



Legislative Update

Deena Bosworth

MAC Director of Governmental Affairs

April 8, 2025

Overview

- 102nd Legislature Recap
- What Made it Through Lane Duck
- What Died in Lane Duck
- What is in Limbo
- 103rd Legislature
- MAC Priorities
- Executive Budget Recommendation
- Policy Bills: Moved and Moving

102nd Legislature Recap

One-party Rule

- House 56-54, D
- Senate 20-18, D
- Governor, D

2024 Elections

- Republicans win House, 58-52
- Senate loses member, 19-18
- House GOP boycott in lame duck

What Made it Through Lame Duck?

Ground Emergency Medical Transportation

- PA 275 of 2024
- Requires DHHS to submit a Medicaid State Plan Amendment to allow municipally owned ambulance services to receive full reimbursement from Medicaid
- Current reimbursement is only at approximately 82%

What Died at End of Lame Duck?

- Revenue Sharing Trust Fund
- Public Safety and Violence Prevention Fund
- Continuing Care Property Tax Exemption
- Senior Property Tax Exemption
- Veterans Property Tax Reimbursement
- Big Box Changes
- Short-term Rentals
- Zoning Preemption
- Aggregate Mining
- Minimum Staffing
- Family Leave Optimal Coverage
- Marijuana Statute Consolidation

9 Bills Not Presented to Governor

- House Bill 6058 (PA 152) - Publicly Funded Health Insurance
 - Increase hard cap
 - 80% floor
 - Faulty inflationary mechanism
- Lawsuit to force House to Present
- SCAO Declined to Mandate
- House Speaker Won't Send

103rd Legislature

Senate

- McDonald-Rivet to Congress
- Majority down to 19-18 + Lt. Governor
- No special election called yet

House

- GOP Majority of 58-52
- New House Leaders
- Speaker Matt Hall (R-Kalamazoo)
- House Minority Leader Ranjeev Puri (D-Wayne)

103rd Legislature

- No Local Government Committee
- New Rules Committee
 - Chaired by Rep. Bill Schuette (R-Midland)
 - Review of all bills that amend administrative rule authority
 - No full House passage without committee's OK
- Expanded House Oversight Committee
 - Chaired by Rep. Jay DeBoyer (R-St. Clair)
 - 6 subcommittees with blanket subpoena power
 - Focus on audits, spending and department overreach

103rd Legislature

- House Rule Changes - Budget
- House Rule 52
 - Legislatively directed spending
 - In writing 2 weeks prior to April 1 and posted on-line
 - Earmarks only, not general appropriations
 - Immigration policies
 - Official letter from the municipality stating:
 - No rules, policies or ordinances contain language that in any way subverts immigration enforcement
 - That the municipality will comply with federal immigration law

MAC's 2025 Priorities

- Revenue Sharing Trust Fund
- Veterans Property Tax Reimbursement
- Earned Sick Time Act
- Trial Court Funding
- Road Funding

Governor's Budget – FY26

- Revenue Sharing: 3.6% increase in base; neglects TV payment
- Public Safety and Violence Prevention Fund: \$75 million
 - Distribution based on crime rate
 - No allocation for counties in budget bill
- Tipping Fee Increase: \$80 million
- Vaping Tax
- No Road Funding Plan Yet

Policy: What has Already Moved?

Earned Sick Time Act

- House Bill 4002 (now PA 2 of 2025)
- Accrue 1 hour of paid earned sick time for every 30 hours worked
- Option of frontloading 72 hours of earned sick time
 - No tracking of accrual, no requirement for carryover unused time or payout for unused time
- Defines allowable uses of the time
- Documentation of uses only if it is used for 3 consecutive days

Minimum Wage

- Senate Bill 8 (now PA 1 of 2025)
- Feb. 21, 2025: \$12.48
- Jan. 1, 2026: \$13.73
- Jan. 1, 2027: \$15.00

Policy: House Road Funding Plan

- Nine-bill package
- \$3.15 billion in total
- Corporate Income Tax shifts
- Sales tax at the pump replaced with gas tax toward roads
 - Schools and CVT's held harmless
- Minimum 97 percent increase to counties
- Current county road funding: \$1.286 billion
- Total allocation under the plan: \$2.641 billion
- Concern for health of General Fund

Policy: MIDC Expansion

House Bill 4170

- Expands scope of MIDC to juvenile defense
- Adds a juvenile defense expert to the commission
- Gives authority to MIDC to define indigency
- Changes fund distribution
- MAC seeking amendments to:
 - Statutorily set determination of indigency – not MIDC
 - Retain current distribution model
 - Seek supplemental funding for prosecutor pay

Public Safety/Violence Prevention Fund

House Bills 4260-61

- Carve out 1.5% of sales tax distributed thusly:
 - First \$75 million:
 - 2% - MDHHS for administration
 - 2% - Crime Victims Rights Fund
 - Remainder to CVTs that provide/contract police; proportional to share of violent crime
 - Dollars above \$75 million:
 - Applicant counties; distributed proportionately to size of police force
- Funding continues so long as there is a decrease in crime rate



Questions?

Deena Bosworth, Director of Governmental Affairs

Jimmy Johnson, Governmental Affairs Specialist

Legan Rose, Governmental Affairs Associate