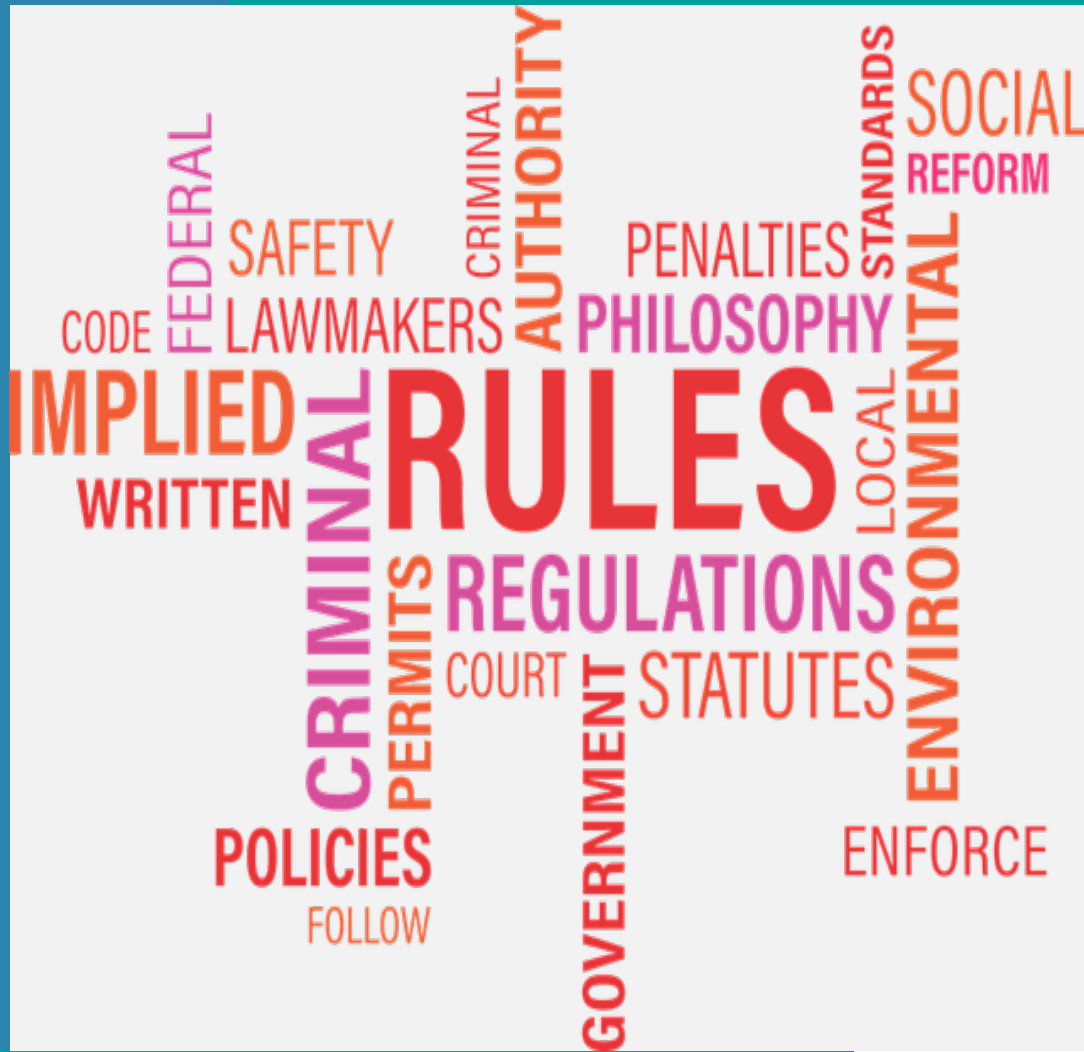
Defense

Data Centers (HBs 4905-06)

- Sales and use tax exemption for data center equipment to 2050; to 2065 on brownfield sites
- Could affect revenue sharing if RSTF bills are enacted
- MAC opposed

Aggregates (HBs 4526-28)

- Prohibits local regulation of sand and gravel mining and trucking
- MAC opposed
- No movement



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Defense

EGLE Rule-making Authority

- SB 663 reinstates EGLE rule-making authority for Part 31 of Natural Resources and Environmental Protection Act
- Significant socioeconomic impacts
- Changes should be statutory and debated

Minimum Staffing/Collective Bargaining

- HB 4688: Minimum staffing levels to the list of items to be negotiated at bargaining table
- MAC opposed
- Passed committee – still on House floor

Evolving Issues

MAC at the State Capitol





Evolving Issues

Renewable Energy Siting

- MAC opposed PA 233, which allows developers to site projects through MPSC rather than a local unit, under certain circumstances.
- Compatible Renewable Energy Ordinance (CREO)
- MPSC drafting rules to assist in compliance efforts
- Ballot campaign to repeal the provision usurping local control failed in 2024



Evolving Issues

Economic Development

- \$6 billion economic development package
 - \$600M per year for 10 years
 - Expanded to include housing, transit and local “placemaking”
 - Stalled in June – still on the table for lame duck

Evolving Issues

Retroactive Proceeds

- Michigan Supreme Court ruled in *Schafer v. Kent County*
 - Allows for a 6-year lookback to 2014 for claims
 - Surplus proceeds will be determined based on December 2020 amendment to General Property Tax Act
 - Counties in *Wayside Church v. Van Buren Class Action Settlement* should not be affected by this ruling





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Evolving Issues

- **Improved Workforce Opportunity Wage Act**
 - Minimum Wage to ~ \$12.40 on Feb. 21, 2025
 - Phase-out of the tip credit by 2029
- **Earned Sick Time Act**
 - 72 hours of sick time each year (40 hrs. for small businesses)
 - Full-time, part-time, seasonal and temporary
 - Cannot require a note until after 3 consecutive days off
- **MAC anticipates changes this fall**

Preparing for Lame Duck

Issue Briefs

- Revenue Sharing Trust Fund
- Polluter Pay – Attack on Redevelopment
- Minimum Staffing
- Statewide Septic Code
- Paid Leave Time
- Unfunded Mandates



How Commissioners Can Help

- Briefs available on MAC website
- Reach out to your legislators with your position on the bills
- Watch for email alerts from MAC
- Call or email staff with any questions

MAC Governmental Affairs Team



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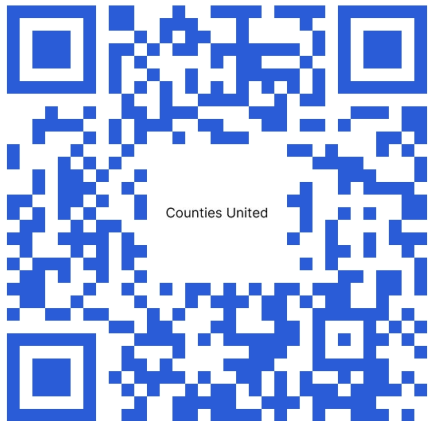
Governmental Affairs
Assistant



Counties United: Coming in 2025!

Why donate to MACPAC?

- Policy decisions in Lansing can change the duties, resources and direction of county government
- To ensure the best possible local governance for Michigan residents, county leaders need to work in partnership with state officials.
- Your donations to MACPAC foster this relationship
- MACPAC assists state legislators who support public policies that benefit counties and county government





Counties United Benefits



Member

- Any contribution to MACPAC is appreciated and makes you a member

Bronze (\$50-\$99 annually)

- Political updates from MAC's Governmental Affairs Team, political pundits, pollsters and more

Silver (\$100-\$249 annually)

- Bronze benefits, plus MACPAC-branded merchandise

Gold (\$250-\$499 annually)

Bronze and Silver benefits, plus entry to a special event at conferences and invitation to County Caucus event in Lansing

Platinum (\$500+ annually)

Bronze, Silver and Gold benefits, plus Legislative VIP Day in Lansing with MAC's Governmental Affairs Team and recognition during conference presentation

