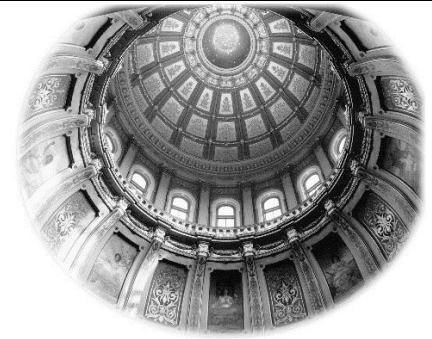


CAPITOL NEWS UPDATE

WEEK OF July 25, 2014

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CANVASSERS REJECT MINIMUM WAGE INITIATIVE

The State Board of Canvassers, on a 3-1 vote Thursday, declined to certify the \$10.10 per hour minimum wage initiative put forth by the Raise Michigan coalition.

The action came after the Michigan Secretary of State's election bureau had first determined there were 1,668 more valid petition signatures than were required.

However, the restaurant-backed People Protecting Michigan Jobs (PPM) had earlier, prior to the July 11 deadline, challenged the petitions, saying there were not enough valid signatures...and on Wednesday filed an additional challenge citing signatures in the sample pulled by the Secretary of State's office were duplicated elsewhere in the total number of signatures.

Upon review, the Bureau of Elections staff found enough duplicates to render the initiative insufficient to which the Board of Canvassers rejected the initiative despite the objections of Mark Brewer, legal counsel for Raise Michigan, who argued the challenge came too late.

PPMJ has argued the effort was moot because the legislature had repealed the law and in separate action raised the minimum wage to \$9.25 by 2018 and repealed the law that the initiative petition seeks to amend.

So at this point, the initiative will not be on the November ballot. However, Raise Michigan said a lawsuit is possible, although no final decision has been made.

DETROIT 'GRAND BARGAIN' GAINS MORE SUPPORT

City of Detroit retirees and current members of the city's two public pension plans have said "yes" to the "Grand Bargain" designed to significantly lessen benefit cuts through Detroit's bankruptcy proceedings. The measure sets aside \$816 million in state, public and private funds.

The vote also protects the Detroit Institute of Arts collection by making it an independent entity and clears the way for the final phase of the City's Chapter 9 bankruptcy case.

However, financial creditors are holding out in an attempt to gain back some \$1.4 billion they lent the city to help fund pensions when Kwame Kilpatrick was mayor.

The "Grand Bargain" still must be approved by the Bankruptcy Court to be officially adopted. The bankruptcy trial is scheduled to begin Aug. 14.

NO ATTENDANCE, NO VOTES TAKEN, BUT...

Attendance was not taken and no votes were requested during the first day of two scheduled session days this month; however some committees were at work putting some legislation in place for the fall session.

MEDICAL MARIJUANA

On a 3-1 vote, the Senate Government Operations Committee approve legislation (HBs 4217 and 5104) that would allow medical marijuana to be dispersed at provisioning centers and non-smokeable medical marijuana to be used.

But Senate Majority Leader Randy Richardville (R-Monroe) said more work on the bills would continue because he won't vote for the measures as they passed out of committee.

The Michigan State Police and Attorney General's Office have voice strong objections to the bills.

EXPERIMENTAL MEDICATION

Meanwhile, the Senate Health Policy Committee approved legislation (SB 0991), known as the "Right to Try" bill that would allow terminally ill patients in Michigan better access to experimental medication.

However, whether the measure will actually help patients get their hands on medication that could save or prolong their lives isn't clear.

None of the state's pharmaceutical companies are jumping on board with the bill, primarily because the federal issues in getting Phase 1 experimental drugs into the hands of Stage 4 cancer patients is nothing the measure is likely going to fix.

E-CIG COMPROMISE BILL INTRODUCED

Legislation (SB 1018) that would tax alternative nicotine products and vapor products used in e-cigarettes has been introduced in the Senate.

Senate Majority Leader Randy Richardville (R-Monroe) said he introduced what he hoped would be a compromise on the issue after meeting early last week with Gov. Rick Snyder.

The measure would tax moist snuff, alternative nicotine and vapor products beginning in 2015.

Both the House and Senate have passed three bills that would ban minors from buying or using e-cigarettes, but the chambers have held the enrolled bills to prevent Snyder from vetoing them.

So with the House having 27 more session days schedule this calendar year and the Senate closing in with 25 scheduled session days, there are a lot of legislative issues still awaiting action, not the least of which is a solution to the state's crumbling roads and bridges.

GREIMEL: NO ROAD FIX SEEN SOON

House Minority Leader Tim Greimel (D-Auburn Hills) doesn't think Michigan motorists will be driving on cushiony roads anytime soon.

Greimel says lawmakers don't want to take a tough vote on issues prior to the November election so that may push any road funding fix into the lame duck session.

Greimel added the House Democrats remain committed to finding more money for the roads but there also needs to be tax relief and tax fairness for citizens in the solution.

MORE TROUBLE FOR ARAMARK

If food shortages, non-approved food substitutions, cozying up between Aramark employees and prisoners, and maggot problems on the foodlines wasn't enough, four Aramark food service employees were recently fired for an alleged "sexual romp" with inmates inside an Ionia prison's walk-in cooler.

The latest revelation is putting added pressure on Gov. Rick Snyder to cancel Aramark's contract that has been in place since last December.

The Michigan Corrections Organization (MCO) that represents the corrections officers, has called for Aramark's contract to be cancelled and Senate Majority Leader Randy Richardville, (R-Monroe) wants the contract rebid.

AUDIT CRITICAL OF ADULT PROTECTIVE SERVICES

A highly critical state audit alleges Michigan's Adult Protective Services (APS) unit has failed to investigate some abuse complaints and failed to alert law enforcement for some abuse complaints where there appeared to be criminal activity.

However, the Department of Human Services, where the APS unit is housed, rebutted some of the cases in response to the audit and also released a detailed timeline of improvements it will undergo. In addition, two APS supervisors were removed from their positions and relocated elsewhere within the DHS.

DHS Director Maura Coorigan said accountability and the chain of command appeared to be weak points that contributed to the auditor general's findings.

POLITICS AND POLLS

If at first you don't succeed...After two failures, Wayne County Circuit Court Judge Deborah Thomas has announced she will make a third try to get the Democratic Party nomination for a spot on the Michigan Supreme Court. She plans to run for the partial-term seat currently held by Justice David Vivian, who was appointed by Gov. Rick Snyder in 2013.

M M & A BRIEFS

Hunter-backed initiative is certified. The Board of State Canvassers (BSC) has approved the hunter-backed initiative that would protect the Legislature's and Natural Resources Commission's (NRC) abilities to designate wolves and other animals as game species. The measure now goes to the Legislature. If the Legislature does not act, the initiative would then join those referenda on the November ballot and voters will have three wolf hunt-related issues to vote on.

National Study: Michigan charter schools rank well. A study conducted by the University of Arkansas has found Michigan is among 29 states with charter schools that are more cost effective and have a higher return on investment than traditional public schools. The new study, "The Productivity of Public Charter Schools," found for every \$1,000 invested in charter school students, Michigan sees learning gains 34.6 percent higher in math, and 35.9 percent higher in reading.

MESP fees drop, college savings increase. With total Michigan Education Savings Program (MESP) assets now at \$4 billion, the total annual asset-based administrative fees have dropped nearly 17 percent which means more of the investors' funds go toward college savings goals and less toward management fees, according to State Treasurer Kevin Clinton. The current decrease follows a 25 percent drop in administrative fees in October 2013. MESP's administrative fees have regularly been recognized as among the lowest of all direct-sold 529 college savings program in the country.

CALENDAR OF IMPORTANT EVENTS

- August 1 Sen. Tanya Schuitmaker (R-Lawton) Annual Golf Outing
Location: 9 a.m., Heritage Glen, Paw Paw
- August 5 PRIMARY ELECTION DAY
- September 1 LABOR DAY (State offices will be closed)